# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**WASHINGTON, D.C. 20549**

# FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**For the quarterly period ended: March 31, 2026**
**or**
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**For the transition period from _______ to _______**
**Commission file number 1-1687**

**PPG INDUSTRIES INC.**
(Exact name of registrant as specified in its charter)

**25-0730780**
(I.R.S. Employer Identification No.)
**Pennsylvania**
(State or Other Jurisdiction of Incorporation or Organization)
**One PPG Place, Pittsburgh, Pennsylvania**
(Address of Principal Executive Offices)
**15272**
(Zip Code)
**(412) 434-3131**
(Registrant's Telephone Number, Including Area Code)
**Not Applicable**
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)
Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, par value $1.66 2/3 | PPG | New York Stock Exchange |
| 1.400% Notes due 2027 | PPG 27 | New York Stock Exchange |
| 2.750% Notes due 2029 | PPG 29A | New York Stock Exchange |
| 3.250% Notes due 2032 | PPG 32 | New York Stock Exchange |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large Accelerated Filer | ☑ | Accelerated Filer | ☐ |
| Non-accelerated Filer | ☐ | Smaller Reporting Company | ☐ |
| | | Emerging Growth Company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

As of March 31, 2026, 222.9 million shares of the Registrant's common stock, par value $1.66 2/3 per share, were outstanding.

**PPG INDUSTRIES, INC. AND SUBSIDIARIES**

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## PART I. FINANCIAL INFORMATION

### Item 1. Financial Statements

### PPG INDUSTRIES, INC. AND SUBSIDIARIES

### Condensed Consolidated Statement of Income (Unaudited)

| | Three Months Ended March 31 | |
|---|---|---|
| *($ in millions, except per share amounts)* | 2026 | 2025 |
| Net sales | $3,930 | $3,684 |
| Cost of sales, exclusive of depreciation and amortization | 2,275 | 2,142 |
| Selling, general and administrative | 885 | 838 |
| Depreciation | 105 | 89 |
| Amortization | 27 | 32 |
| Research and development, net | 113 | 102 |
| Interest expense | 61 | 56 |
| Interest income | (37) | (43) |
| Other income, net | (16) | (34) |
| Income before income taxes | $517 | $502 |
| Income tax expense | 132 | 122 |
| Income from continuing operations | $385 | $380 |
| Loss from discontinued operations, net of tax | — | (2) |
| Net income attributable to controlling and noncontrolling interests | $385 | $378 |
| Net income attributable to noncontrolling interests | (3) | (5) |
| Net income (attributable to PPG) | $382 | $373 |
| Amounts attributable to PPG: | | |
| Income from continuing operations, net of tax | $382 | $375 |
| Loss from discontinued operations, net of tax | — | (2) |
| Net income (attributable to PPG) | $382 | $373 |
| | | |
| Earnings per common share: | | |
| Income from continuing operations, net of tax | $1.71 | $1.64 |
| Loss from discontinued operations, net of tax | — | (0.01) |
| Earnings per common share (attributable to PPG) | $1.71 | $1.63 |
| | | |
| Earnings per common share – assuming dilution: | | |
| Income from continuing operations, net of tax | $1.70 | $1.64 |
| Loss from discontinued operations, net of tax | — | (0.01) |
| Earnings per common share (attributable to PPG) - assuming dilution | $1.70 | $1.63 |

*The accompanying notes to the condensed consolidated financial statements are an integral part of this condensed consolidated statement.*

**PPG INDUSTRIES, INC. AND SUBSIDIARIES**

**Condensed Consolidated Statement of Comprehensive Income (Unaudited)**

| | Three Months Ended March 31 | |
|---|---|---|
| *($ in millions)* | **2026** | **2025** |
| Net income attributable to controlling and noncontrolling interests | $385 | $378 |
| Other comprehensive (loss)/income, net of tax: | | |
| Defined benefit pension and other postretirement benefits | (2) | (5) |
| Unrealized foreign currency translation adjustments | (6) | 281 |
| Other comprehensive (loss)/income, net of tax: | ($8) | $276 |
| Total comprehensive income | $377 | $654 |
| Less: amounts attributable to noncontrolling interests: | | |
| Net income | (3) | (5) |
| Unrealized foreign currency translation adjustments | 6 | (1) |
| Comprehensive income attributable to PPG | $380 | $648 |

*The accompanying notes to the condensed consolidated financial statements are an integral part of this condensed consolidated statement.*

PPG INDUSTRIES, INC. AND SUBSIDIARIES

**Condensed Consolidated Balance Sheet (Unaudited)**

| *($ in millions)* | March 31, 2026 | December 31, 2025 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $1,573 | $2,163 |
| Short-term investments | 51 | 56 |
| Receivables, net | 3,676 | 3,336 |
| Inventories | 2,162 | 1,996 |
| Other current assets | 508 | 408 |
| **Total current assets** | $7,970 | $7,959 |
| Property, plant and equipment (net of accumulated depreciation of $4,777 and $4,724) | 3,995 | 4,005 |
| Goodwill | 6,152 | 6,149 |
| Identifiable intangible assets, net | 1,960 | 1,971 |
| Deferred income taxes | 499 | 481 |
| Investments | 346 | 332 |
| Operating lease right-of-use assets | 603 | 604 |
| Other assets | 625 | 597 |
| **Total assets** | $22,150 | $22,098 |
| **Liabilities and Shareholders' Equity** | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | $4,001 | $3,957 |
| Restructuring reserves | 78 | 99 |
| Short-term debt and current portion of long-term debt | 736 | 706 |
| Current portion of operating lease liabilities | 138 | 138 |
| **Total current liabilities** | $4,953 | $4,900 |
| Long-term debt | 6,407 | 6,602 |
| Operating lease liabilities | 449 | 450 |
| Accrued pensions | 550 | 550 |
| Other postretirement benefits | 390 | 392 |
| Deferred income taxes | 496 | 457 |
| Other liabilities | 651 | 650 |
| **Total liabilities** | $13,896 | $14,001 |
| Commitments and contingent liabilities (Note 13) | | |
| Shareholders' equity: | | |
| Common stock | $969 | $969 |
| Additional paid-in capital | 1,354 | 1,325 |
| Retained earnings | 23,165 | 22,942 |
| Treasury stock, at cost | (15,206) | (15,119) |
| Accumulated other comprehensive loss | (2,178) | (2,176) |
| Total PPG shareholders' equity | $8,104 | $7,941 |
| Noncontrolling interests | 150 | 156 |
| **Total shareholders' equity** | $8,254 | $8,097 |
| **Total liabilities and shareholders' equity** | $22,150 | $22,098 |

*The accompanying notes to the condensed consolidated financial statements are an integral part of this condensed consolidated statement.*

## PPG INDUSTRIES, INC. AND SUBSIDIARIES

### Condensed Consolidated Statement of Shareholders' Equity (Unaudited)

| *($ in millions)* | Common Stock | Additional Paid-In Capital | Retained Earnings | Treasury Stock | Accumulated Other Comprehensive Loss | Total PPG | Non-controlling Interests | Total |
|---|---|---|---|---|---|---|---|---|
| **January 1, 2026** | $969 | $1,325 | $22,942 | ($15,119) | ($2,176) | $7,941 | $156 | $8,097 |
| Net income attributable to controlling and noncontrolling interests | — | — | 382 | — | — | 382 | 3 | 385 |
| Other comprehensive loss, net of tax | — | — | — | — | (2) | (2) | (6) | (8) |
| Cash dividends | — | — | (159) | — | — | (159) | — | (159) |
| Purchase of treasury stock | — | — | — | (101) | — | (101) | — | (101) |
| Issuance of treasury stock | — | 34 | — | 14 | — | 48 | — | 48 |
| Stock-based compensation activity | — | (5) | — | — | — | (5) | — | (5) |
| Dividends paid on subsidiary common stock to noncontrolling interests | — | — | — | — | — | — | (3) | (3) |
| **March 31, 2026** | $969 | $1,354 | $23,165 | ($15,206) | ($2,178) | $8,104 | $150 | $8,254 |

