

Second Quarter 2024 Financial Results

July 18, 2024



We protect and
beautify the world®

Forward-Looking Statements

This presentation contains forward-looking statements that reflect the Company's current views with respect to future events and financial performance. You can identify forward-looking statements by the fact that they do not relate strictly to current or historic facts. Forward-looking statements are identified by the use of the words "aim," "believe," "expect," "anticipate," "intend," "estimate," "project," "outlook," "forecast" and other expressions that indicate future events and trends. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our reports to the Securities and Exchange Commission. Also, note the following cautionary statements:

Many factors could cause actual results to differ materially from the Company's forward-looking statements. Such factors include statements related to the effects on our business of COVID-19, global economic conditions, geopolitical issues, increasing price and product competition by our competitors, fluctuations in cost and availability of raw materials, energy, labor and logistics, the ability to achieve selling price increases, the ability to recover margins, customer inventory production levels, our ability to maintain favorable supplier relationships and arrangements, the timing of and the realization of anticipated cost savings from restructuring and other initiatives, the ability to identify additional cost savings opportunities, the timing and expected benefits of our acquisitions, difficulties in integrating acquired businesses and achieving expected synergies therefrom, economic and political conditions in the markets we serve, the ability to penetrate existing, developing and emerging foreign and domestic markets, foreign exchange rates and fluctuations in such rates, fluctuations in tax rates, the impact of future legislation, the impact of environmental regulations, unexpected business disruptions, the unpredictability of existing and possible future litigation, including asbestos litigation and governmental investigations. However, it is not possible to predict or identify all such factors. Consequently, while the list of factors presented here and under Item 1A of PPG's 2023 Form 10-K is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in the results compared with those anticipated in the forward-looking statements could include, among other things, lower sales or earnings, business disruption, operational problems, financial loss, legal liability to third parties, other factors set forth in Item 1A of PPG's 2023 Form 10-K and similar risks, any of which could have a material adverse effect on the Company's consolidated financial condition, results of operations or liquidity.

All of this information speaks only as of July 18, 2024, and any distribution of this presentation after that date is not intended and will not be construed as updating or confirming such information. PPG undertakes no obligation to update any forward-looking statement, except as otherwise required by applicable law.

Second Quarter 2024 Highlights

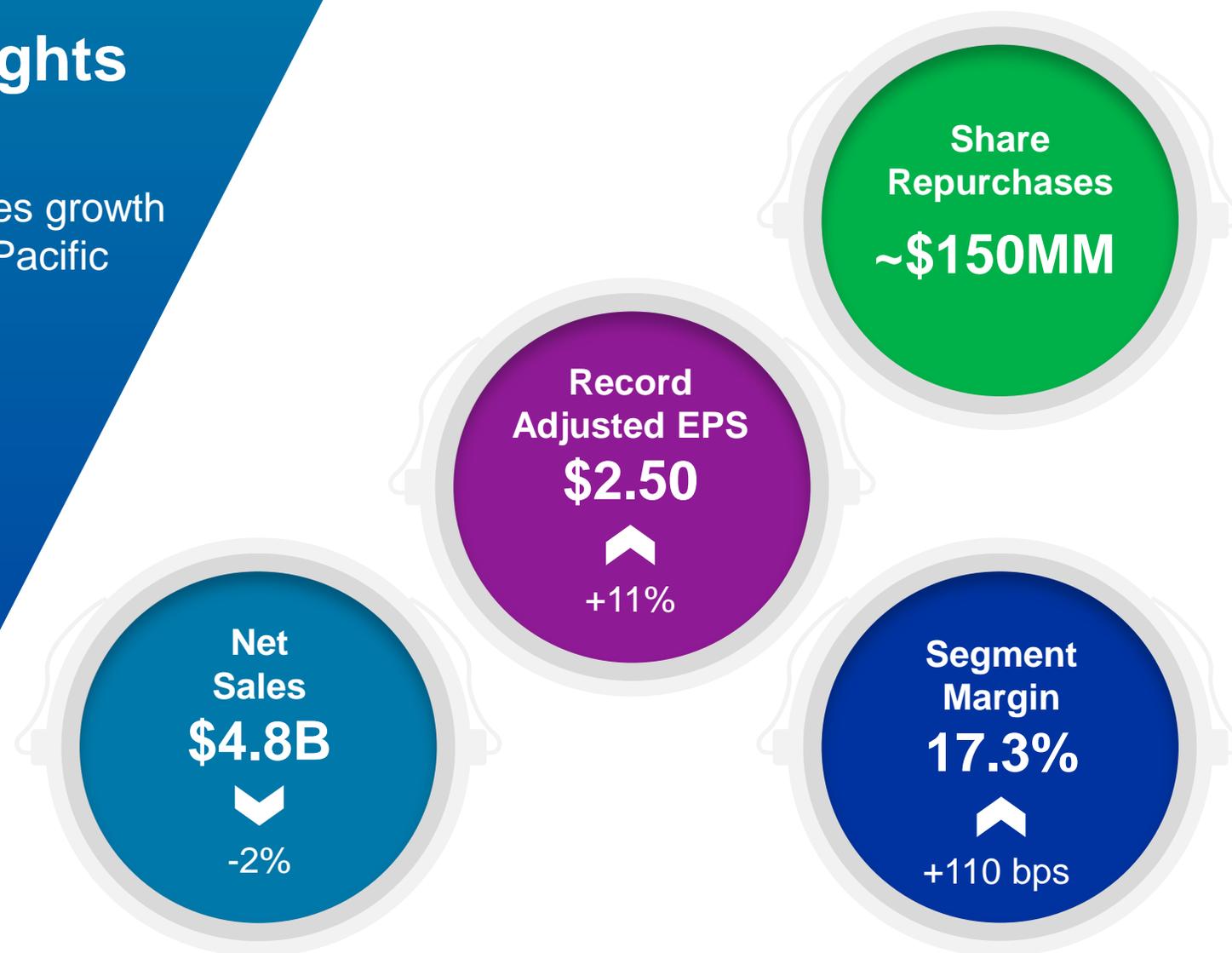
Record aerospace net sales; solid organic sales growth in architectural coatings – Americas and Asia Pacific

Sluggish demand in Europe and soft automotive and industrial production

Refinish organic sales negatively impacted by record prior-year comp

Solid sales growth in Mexico, China and India

Seventh consecutive quarter of YOY segment margin improvement

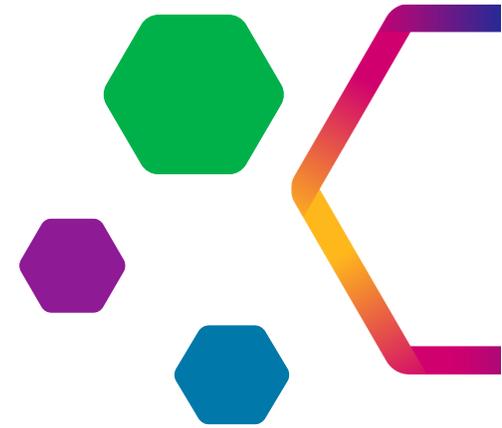


Note: All changes versus same quarter last year. Organic sales defined as net sales excluding the impact of currency, acquisitions and divestitures. See Appendix for reconciliation of Adjusted EPS and Segment Margin. Segment Margin defined as total segment income as a percentage of net sales.