| *($ in millions)* | Common Stock | Additional Paid-In Capital | Retained Earnings | Treasury Stock | Accumulated Other Comprehensive Loss | Total PPG | Non-controlling Interests | Total |
|---|---|---|---|---|---|---|---|---|
| **January 1, 2025** | $969 | $1,272 | $21,994 | ($14,342) | ($3,108) | $6,785 | $177 | $6,962 |
| Net income attributable to controlling and noncontrolling interests | — | — | 373 | — | — | 373 | 5 | 378 |
| Other comprehensive income, net of tax | — | — | — | — | 275 | 275 | 1 | 276 |
| Cash dividends | — | — | (154) | — | — | (154) | — | (154) |
| Purchase of treasury stock | — | — | — | (385) | — | (385) | — | (385) |
| Issuance of treasury stock | — | 29 | — | 8 | — | 37 | — | 37 |
| Stock-based compensation activity | — | (4) | — | — | — | (4) | — | (4) |
| Dividends paid on subsidiary common stock to noncontrolling interests | — | — | — | — | — | — | (3) | (3) |
| Reductions in noncontrolling interests | — | — | — | — | — | — | (15) | (15) |
| **March 31, 2025** | $969 | $1,297 | $22,213 | ($14,719) | ($2,833) | $6,927 | $165 | $7,092 |

*The accompanying notes to the condensed consolidated financial statements are an integral part of this condensed consolidated statement.*

**PPG INDUSTRIES, INC. AND SUBSIDIARIES**
**Condensed Consolidated Statement of Cash Flows (Unaudited)**

| | Three Months Ended March 31 | |
|---|---|---|
| *($ in millions)* | 2026 | 2025 |
| **Operating activities:** | | |
| Net income attributable to controlling and noncontrolling interests | $385 | $378 |
| Less: Loss from discontinued operations | — | (2) |
| Income from continuing operations | $385 | $380 |
| Adjustments to reconcile net income to cash from operations: | | |
| Depreciation and amortization | 132 | 121 |
| Stock-based compensation expense | 11 | 23 |
| Deferred income taxes | 11 | (20) |
| Cash used for restructuring actions | (16) | (18) |
| Change in certain asset and liability accounts (net of acquisitions): | | |
| Receivables | (343) | (396) |
| Inventories | (156) | (230) |
| Other current assets | (103) | (34) |
| Accounts payable and accrued liabilities | 209 | 202 |
| Taxes and interest payable | (32) | 1 |
| Noncurrent assets and liabilities, net | (39) | (43) |
| Other | (26) | (2) |
| **Cash from/(used for) operating activities - continuing operations** | $33 | ($16) |
| **Cash used for operating activities - discontinued operations** | — | (2) |
| **Cash from/(used for) operating activities** | $33 | ($18) |
| **Investing activities:** | | |
| Capital expenditures | ($196) | ($209) |
| Business acquisitions, net of cash balances acquired | (79) | — |
| Other | (4) | 41 |
| **Cash used for investing activities** | ($279) | ($168) |
| **Financing activities:** | | |
| Net proceeds from commercial paper | $567 | $— |
| Proceeds from Term Loan, net of fees | — | 309 |
| Proceeds from the issuance of debt, net of discounts and fees | — | 940 |
| Repayment of long-term debt | (700) | — |
| Purchase of treasury stock | (96) | (394) |
| Dividends paid on PPG common stock | (159) | (154) |
| Other | 54 | (3) |
| **Cash (used for)/from financing activities** | ($334) | $698 |
| Effect of currency exchange rate changes on cash and cash equivalents | (10) | 48 |
| Net (decrease)/increase in cash and cash equivalents | ($590) | $560 |
| Cash and cash equivalents, beginning of period | 2,163 | 1,270 |
| **Cash and cash equivalents, end of period** | $1,573 | $1,830 |
| | | |
| **Supplemental disclosures of cash flow information:** | | |
| Interest paid, net of amount capitalized | $105 | $55 |
| Taxes paid, net of refunds | $144 | $123 |
| | | |
| **Supplemental disclosure of noncash investing activities:** | | |
| Capital expenditures accrued within Accounts payable and accrued liabilities at period-end | $52 | $63 |
| Purchases of treasury stock transacted but not yet settled | $8 | $— |

*The accompanying notes to the condensed consolidated financial statements are an integral part of this condensed consolidated statement.*

PPG INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

## 1. Basis of Presentation

The condensed consolidated financial statements included herein are unaudited and have been prepared following the requirements of the Securities and Exchange Commission (the "SEC") and accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim reporting. Under these rules, certain footnotes and other financial information that are normally required for annual financial statements can be condensed or omitted. These statements include all adjustments, consisting only of normal, recurring adjustments, necessary to fairly state the financial position and shareholders' equity of PPG as of March 31, 2026 and the results of its operations and cash flows for the three months ended March 31, 2026 and 2025. All intercompany balances and transactions have been eliminated. Material subsequent events are evaluated through the report issuance date and disclosed where applicable. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in PPG's 2025 Annual Report on Form 10-K (the "2025 Form 10-K").

Net sales, expenses, assets and liabilities can vary during each quarter of the year. Accordingly, the results of operations for the three months ended March 31, 2026 and the trends in these unaudited condensed consolidated financial statements may not necessarily be indicative of the results to be expected for the full year.

Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no impact on our previously reported Net income, total assets, cash flows or shareholders’ equity.

## 2. New Accounting Standards

***Recently Adopted Accounting Standards***

PPG did not adopt any new accounting standards during the three months ended March 31, 2026.

***Recently Issued Accounting Standards***

In November 2024, the FASB issued ASU 2024-03, “Income Statement – Reporting Comprehensive Income-Expense Disaggregation (Subtopic 220-40): Disaggregation of Income Statement Expenses”. The ASU requires the disclosure of additional information related to certain costs and expenses, including amounts of inventory purchases, employee compensation, and depreciation and amortization included in each income statement line item. The ASU also requires disclosure of the total amount of selling expenses and our definition of selling expenses. This ASU will be effective for the annual period ending December 31, 2027. Adoption of this ASU will result in additional disclosure, but will not impact PPG’s consolidated financial position, results of operations or cash flows.

In September 2025, the FASB issued ASU 2025-06, “Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software”. The ASU is intended to modernize the recognition and disclosure framework for internal-use software costs, removing the previous “development stage” model to align the accounting rules with how software is developed today. This ASU will be effective for PPG beginning January 1, 2028. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

## 3. Inventories

| *($ in millions)* | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Finished products | $1,181 | $1,067 |
| Work in process | 269 | 251 |
| Raw materials | 656 | 624 |
| Supplies | 56 | 54 |
| Total Inventories | $2,162 | $1,996 |

Most U.S. inventories are valued using the last-in, first-out method. If the first-in, first-out ("FIFO") method of inventory valuation had been used, inventories would have been $182 million and $181 million higher as of March 31, 2026 and December 31, 2025, respectively.

## 4. Goodwill and Other Identifiable Intangible Assets

The Company tests indefinite-lived intangible assets and goodwill for impairment by performing either a qualitative evaluation or a quantitative test at least annually, or more frequently if an indication of impairment arises. The qualitative evaluation is an assessment of factors to determine whether it is more likely than not that the fair value of a reporting unit or asset is less than its carrying amount.

The Company did not identify an indication of goodwill impairment for any of its reporting units or an indication of impairment of any of its indefinite-lived intangible assets during the three months ended March 31, 2026.

The change in the carrying amount of goodwill attributable to each reportable segment for the three months ended March 31, 2026 was as follows:

| *($ in millions)* | Global Architectural Coatings | Performance Coatings | Industrial Coatings | Total |
|---|---|---|---|---|
| January 1, 2026 | $3,008 | $1,914 | $1,227 | $6,149 |
| Acquisitions, including purchase accounting adjustments | — | 44 | — | 44 |
| Foreign currency impact | (23) | (8) | (10) | (41) |
| March 31, 2026 | $2,985 | $1,950 | $1,217 | $6,152 |

As of both March 31, 2026 and December 31, 2025, accumulated goodwill impairment losses totaled $158 million, all of which relates to the Performance Coatings reportable segment.

A summary of the carrying value of the Company's identifiable intangible assets is as follows:

| | March 31, 2026 | | | December 31, 2025 | | |
|---|---|---|---|---|---|---|
| *($ in millions)* | Gross Carrying Amount | Accumulated Amortization | Net | Gross Carrying Amount | Accumulated Amortization | Net |
| *Indefinite-Lived Identifiable Intangible Assets* | | | | | | |
| Trademarks | $1,270 | $— | $1,270 | $1,274 | $— | $1,274 |
| *Definite-Lived Identifiable Intangible Assets* | | | | | | |
| Acquired technology | $824 | ($725) | $99 | $819 | ($720) | $99 |
| Customer-related | 1,777 | (1,297) | 480 | 1,782 | (1,293) | 489 |
| Trade names | 304 | (194) | 110 | 299 | (191) | 108 |
| Other | 46 | (45) | 1 | 46 | (45) | 1 |
| Total Definite-Lived Intangible Assets | $2,951 | ($2,261) | $690 | $2,946 | ($2,249) | $697 |
| Total Identifiable Intangible Assets | $4,221 | ($2,261) | $1,960 | $4,220 | ($2,249) | $1,971 |

The Company’s identifiable intangible assets with definite lives are being amortized over their estimated useful lives.

As of March 31, 2026, estimated future amortization expense of identifiable intangible assets is as follows:

| *($ in millions)* | Future Amortization Expense |
|---|---|
| Remaining nine months of 2026 | $79 |
| 2027 | $87 |
| 2028 | $80 |
| 2029 | $73 |
| 2030 | $64 |
| 2031 | $55 |
| Thereafter | $252 |

## 5. Business Restructuring

The Company records restructuring liabilities that represent charges incurred in connection with consolidations of certain operations, including both operations from acquisitions and headcount reduction programs. These charges consist primarily of severance costs and certain other cash costs. As a result of these programs, the Company also incurs incremental non-cash accelerated depreciation expense for certain assets due to their reduced expected useful life. These charges are not allocated to the Company's reportable business segments. Refer to Note 15, "Reportable Business Segment Information" for additional information.

The following table summarizes restructuring reserve activity for the three months ended March 31, 2026 and 2025:

| | Total Reserve | |
|---|---|---|
| *($ in millions)* | **2026** | **2025** |
| January 1 | $226 | $276 |
| Approved restructuring actions | — | 14 |
| Release of prior reserves and other adjustments[a] | (1) | (13) |
| Cash payments | (16) | (18) |
| Foreign currency impact | (4) | 8 |
| March 31 | $205 | $267 |

(a) Certain releases were recorded to reflect the current estimate of costs to complete planned business restructuring actions.

The majority of the approved business restructuring actions and associated cash outlays are expected to be completed in 2026 and 2027.

## 6. Borrowings

*Credit Agreements*

In April 2023, PPG entered into a €500 million term loan credit agreement (the "Term Loan"). The Term Loan contains covenants that are consistent with those in the Credit Agreement discussed below and that are usual and customary restrictive covenants for facilities of its type, which include, with specified exceptions, limitations on the Company's ability to create liens or other encumbrances, to enter into sale and leaseback transactions and to enter into consolidations, mergers or transfers of all or substantially all of its assets. In April 2023, PPG borrowed €500 million under the Term Loan. In December 2023, PPG obtained lender commitments sufficient to increase the size of the Term Loan by €250 million. In January 2024, PPG borrowed the additional €250 million. In December 2024, PPG obtained lender commitments sufficient to increase the size of the Term Loan by €300 million. In January 2025, PPG borrowed the additional €300 million. In January 2026, the Term Loan was amended to extend its maturity. Based on this amendment, the Term Loan terminates and all amounts outstanding are payable in January 2029. The Term Loan is denominated in euro and has been designated as a hedge of the net investment in the Company's European operations. For more information, refer to Note 11 "Financial Instruments, Hedging Activities and Fair Value Measurements."

In October 2025, PPG amended and restated its five-year credit agreement ("the Credit Agreement") dated as of August 30, 2019 to extend its maturity. The amended Credit Agreement provides for a $2.3 billion unsecured revolving credit facility, of which $2,148 million of the total commitment has a term through July 2029 and $152 million of the total commitment has a term through July 2028. The Company has the ability to increase the size of the Credit Agreement by up to an additional $750 million, subject to the receipt of lender commitments and other conditions precedent. The Company has the right, subject to certain conditions set forth in the Credit Agreement, to designate certain subsidiaries of the Company as borrowers under the Credit Agreement. In connection with any such designation, the Company is required to guarantee the obligations of any such subsidiaries under the Credit Agreement. There were no amounts outstanding under the Credit Agreement as of March 31, 2026 and December 31, 2025.

Borrowings under the Credit Agreement may be made in U.S. Dollars or in euros. The Credit Agreement provides that loans will bear interest at rates based, at the Company's option, on one of two specified base rates plus a margin based on certain formulas defined in the Credit Agreement. Additionally, the Credit Agreement contains a Commitment Fee, as defined in the Credit Agreement, on the amount of unused commitments under the Credit Agreement ranging from 0.060% to 0.125% per annum.

The Credit Agreement also supports the Company's commercial paper borrowings which are classified as long-term based on PPG's intent and ability to refinance these borrowings on a long-term basis. Commercial paper borrowings outstanding under the Credit Agreement were $567 million as of March 31, 2026 and zero as of December 31, 2025.

The Credit Agreement contains usual and customary restrictive covenants for facilities of its type, which include, with specified exceptions, limitations on the Company's ability to create liens or other encumbrances, to enter into sale and leaseback transactions and to enter into consolidations, mergers or transfers of all or substantially all of its assets. The Credit Agreement contains, among other things, customary events of default that would permit the lenders to accelerate the loans, including the failure to make timely payments when due under the Credit Agreement or other material indebtedness, the failure to satisfy covenants contained in the Credit Agreement, a change in control of the Company and specified events of bankruptcy and insolvency.

The Term Loan and Credit Agreement also require the Company to maintain a ratio of Total Indebtedness to Total Capitalization, as defined in the Credit Agreement, of 60% or less; provided, that for any fiscal quarter in which the Company has made an acquisition for consideration in excess of $1 billion and for the next five fiscal quarters thereafter, the ratio of Total Indebtedness to Total Capitalization may not exceed 65% at any time. As of March 31, 2026, Total Indebtedness to Total Capitalization as defined under the Credit Agreement was 45%.

*Other Long-term Debt Activities*

In March 2026, PPG's $700 million 1.2% notes matured, and the Company repaid this obligation using cash on hand.

In March 2025, PPG completed a public offering of €900 million 3.250% Notes due 2032. These notes were issued pursuant to PPG's existing shelf registration statement and pursuant to an indenture between the Company and The Bank of New York Mellon Trust Company, N.A., as trustee, as supplemented (the "2025 Indenture"). The 2025 Indenture governing these notes contains covenants that limit the Company's ability to, among other things, incur certain liens securing indebtedness, engage in certain sale-leaseback transactions, and enter into certain consolidations, mergers, conveyances, transfers or leases of all or substantially all the Company's assets. The terms of these notes also require the Company to make an offer to repurchase Notes upon a Change of Control Triggering Event (as defined in the 2025 Indenture) at a price equal to 101% of their principal amount plus accrued and unpaid interest. The Company may issue additional debt from time to time pursuant to the Indenture. The aggregate cash proceeds from the notes, net of discounts and fees, was $940 million. The notes are denominated in euro and a portion of the notes have been designated as hedges of net investments in the Company's European operations. Refer to Note 11 "Financial Instruments, Hedging Activities and Fair Value Measurements." for additional information.