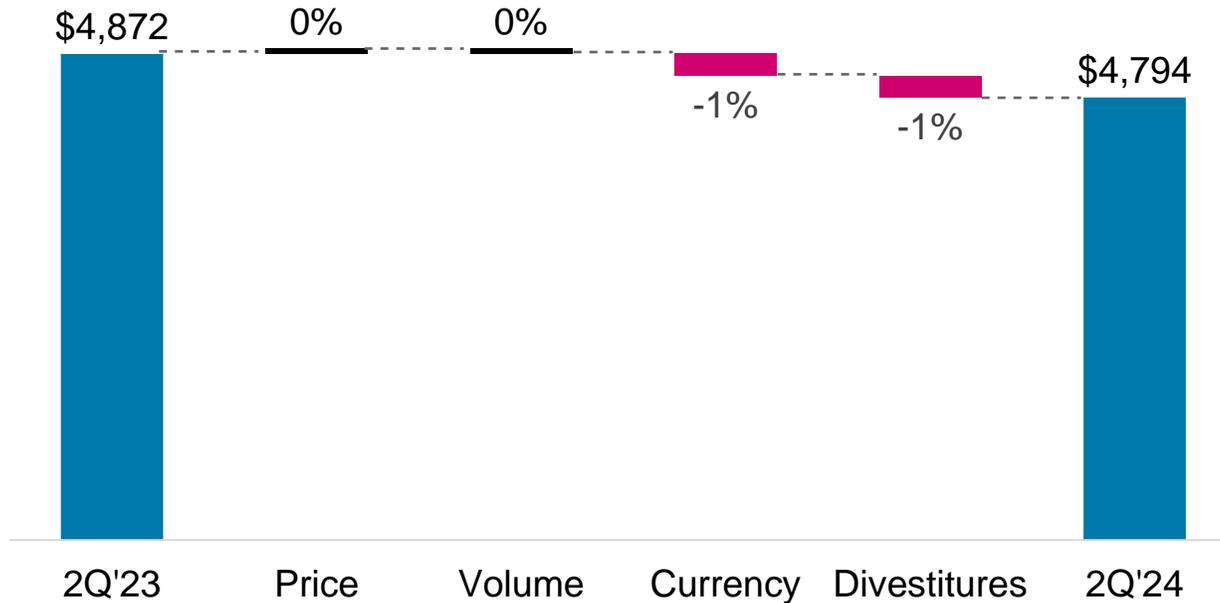


Second Quarter Net Sales

Organic sales flat YOY in an increasingly challenging macro-economic environment



Net Sales
(\$ in millions)



- ✓ Selling prices: Flat with targeted increases offset by index-based pricing in certain customer contracts
- ✓ Volumes: Flat with growth in aerospace, architectural coatings in the Americas and packaging; offset by refinish, automotive OEM and soft European demand
- ✓ Divestitures: Traffic solutions in Europe and Australia in 4Q'23 and in Argentina in 2Q'24

Operating Environment Heading Into 3Q 2024

Watching

- Geopolitical environment
- Consumer spending
- European demand recovery
- Supplier anti-dumping cases
- Chinese consumer sentiment



Positives

- Aerospace recovery and order backlog
- Mexico economic growth
- Share gain in aerospace, packaging, and refinish
- Price – targeted increases
- Raw material availability
- Infrastructure spending