*Restrictive Covenants and Cross-Default Provisions*

As of March 31, 2026, PPG was in full compliance with the restrictive covenants under its various credit agreements, loan agreements and indentures.

Additionally, the Company's Credit Agreement contains customary cross-default provisions. These provisions provide that a default on a debt service payment of $100 million or more for longer than the grace period provided under another agreement may result in an event of default under this agreement. None of the Company's primary debt obligations are secured or guaranteed by the Company's affiliates.

*Letters of Credit and Surety Bonds*

The Company had outstanding letters of credit and surety bonds of $271 million and $272 million as of March 31, 2026 and December 31, 2025, respectively.

## 7. Earnings Per Common Share

The effect of dilutive securities on the weighted average common shares outstanding included in the calculation of earnings per diluted common share for the three months ended March 31, 2026 and 2025 were as follows:

| | Three Months Ended March 31 | |
|---|---|---|
| *(number of shares in millions)* | **2026** | **2025** |
| Weighted average common shares outstanding | 223.7 | 228.0 |
| Effect of dilutive securities: | | |
| Stock options | 0.1 | 0.1 |
| Other stock compensation plans | 0.6 | 0.8 |
| Potentially dilutive common shares | 0.7 | 0.9 |
| Adjusted weighted average common shares outstanding | 224.4 | 228.9 |
| | | |
| Dividends per common share | $0.71 | $0.68 |
| | | |
| Antidilutive securities[a]: | | |
| Stock options | 3.2 | 3.0 |

(a) Excluded from the computation of earnings per diluted share due to their antidilutive effect.

## 8. Income Taxes

| | Three Months Ended March 31 | |
|---|---|---|
| | **2026** | **2025** |
| Effective tax rate on Income before income taxes | 25.5% | 24.3% |

Income tax expense for the three months ended March 31, 2026 and 2025 is based on an estimated annual effective rate, which requires management to make its best estimate of annual Income before income taxes. During the year, PPG management regularly updates forecasted annual Income before income taxes for the various countries in which PPG operates based on changes in factors such as prices, shipments, product mix, raw material inflation and manufacturing operations. To the extent that actual 2026 results for the U.S. and foreign jurisdictions vary from estimates, the actual Income tax expense recognized in 2026 could be different from the forecasted amount used to estimate Income tax expense for the three months ended March 31, 2026.

## 9. Pensions and Other Postretirement Benefits

The service cost component of net periodic pension and other postretirement benefit cost is included in Cost of sales, exclusive of depreciation and amortization, Selling, general and administrative, and Research and development, net in the accompanying condensed consolidated statement of income. All other components of net periodic benefit cost are recorded in Other income, net in the accompanying condensed consolidated statement of income.

Net periodic pension benefit cost and other postretirement benefit cost for the three months ended March 31, 2026 and 2025 was as follows:

| | Pension | | Other Postretirement Benefits | |
|---|---|---|---|---|
| | Three Months Ended March 31 | | Three Months Ended March 31 | |
| *($ in millions)* | 2026 | 2025 | 2026 | 2025 |
| Service cost | $2 | $2 | $1 | $1 |
| Interest cost | 25 | 25 | 5 | 5 |
| Expected return on plan assets | (28) | (26) | — | — |
| Amortization of actuarial losses | 7 | 6 | — | — |
| Amortization of prior service credit | — | — | (1) | (1) |
| Settlements | — | 1 | — | — |
| Net periodic benefit cost | $6 | $8 | $5 | $5 |

PPG expects 2026 full year net periodic pension expense of approximately $20 million and net periodic other postretirement expense of approximately $20 million.

*Contributions to Defined Benefit Pension Plans*

| | Three Months Ended March 31 | |
|---|---|---|
| *($ in millions)* | 2026 | 2025 |
| Non-U.S. defined benefit pension contributions | $3 | $— |

PPG expects to make required mandatory contributions to its defined benefit pension plans in the range of $20 million to $30 million during the remaining nine months of 2026. In addition to any mandatory contributions, PPG may elect to make voluntary contributions to its defined benefit pension plans in 2026 and beyond.

## 10. Accumulated Other Comprehensive Loss (AOCL)

| *($ in millions)* | Foreign Currency Translation Adjustments [(a)] | Pension and Other Postretirement Benefit Adjustments, net of tax [(b)] | Unrealized Gain on Derivatives, net of tax | Accumulated Other Comprehensive Loss |
|---|---|---|---|---|
| January 1, 2025 | ($2,651) | ($458) | $1 | ($3,108) |
| Current year deferrals to AOCL | 141 | (9) | — | 132 |
| Reclassifications from AOCL to net income | 139 | 4 | — | 143 |
| **March 31, 2025** | ($2,371) | ($463) | $1 | ($2,833) |
| | | | | |
| January 1, 2026 | ($1,702) | ($475) | $1 | ($2,176) |
| Current year deferrals to AOCL | — | (7) | — | (7) |
| Reclassifications from AOCL to net income | — | 5 | — | 5 |
| **March 31, 2026** | ($1,702) | ($477) | $1 | ($2,178) |

(a) The tax (benefit)/cost related to unrealized foreign currency translation adjustments on net investment hedges was $(16) million and $60 million as of March 31, 2026 and 2025, respectively.

(b) The tax benefit related to the adjustment for pension and other postretirement benefits was $1 million and $2 million for the three months ended March 31, 2026 and 2025, respectively. Reclassifications from AOCL are included in the computation of net periodic benefit cost (See Note 9, "Pensions and Other Postretirement Benefits").

## 11. Financial Instruments, Hedging Activities and Fair Value Measurements

Financial instruments include cash and cash equivalents, short-term investments, cash held in escrow, marketable equity securities, accounts receivable, company-owned life insurance, accounts payable, short-term and long-term debt instruments, and derivatives. The fair values of these financial instruments approximated their carrying values at March 31, 2026 and December 31, 2025, in the aggregate, except for long-term debt instruments.

**Hedging Activities**

The Company has exposure to market risk from changes in foreign currency exchange rates and interest rates. As a result, financial instruments, including derivatives, have been used to hedge a portion of these underlying economic exposures. Certain of these instruments may qualify as fair value, cash flow, and net investment hedges upon meeting the requisite criteria, including effectiveness of offsetting hedged or underlying exposures. Changes in the fair value of derivatives that do not qualify for hedge accounting are recognized in Income before income taxes in the period incurred.

PPG's policies do not permit speculative use of derivative financial instruments. PPG enters into derivative financial instruments with high credit quality counterparties and diversifies its positions among such counterparties in order to reduce its exposure to credit losses. The Company did not realize a credit loss on derivatives during the three months ended March 31, 2026 and 2025.

All of PPG's outstanding derivative instruments are subject to accelerated settlement in the event of PPG's failure to meet its debt or payment obligations under the terms of the instruments' contractual provisions. In addition, if the Company would be acquired and its payment obligations under its derivative instruments' contractual arrangements are not assumed by the acquirer, or if PPG would enter into bankruptcy, receivership or reorganization proceedings, its outstanding derivative instruments would also be subject to accelerated settlement.

There were no derivative instruments de-designated or discontinued as hedging instruments during the three months ended March 31, 2026 and 2025, and there were no gains or losses deferred in Accumulated other comprehensive loss on the condensed consolidated balance sheet that were reclassified to Income before income taxes in the condensed consolidated statement of income in the three months ended March 31, 2026 and 2025 related to hedges of anticipated transactions that were no longer expected to occur.

*Fair Value Hedges*

The Company uses interest rate swaps from time to time to manage its exposure to changing interest rates. When outstanding, the interest rate swaps are typically designated as fair value hedges of certain outstanding debt obligations of the Company and are recorded at fair value.

PPG has interest rate swaps which converted $375 million of fixed rate debt to variable rate debt as of both March 31, 2026 and December 31, 2025. These swaps are designated as fair value hedges and are carried at fair value. Changes in the fair value of these swaps and changes in the fair value of the related debt are recorded in interest expense in the accompanying condensed consolidated statement of income. The fair value of these interest rate swaps were liabilities of $7 million and $6 million at March 31, 2026 and December 31, 2025, respectively.

*Cash Flow Hedges*

At times, PPG designates certain foreign currency forward contracts as cash flow hedges of the Company's exposure to variability in exchange rates on third party transactions denominated in foreign currencies. There were no outstanding cash flow hedges at March 31, 2026 and December 31, 2025.

*Net Investment Hedges*

PPG uses cross currency swaps and foreign currency euro-denominated debt to hedge a significant portion of its net investment in its European operations, as follows:

PPG had U.S. dollar to euro cross currency swap contracts with total notional amounts of $375 million as of March 31, 2026 and December 31, 2025, respectively, and designated these contracts as hedges of the Company's net investment in its European operations. During the term of these contracts, PPG will receive payments in U.S. dollars and make payments in euros to the counterparties. As of March 31, 2026 and December 31, 2025, the fair value of the U.S. dollar to euro cross currency swap contracts were net assets of $17 million and $11 million, respectively.

At both March 31, 2026 and December 31, 2025, PPG had designated €3.5 billion of euro-denominated borrowings as hedges of a portion of its net investment in the Company's European operations. The carrying value of these instruments were $4.0 billion and $4.1 billion as of March 31, 2026 and December 31, 2025, respectively.

*Other Financial Instruments*

PPG uses foreign currency forward contracts to manage certain net transaction exposures that either have not been elected, or do not qualify for hedge accounting; therefore, the change in the fair value of these instruments is recorded in Other income, net in the condensed consolidated statement of income in the period of change. Underlying notional amounts related to these foreign currency forward contracts were $3.2 billion and $2.9 billion at

March 31, 2026 and December 31, 2025, respectively. The fair values of these contracts were net liabilities of $13 million and net assets of $1 million as of March 31, 2026 and December 31, 2025, respectively.

*Gains/Losses Deferred in Accumulated Other Comprehensive Loss*

The following table summarizes the amount of gains and losses deferred in Other comprehensive income ("OCI") and the amount and location of gains and losses recognized within the condensed consolidated statement of income related to derivative and debt financial instruments for the three months ended March 31, 2026 and 2025. All amounts are shown on a pretax basis.

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | March 31, 2026 | | March 31, 2025 | | |
| *($ in millions)* | Gain Deferred in OCI | Gain/(Loss) Recognized | Loss Deferred in OCI | Gain/(Loss) Recognized | Caption In Condensed Consolidated Statement of Income |
| Economic | | | | | |
| Foreign currency forward contracts | $— | $11 | $— | $16 | Other income, net |
| Fair Value | | | | | |
| Interest rate swaps | — | (1) | — | (2) | Interest expense |
| Total forward contracts and interest rate swaps | $— | $10 | $— | $14 | |
| Net Investment | | | | | |
| Cross currency swaps | $6 | $2 | ($11) | $2 | Interest expense |
| Foreign denominated debt | 68 | — | (174) | — | |
| Total Net Investment | $74 | $2 | ($185) | $2 | |

**Fair Value Measurements**

The Company follows a fair value measurement hierarchy to measure its assets and liabilities. As of March 31, 2026 and December 31, 2025, the assets and liabilities measured at fair value on a recurring basis were cash equivalents, equity securities and derivatives. In addition, the Company measures its pension plan assets at fair value (see Note 14, "Employee Benefit Plans" under Item 8 in the 2025 Form 10-K for further details). The Company's financial assets and liabilities are measured using inputs from the following three levels:

Level 1 inputs are quoted prices in active markets for identical assets and liabilities that the Company has the ability to access at the measurement date. Level 1 inputs are considered to be the most reliable evidence of fair value as they are based on unadjusted quoted market prices from various financial information service providers and securities exchanges.

Level 2 inputs are directly or indirectly observable prices that are not quoted on active exchanges, which include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means. The fair values of the derivative instruments reflect the instruments' contractual terms, including the period to maturity, and uses observable market-based inputs, including forward curves.

Level 3 inputs are unobservable inputs employed for measuring the fair value of assets or liabilities. The Company did not have any recurring financial assets or liabilities recorded in its condensed consolidated balance sheets as of March 31, 2026 and December 31, 2025 that were measured using Level 3 inputs.

*Assets and liabilities reported at fair value on a recurring basis*

| *($ in millions)* | March 31, 2026 | | | December 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Assets: | | | | | | |
| Other current assets: | | | | | | |
| Marketable equity securities | $13 | $— | $— | $10 | $— | $— |
| Foreign currency forward contracts [(a)] | $— | $5 | $— | $— | $5 | $— |
| Investments: | | | | | | |
| Marketable equity securities | $72 | $— | $— | $79 | $— | $— |
| Other assets: | | | | | | |
| Cross currency swaps [(b)] | $— | $19 | $— | $— | $15 | $— |
| Liabilities: | | | | | | |
| Accounts payable and accrued liabilities: | | | | | | |
| Foreign currency forward contracts [(a)] | $— | $18 | $— | $— | $4 | $— |
| Other liabilities: | | | | | | |
| Cross currency swaps [(b)] | $— | $2 | $— | $— | $4 | $— |
| Interest rate swaps [(c)] | $— | $7 | $— | $— | $6 | $— |

(a) Derivatives not designated as hedging instruments

(b) Net investment hedges

(c) Fair value hedges

*Long-Term Debt*

| *($ in millions)* | March 31, 2026 [(a)] | December 31, 2025 [(b)] |
|---|---|---|
| Long-term debt - carrying value | $7,096 | $7,297 |
| Long-term debt - fair value | $6,956 | $7,215 |

(a) Excludes finance lease obligations of $6 million and short-term borrowings of $41 million as of March 31, 2026.

(b) Excludes finance lease obligations of $7 million and short-term borrowings of $4 million as of December 31, 2025.

The fair values of the debt instruments were measured using Level 2 inputs, including discounted cash flows and interest rates then currently available to the Company for instruments of the same remaining maturities.

## 12. Stock-Based Compensation

The Company's stock-based compensation includes stock options, restricted stock units ("RSUs") and grants of contingent shares that are earned based on achieving targeted levels of total shareholder return ("TSR"). All current grants of stock options, RSUs and contingent shares are made under the PPG Industries, Inc. Amended and Restated Omnibus Incentive Plan ("PPG Amended Omnibus Plan"), which was amended and restated effective April 21, 2016.

On April 16, 2026, the Company's shareholders approved the PPG Industries, Inc. 2026 Omnibus Incentive Plan (the "2026 Omnibus Plan") to replace the PPG Amended Omnibus Plan which expired by its terms on April 21, 2026. The 2026 Omnibus Incentive Plan authorizes the Company to issue 6,903,753 shares of stock in the form of equity awards to employees, including 5,403,753 shares that were previously authorized under the PPG Amended Omnibus Plan and 1,500,000 additional shares approved by shareholders for issuance under the 2026 Omnibus Plan. Any equity awards granted under the PPG Amended Omnibus Plan between December 31, 2025 and April 21, 2026, the date that the 2026 Omnibus Plan became effective, have reduced the number of shares available for issuance under the 2026 Omnibus Incentive Plan one a one-for-one basis.

| *($ in millions)* | Three Months Ended March 31 | |
|---|---|---|
| | 2026 | 2025 |
| Stock-based compensation expense | $11 | $23 |
| Income tax benefit recognized | $2 | $5 |

Grants of stock-based compensation during the three months ended March 31, 2026 and 2025 were as follows:

| | Three Months Ended March 31 | | | |
|---|---|---|---|---|
| | 2026 | | 2025 | |
| | Shares | Fair Value | Shares | Fair Value |
| Stock options | 278,903 | $32.75 | 541,313 | $32.93 |
| Restricted stock units | 316,121 | $119.26 | 254,278 | $111.50 |
| Contingent shares [(a)] | 55,195 | $125.55 | 76,925 | $114.39 |

(a) The number of contingent shares represents the target value of the award.