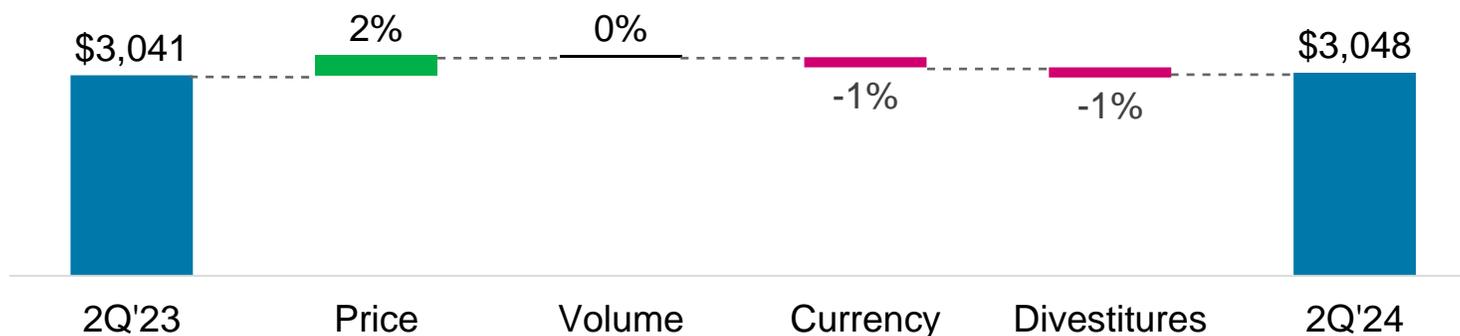
Challenges

- U.S. existing home sales, multi-family construction
- Soft global auto and industrial production
- Skilled labor availability
- Higher global tax rates
- Lag impacts from higher interest rates

Performance Coatings

Organic sales up 2% driven by targeted price increases

Net Sales
(\$ in millions)



Highlights

- Positive margin progression driven by targeted price increases and moderating input costs
- Solid organic sales growth in aerospace and architectural coatings in the Americas
- Soft consumer confidence impacting architectural EMEA
- Refinish 2Q'24 organic sales negatively impacted by record prior-year comp
- Strong sales volume in traffic solutions

2Q'24
Segment
Margin

18.7%

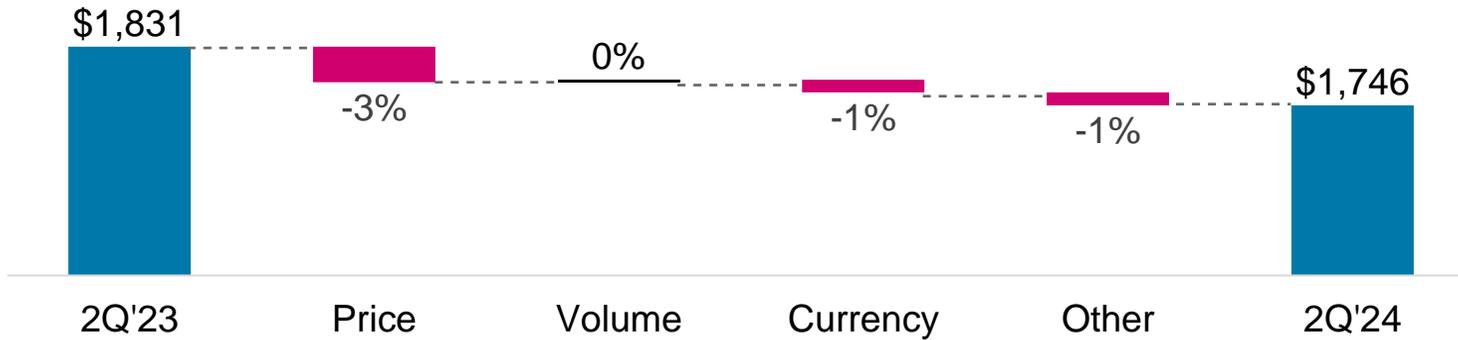
+100 bps YOY

Organic Sales	2Q'24 Results	3Q'24 Outlook
Aerospace	▲ DD	▲ DD
Refinish	▼ MSD	▲ MSD
Architectural EMEA	▼ LSD	▼ LSD
Architectural Americas & AP	▲ LSD	▲ LSD
Protective & Marine	▬ Flat	▲ LSD
Traffic Solutions	▲ LSD	▲ MSD
Performance Coatings Segment	▲ LSD	▲ MSD

Industrial Coatings

Continued YOY margin improvement

Net Sales
(\$ in millions)



Highlights

- YOY margin improvement driven by moderating input costs offset by lower selling prices
- Pricing decline driven by index pricing on certain contracts
- Soft Auto OEM sales volume in the U.S. and Europe partially offset by China and Mexico
- 2Q industrial sales volume growth +MSD in Asia Pacific offset by other regions
- Strong sales volume growth in packaging coatings and consumer electronics