Stock options are generally exercisable 36 months after being granted and have a maximum term of 10 years. Compensation expense for stock options is recorded over the vesting period based on the fair value on the date of grant. The fair value of the stock options granted during the three months ended March 31, 2026 was calculated with the following weighted average assumptions:

| | |
|---|---|
| Weighted average exercise price | $125.55 |
| Risk-free interest rate | 3.8% |
| Expected life of option in years | 5.56 |
| Expected dividend yield | 1.9% |
| Expected volatility | 27.2% |

The risk-free interest rate is determined by using the U.S. Treasury yield curve at the date of the grant and using a maturity equal to the expected life of the option. The expected term assumption is estimated based on the weighted average term of historical stock option grants. The expected dividend yield and volatility are based on historical stock prices and dividend amounts over past time periods equal in length to the expected life of the options.

Time-based RSUs generally vest over the three-year period following the date of grant, unless forfeited, and will be paid out in the form of stock, cash or a combination of both at the Company's discretion at the end of the vesting period.

Performance-based RSUs vest based on achieving specific annual performance targets for adjusted earnings per share growth and cash flow return on capital over the three calendar year-end periods following the date of grant. Unless forfeited, the performance-based RSUs will be paid out in the form of stock, cash or a combination of both at the Company's discretion at the end of the three-year performance period if PPG meets the performance targets. The amount paid upon vesting of performance-based RSUs may range from 0% to 200% of the original grant, based upon the level of adjusted earnings per share growth achieved and frequency with which the annual cash flow return on capital performance target is met over the three calendar year periods comprising the vesting period. Performance against the earnings per share growth and the cash flow return on capital target is calculated annually, and the annual payout for each goal is weighted equally over the three-year period.

The Company also provides grants of contingent shares to selected key executives that may be earned based on PPG's TSR over the three-year period following the date of grant. Contingent share grants (referred to as "TSR awards") are made annually and are paid out at the end of each three-year period based on the Company's stock performance. Performance is measured by determining the percentile rank of the total shareholder return of PPG common stock in relation to the TSR of the S&P 500 Index for the three-year period following the date of grant. This comparison group represents the entire S&P 500 Index as it existed at the beginning of the performance period, excluding any companies that were removed from the index because they ceased to be publicly traded. The payment of awards following the three-year award period is based on performance achieved in accordance with the scale set forth in the plan agreement and may range from 0% to 200% of the initial grant. A payout of 100% is earned if target performance is achieved. Contingent share awards earn dividend equivalents for the award period, which are paid to participants or credited to the participants' deferred compensation plan accounts with the award payout at the end of the period based on the actual number of contingent shares that are earned. Any payments made at the end of the award period may be in the form of stock, cash or a combination of both. The TSR awards are classified as liability awards, and compensation expense is recognized over the three-year award period based on the fair value of the awards (giving consideration to the Company's percentile rank of TSR) remeasured in each reporting period until settlement of the awards.

## 13. Commitments and Contingent Liabilities

PPG is involved in a number of lawsuits and claims, both actual and potential, including some that it has asserted against others, in which substantial monetary damages are sought. These lawsuits and claims may relate to contract, patent, environmental, product liability, asbestos exposure, antitrust, employment, securities and other matters arising out of the conduct of PPG's current and past business activities. To the extent that these lawsuits and claims involve personal injury, property damage and certain other claims, PPG believes it has adequate insurance; however, certain of PPG's insurers are contesting coverage with respect to some of these claims, and certain insurers may contest coverage with respect to claims in the future. PPG's lawsuits and claims against others include claims against insurers and other third parties with respect to actual and contingent losses related to contract, environmental, asbestos and other matters.

The results of any current or future litigation and claims are inherently unpredictable. However, management believes that, in the aggregate, the outcome of all lawsuits and claims involving PPG will not have a material effect on PPG's consolidated financial position or liquidity; however, such outcome may be material to the results of operations of any particular period in which costs, if any, are recognized.

**Asbestos Matters**

As of March 31, 2026, the Company was aware of certain asbestos-related claims pending against the Company and certain of its subsidiaries. The Company is defending these asbestos-related claims vigorously. The asbestos-related claims consist of claims against the Company alleging:

- exposure to asbestos or asbestos-containing products manufactured, sold or distributed by the Company or its subsidiaries ("Products Claims");
- personal injury caused by asbestos on premises presently or formerly owned, leased or occupied by the Company ("Premises Claims"); and
- asbestos-related claims against a subsidiary the Company acquired in 2013 ("Subsidiary Claims").

The Company monitors and reviews the activity associated with its asbestos claims and evaluates, on a periodic basis, its estimated liability for such claims and all underlying assumptions to determine whether any adjustment to the reserves for these claims is required. Additionally, as a supplement to its periodic monitoring and review, the Company conducts discussions with counsel and engages valuation consultants to analyze its claims history and estimate the amount of the Company's potential liability for asbestos-related claims. As of both March 31, 2026 and December 31, 2025, the Company's asbestos-related reserves totaled $43 million.

The Company believes that, based on presently available information, the total reserves for asbestos-related claims will be sufficient to encompass all of the Company's current and estimable potential future asbestos liabilities. These reserves, which are included within Other liabilities on the accompanying consolidated balance sheets, involve significant management judgment and represent the Company's current best estimate of its liability for these claims.

The amount reserved for asbestos-related claims by its nature is subject to many uncertainties that may change over time, including (i) the ultimate number of claims filed; (ii) whether closed, dismissed or dormant claims are reinstituted, reinstated or revived; (iii) the amounts required to resolve both currently known and future unknown claims; (iv) the amount of insurance, if any, available to cover such claims; (v) the unpredictable aspects of the tort system, including a changing trial docket and the jurisdictions in which trials are scheduled; (vi) the outcome of any trials, including potential judgments or jury verdicts; (vii) the lack of specific information in many cases concerning exposure for which the Company is allegedly responsible, and the claimants' alleged diseases resulting from such exposure; and (viii) potential changes in applicable federal and/or state tort liability law. All of these factors may have a material effect upon future asbestos-related liability estimates. While the ultimate outcome of the Company's asbestos litigation cannot be predicted with certainty, the Company believes that any financial exposure resulting from its asbestos-related claims will not have a material adverse effect on the Company's consolidated financial position, liquidity or results of operations.

**Environmental Matters**

In management's opinion, the Company operates in an environmentally sound manner and the outcome of the Company's environmental contingencies will not have a material effect on PPG's financial position or liquidity; however, any such outcome may be material to the results of operations of any particular period in which costs, if any, are recognized. Management anticipates that the resolution of the Company's environmental contingencies will occur over an extended period of time.

As remediation at certain environmental sites progresses, PPG continues to refine its assumptions underlying the estimates of the expected future costs of its remediation programs. PPG's ongoing evaluation may result in additional charges against income to adjust the reserves for these sites. In 2025 and 2026, certain charges have been recorded based on updated estimates to increase existing reserves for these sites. Certain other charges related to environmental remediation actions are expensed as incurred.

As of March 31, 2026 and December 31, 2025, PPG had reserves for environmental contingencies associated with PPG's former chromium manufacturing plant in Jersey City, New Jersey ("New Jersey Chrome"), glass and chemical manufacturing sites, and for other environmental contingencies, including current manufacturing locations and National Priority List sites. These reserves are reported as Accounts payable and accrued liabilities and Other liabilities in the accompanying condensed consolidated balance sheet.

*Environmental Reserves*

| *($ in millions)* | **March 31, 2026** | **December 31, 2025** |
|---|---|---|
| New Jersey Chrome | $53 | $56 |
| Glass and chemical | 42 | 45 |
| Other | 100 | 105 |
| Total environmental reserves | $195 | $206 |
| *Current portion* | *$54* | *$57* |

Pretax charges against income for environmental remediation costs are included in Other income, net in the accompanying condensed consolidated statement of income. The pretax charges and cash outlays related to such environmental remediation for the three months ended March 31, 2026 and 2025 were as follows:

| | **Three Months Ended March 31** | |
|---|---|---|
| *($ in millions)* | **2026** | **2025** |
| Environmental remediation pretax charges, net | $— | $— |
| Cash outlays for environmental remediation activities | $11 | $3 |

*Remediation: New Jersey Chrome*

In June 2009, PPG entered into a settlement agreement with the New Jersey Department of Environmental Protection ("NJDEP") and Jersey City, New Jersey (which had asserted claims against PPG for lost tax revenue) which was in the form of a Partial Consent Judgment (the "Consent"). Under the Consent, PPG accepted sole responsibility for the remediation activities at its former chromium manufacturing location in Jersey City and a number of additional surrounding sites. Remediation of the New Jersey Chrome sites requires PPG to remediate soil and groundwater contaminated by hexavalent chromium, as well as perform certain other environmental remediation activities. The most significant assumptions underlying the estimate of remediation costs for all New Jersey Chrome sites relate to the extent and concentration of chromium in the soil.

PPG regularly evaluates the assessments of costs incurred to date versus current progress and the potential cost impacts of the most recent information, including the extent of impacted soils and groundwater, and engineering, administrative and other associated costs. Based on these assessments, the reserve is adjusted accordingly. As of March 31, 2026 and December 31, 2025, PPG's reserve for remediation of all New Jersey Chrome sites was $53 million and $56 million, respectively. The major cost components of this liability are related to excavation of impacted soil as well as groundwater remediation. These components each account for approximately 70% and 10% of the amount accrued at March 31, 2026, respectively.

There are multiple, future events yet to occur, including further remedy selection and design, remedy implementation and execution and applicable governmental agency or community organization approvals. Considerable uncertainty exists regarding the timing of these future events for the New Jersey Chrome sites. Further resolution of these events is expected to occur over the next several years. As these events occur and to the extent that the cost estimates of the environmental remediation remedies change, the existing reserve for this environmental remediation matter will continue to be adjusted.

*Remediation: Glass, Chemicals and Other Sites*

Among other sites at which PPG is managing environmental liabilities, remedial actions are occurring at a chemical manufacturing site in Barberton, Ohio where PPG has completed a Facility Investigation and Corrective Measure

Study under the United States Environmental Protection Agency's Resource Conservation and Recovery Act Corrective Action Program. PPG has also been addressing the impacts from a legacy plate glass manufacturing site in Kokomo, Indiana under the Voluntary Remediation Program of the Indiana Department of Environmental Management and a site associated with a legacy plate glass manufacturing site near Ford City, Pennsylvania under the Pennsylvania Land Recycling Program under the oversight of the Pennsylvania Department of Environmental Protection. PPG is currently performing additional investigation and remedial activities at these locations.

With respect to certain other waste sites, the financial condition of other potentially responsible parties also contributes to the uncertainty of estimating PPG's final costs. Although contributors of waste to sites involving other potentially responsible parties may face governmental agency assertions of joint and several liability, in general, final allocations of costs are made based on the relative contributions of wastes to such sites. PPG is generally not a major contributor to such sites.

*Remediation: Reasonably Possible Matters*

In addition to the amounts currently reserved for environmental remediation, the Company may be subject to loss contingencies related to environmental matters estimated to be as much as $100 million to $200 million. Such unreserved losses are reasonably possible but are not currently considered to be probable of occurrence. These reasonably possible unreserved losses relate to environmental matters at a number of sites, none of which are individually significant. The loss contingencies related to these sites include significant unresolved issues such as the nature and extent of contamination at these sites and the methods that may have to be employed to remediate them.

The impact of evolving programs, such as natural resource damage claims, industrial site re-use initiatives and domestic and international remediation programs, also adds to the present uncertainties with regard to the ultimate resolution of this unreserved exposure to future loss. The Company's assessment of the potential impact of these environmental contingencies is subject to considerable uncertainty due to the complex, ongoing and evolving process of investigation and remediation, if necessary, of such environmental contingencies, and the potential for technological and regulatory developments.

**14. Revenue Recognition**

The Company recognizes revenue when control of the promised goods or services is transferred to the customer and in amounts that the Company expects to collect. The timing of revenue recognition takes into consideration the various shipping terms applicable to the Company's sales. For most transactions, control passes in accordance with agreed upon delivery terms.

The Company delivers products to company-owned stores, home centers and other regional or national consumer retail outlets, paint dealers, concessionaires and independent distributors, company-owned distribution networks, and directly to manufacturing companies and retail customers. Each product delivered to a third-party customer is considered to satisfy a performance obligation. Performance obligations generally occur at a point in time and are satisfied when control of the goods passes to the customer. The Company is entitled to collection of the sales price under normal credit terms in the regions in which it operates. Accounts receivable are recognized when there is an unconditional right to consideration. Payment terms vary from customer to customer, depending on creditworthiness, prior payment history and other considerations.

The Company also provides services by applying coatings to customers' manufactured parts and assembled products and by providing technical support to certain customers. Performance obligations are satisfied over time as critical milestones are met and as services are provided. PPG is entitled to payment as the services are rendered. For the three months ended March 31, 2026 and 2025, service revenue constituted less than 5% of total revenue.

Net sales by segment and region for the three months ended March 31, 2026 and 2025 were as follows:

| | Three Months Ended March 31 | |
|---|---|---|
| *($ in millions)* | **2026** | **2025** |
| **Global Architectural Coatings** | | |
| Europe, Middle East and Africa ("EMEA") | $587 | $542 |
| Asia Pacific | 50 | 46 |
| Latin America | 328 | 269 |
| Total | $965 | $857 |
| **Performance Coatings** | | |
| United States and Canada | $714 | $737 |
| EMEA | 362 | 313 |
| Asia Pacific | 232 | 190 |
| Latin America | 26 | 25 |
| Total | $1,334 | $1,265 |
| **Industrial Coatings** | | |
| United States and Canada | $548 | $547 |
| EMEA | 474 | 417 |
| Asia Pacific | 416 | 411 |
| Latin America | 193 | 187 |
| Total | $1,631 | $1,562 |
| **Total Net Sales** | | |
| United States and Canada | $1,262 | $1,284 |
| EMEA | 1,423 | 1,272 |
| Asia Pacific | 698 | 647 |
| Latin America | 547 | 481 |
| Total PPG | $3,930 | $3,684 |

*Allowance for Doubtful Accounts*

All trade receivables are reported on the condensed consolidated balance sheet at the outstanding principal amount adjusted for any allowance for doubtful accounts and any charge-offs. PPG provides an allowance for doubtful accounts to reduce trade receivables to their estimated net realizable value equal to the amount that is expected to be collected. This allowance is estimated based on historical collection experience, current regional economic and market conditions, the aging of accounts receivable, assessments of current creditworthiness of customers and forward-looking information. The use of forward-looking information is based on certain macroeconomic and microeconomic indicators, including, but not limited to, regional business environment risk, political risk, and commercial and financing risks.

PPG reviews its allowance for doubtful accounts on a quarterly basis to ensure the estimate reflects regional risk trends as well as current and future global operating conditions.

The following table summarizes the activity for the allowance for doubtful accounts for the three months ended March 31, 2026 and 2025:

| | Trade Receivables Allowance for Doubtful Accounts | |
|---|---|---|
| *($ in millions)* | **2026** | **2025** |
| January 1 | $22 | $23 |
| Bad debt expense | 1 | 2 |
| Write-offs and recoveries of previously reserved trade receivables | (3) | (6) |
| Other | — | 1 |
| March 31 | $20 | $20 |

## 15. Reportable Business Segment Information

PPG is a multinational manufacturer with nine operating segments (which the Company refers to as “strategic business units”) that are organized based on the Company’s major products lines. The operating segments are aggregated into reportable business segments based on their similar economic characteristics, including similar nature of products, production processes, end-use markets and methods of distribution.