2Q'24
Segment
Margin

14.8%

+110 bps YOY

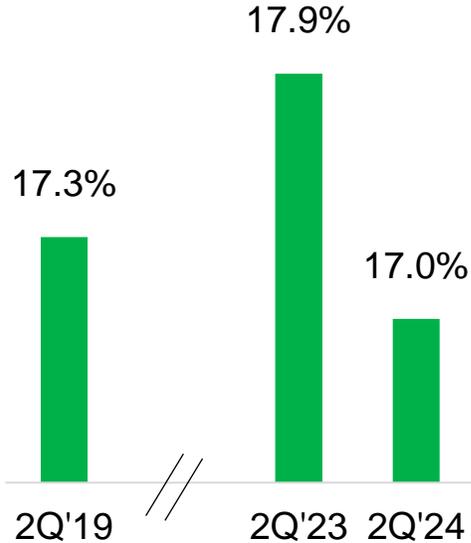
Organic Sales	2Q'24 Results	3Q'24 Outlook
Auto OEM	▼ HSD	▼ HSD
Industrial	▼ LSD	▼ LSD
Packaging	▲ MSD	▲ MSD
Industrial Coatings Segment	▼ LSD	▼ LSD



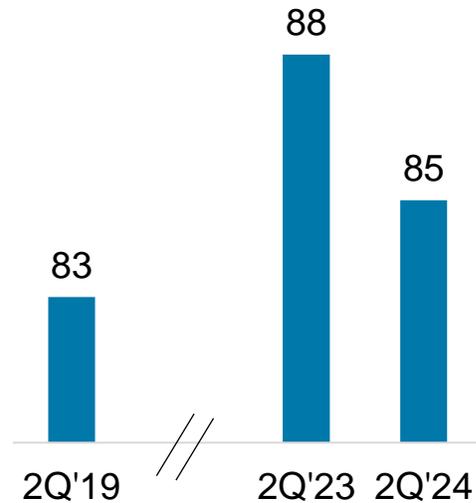
Balance Sheet Metrics

Solid progress on normalizing inventory

Working Capital as a Percent of Sales



Days of Inventory



2Q'24 Activity



\$1.2B

Cash balance
June 30, 2024



\$5.2B

Net debt
June 30, 2024



~\$210MM

Inventory Reduction
YOY



~\$150MM

Share Repurchases

ESG Report Issued in May 2024: Solid Progress in 2023



12%↓
Reduction in
Scope 3
GHG Emissions



13%↓
Reduction in Water
Intensity at Priority Sites
in Water Scarce
Communities



10%↓
Reduction in
Scope 1 and 2
GHG Emissions



44%
Sales from Sustainably
Advantaged Products



97%
Key Suppliers Assessed to
Sustainability and Social
Responsibility Criteria



45%
Process Waste Sent
to Reuse, Recycle and
Recovery



\$18MM
Global Giving in 2023



Third Quarter and Full-Year 2024 Financial Projections

Category	Third Quarter 2024	Full Year
Total organic sales (YOY)	Flat to + LSD	Flat to + LSD
Adjusted EPS	\$2.10 - \$2.20 per share	\$8.15 - \$8.30 per share
Raw material costs (YOY)	Flat to - LSD	- LSD
Corporate expense	~\$75MM to \$80MM	~\$300MM to \$310MM
Net interest expense	~\$24MM to \$28MM	~\$80MM to \$90MM
Restructuring savings (incremental)	~\$8MM to \$10MM	~\$35MM
Capital expenditures		~\$600MM to 650MM
Effective tax rate	~23.5% - 24.5%	~23% - 24%

Appendix



Segment Margin Reconciliation

\$ in millions, except margin %

Performance Segment	2023					2024	
	Q1	Q2	Q3	Q4	FY	Q1	Q2
Segment Margin, As Reported	15.0%	17.7%	15.7%	12.4%	15.3%	15.4%	18.7%
Net Sales	\$2,628	\$3,041	\$2,880	\$2,615	\$11,164	\$2,614	\$3,048
Segment Income	395	537	452	325	1,709	402	570
Amortization	30	28	28	28	114	27	25
Segment Income excluding Amortization	425	565	480	353	1,823	429	595
Segment Margin excluding Amortization	16.2%	18.6%	16.7%	13.5%	16.3%	16.4%	19.5%
Industrial Segment							
Segment Margin, As Reported	13.7%	13.7%	13.9%	13.3%	13.6%	14.7%	14.8%
Net Sales	\$1,752	\$1,831	\$1,764	\$1,735	\$7,082	\$1,697	\$1,746
Segment Income	240	250	246	230	966	249	259
Amortization	11	12	12	11	46	9	11
Segment Income excluding Amortization	251	262	258	241	1,012	258	270
Segment Margin excluding Amortization	14.3%	14.3%	14.6%	13.9%	14.3%	15.2%	15.5%
Total Segments							
Segment Margin, As Reported	14.5%	16.2%	15.0%	12.8%	14.7%	15.1%	17.3%
Net Sales	\$4,380	\$4,872	\$4,644	\$4,350	\$18,246	\$4,311	\$4,794
Segment Income	635	787	698	555	2,675	651	829
Amortization	41	40	40	39	160	36	36
Segment Income excluding Amortization	676	827	738	594	2,835	687	865
Segment Margin excluding Amortization	15.4%	17.0%	15.9%	13.7%	15.5%	15.9%	18.0%

Adjusted EPS Reconciliation

\$ in millions, except EPS

	Total PPG	
	Net Income	EPS ^(a)
Second Quarter 2024		
Net Income from Continuing Operations, As Reported	\$ 528	\$ 2.24
Acquisition-related amortization expense	27	0.11
Business restructuring-related costs, net ^(b)	2	0.01
Portfolio optimization ^(c)	18	0.08
Legacy environmental remediation charges ^(d)	15	0.06
Adjusted Net Income Attributable to PPG	\$ 590	\$ 2.50
	Total PPG	
	Net Income	EPS ^(a)
Second Quarter 2023		
Net Income from Continuing Operations, As Reported	\$ 490	\$ 2.06
Acquisition-related amortization expense	30	0.13
Business restructuring-related costs, net ^(b)	11	0.05
Portfolio optimization ^(c)	3	0.01
Adjusted Net Income Attributable to PPG	\$ 534	\$ 2.25

(a) Earnings per diluted share is calculated based on unrounded numbers. Figures in the table may not recalculate due to rounding.

(b) Business restructuring-related costs, net include business restructuring charges, offset by releases related to previously approved programs, which are included in Other charges/(income), net on the condensed consolidated statement of income, accelerated depreciation of certain assets, which is included in Depreciation on the condensed consolidated statement of income and other restructuring-related costs, which are included in Cost of sales, exclusive of depreciation and amortization and Selling, general and administrative on the condensed consolidated statement of income.

(c) Portfolio optimization includes losses on the sale of non-core assets, including the losses recognized on the sales of the Company's traffic solutions business in Argentina which was completed during the second quarter 2024, which is included in Other charges/(income), net in the condensed consolidated statement of income. Portfolio optimization also includes advisory, legal, accounting, valuation, other professional or consulting fees and certain internal costs directly incurred to effect acquisitions, as well as similar fees and other costs to effect divestitures and other portfolio optimization exit actions. These costs are included in Selling, general and administrative expense on the condensed consolidated statement of income. In 2023, net loss of \$2 million was attributable to noncontrolling interests.

(d) Legacy environmental remediation charges represent environmental remediation costs at certain non-operating PPG manufacturing sites. These charges are included in Other charges/(income), net in the condensed consolidated statement of income.



Thank You For Your Interest In PPG

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