In the first quarter 2026, the PPG operating structure was modified, resulting in the combining of the previously separate specialty products operating segment into the industrial coatings operating segment. This modification had no impact on the Company's reportable segments.

The Global Architectural Coatings reportable business segment is comprised of the architectural coatings EMEA and architectural coatings Latin America and Asia Pacific operating segments. This reportable business segment primarily supplies paints, wood stains, adhesives, sealants and purchased sundries.

The Performance Coatings reportable business segment is comprised of the automotive refinish coatings, aerospace coatings, protective and marine coatings and traffic solutions operating segments. This reportable business segment primarily supplies a variety of coatings, solvents, adhesives, sealants, foams and finishes, along with pavement marking products, transparencies and paint films.

The Industrial Coatings reportable business segment is comprised of the automotive original equipment manufacturer ("OEM") coatings, industrial coatings, and the packaging coatings operating segments. This reportable business segment primarily supplies a variety of protective and decorative coatings and finishes along with adhesives, sealants, metal pretreatment products, optical monomers and coatings, low-friction coatings, paint films and other specialty products.

Reportable business segment net sales and segment income for the three months ended March 31, 2026 and 2025 were as follows:

| | Three Months Ended March 31 | |
|---|---|---|
| *($ in millions)* | **2026** | **2025** |
| **Global Architectural Coatings** | | |
| Net sales to external customers | $965 | $857 |
| Cost of sales, exclusive of depreciation and amortization | 461 | 429 |
| Selling, general and administrative | 307 | 274 |
| Depreciation and amortization | 29 | 26 |
| Other [(a)] | 13 | 10 |
| **Global Architectural Coatings segment income** | $155 | $118 |
| **Performance Coatings** | | |
| Net sales to external customers | $1,334 | $1,265 |
| Cost of sales, exclusive of depreciation and amortization | 695 | 675 |
| Selling, general and administrative | 277 | 256 |
| Depreciation and amortization | 38 | 33 |
| Other [(a)] | 36 | 27 |
| **Performance Coatings segment income** | $288 | $274 |
| **Industrial Coatings** | | |
| Net sales to external customers | $1,631 | $1,562 |
| Cost of sales, exclusive of depreciation and amortization | 1,110 | 1,038 |
| Selling, general and administrative | 212 | 200 |
| Depreciation and amortization | 52 | 48 |
| Other [(a)] | 64 | 61 |
| **Industrial Coatings segment income** | $193 | $215 |
| **Total Net Sales** | $3,930 | $3,684 |
| **Total Segment income** | $636 | $607 |
| **Corporate / Non-Segment Items** | | |
| Corporate / non-segment unallocated, exclusive of depreciation and amortization | (74) | (81) |
| Corporate / non-segment depreciation and amortization | (9) | (14) |
| Interest expense, net of interest income | (24) | (13) |
| Business restructuring-related costs, net [(b)] | (5) | (9) |
| Portfolio optimization [(c)] | (7) | 6 |
| Insurance recovery [(d)] | — | 6 |
| **Total Income from continuing operations before income taxes** | $517 | $502 |

| ($ in millions) | Three Months Ended March 31 2026 | 2025 |
|---|---|---|
| **Expenditures for property, plant and equipment (including business acquisitions)** | | |
| Global Architectural Coatings | $32 | $38 |
| Performance Coatings | 161 | 51 |
| Industrial Coatings | 52 | 85 |
| Corporate / Non-Segment Items | 30 | 35 |
| **Total** | $275 | $209 |
| **Share of net earnings of equity affiliates** | | |
| Global Architectural Coatings | $1 | $1 |
| Performance Coatings | 1 | 1 |
| Industrial Coatings | — | — |
| Corporate / Non-Segment Items | 4 | 3 |
| **Total** | $6 | $5 |

| ($ in millions) | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **Segment assets [e]** | | |
| Global Architectural Coatings | $6,821 | $6,296 |
| Performance Coatings | 6,475 | 5,911 |
| Industrial Coatings | 5,684 | 5,457 |
| Total segment assets | $18,980 | $17,664 |
| Corporate / Non-Segment Items | 3,170 | 3,476 |
| **Total** | $22,150 | $21,140 |
| **Investment in equity affiliates** | | |
| Global Architectural Coatings | $25 | $21 |
| Performance Coatings | 29 | 26 |
| Industrial Coatings | 22 | 21 |
| Total segment investment in equity affiliates | $76 | $68 |
| Corporate / Non-Segment Items | 80 | 78 |
| **Total** | $156 | $146 |

| ($ in millions) | Three Months Ended March 31 2026 | 2025 |
|---|---|---|
| **Geographic Information** | | |
| **Segment income** | | |
| United States and Canada | $268 | $273 |
| EMEA | 149 | 144 |
| Asia Pacific | 80 | 87 |
| Latin America | 139 | 103 |
| **Total** | $636 | $607 |

(a) Other segment items for each reportable business segment includes research and development, net and other segment expense/(income), net.

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

(c) Portfolio optimization includes a $6 million charge related to the step-up of acquired inventory in the first quarter 2026. Portfolio optimization also includes a $7 million gain recognized on the sale of a business in the first quarter 2025. There was no tax expense associated with that gain. 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.

(d) In the first quarter 2025, the Company received reimbursement under its insurance policies for damages incurred at a southern U.S. factory from a winter storm in 2021, which is included in Other income, net on the condensed consolidated statement of income.

(e) Segment assets are the total assets used in the operation of each segment. Corporate assets principally include amounts recorded in Cash and cash equivalents, Deferred income taxes, and Property, plant and equipment, net on the consolidated balance sheet.

## 16. Supplier Finance

PPG has certain voluntary supply chain finance programs with financial intermediaries which provide participating suppliers the option to be paid by the intermediary earlier than the original invoice due date. PPG's responsibility is limited to making payments on the terms originally negotiated with the suppliers, regardless of whether the intermediary pays the supplier in advance of the original due date. The range of payment terms PPG negotiates with suppliers are consistent, regardless of whether a supplier participates in a supply chain finance program. These amounts are included within Accounts payable and accrued liabilities on the accompanying condensed consolidated balance sheet.

The rollforward of outstanding obligations confirmed as valid under the supplier finance programs for the three months ended March 31, 2026 and 2025 is as follows:

| *($ in millions)* | 2026 | 2025 |
|---|---|---|
| January 1 | $245 | $251 |
| Invoices confirmed | 148 | 116 |
| Confirmed invoices paid | (140) | (146) |
| Currency impact | (6) | 9 |
| March 31 | $247 | $230 |

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited financial statements and the notes thereto included in the condensed consolidated financial statements in Part I, Item 1, "Financial Statements," of this report and in conjunction with the 2025 Form 10-K.

### *Highlights*

Net sales were approximately $3.9 billion for the three months ended March 31, 2026, an increase of 7% compared to the prior year primarily due to the favorable impact of foreign currency translation and higher selling prices.

Income before income taxes was $517 million for the three months ended March 31, 2026, an increase of $15 million compared to the prior year, primarily due to higher selling prices, the favorable impact of foreign currency translation, and cost-control measures, partially offset by higher net interest costs and higher depreciation expense.

### *Results of Operations*

| | Three Months Ended March 31 | | Percent Change |
|---|---|---|---|
| *($ in millions, except percentages)* | 2026 | 2025 | 2026 vs. 2025 |
| Net sales | $3,930 | $3,684 | 6.7 % |
| Cost of sales, exclusive of depreciation and amortization | $2,275 | $2,142 | 6.2 % |
| Selling, general and administrative | $885 | $838 | 5.6 % |
| Depreciation | $105 | $89 | 18.0 % |
| Amortization | $27 | $32 | (15.6) % |
| Research and development, net | $113 | $102 | 10.8 % |
| Interest expense | $61 | $56 | 8.9 % |
| Interest income | ($37) | ($43) | (14.0) % |
| Other income, net | ($16) | ($34) | (52.9) % |

***Net Sales by Region***

| ($ in millions, except percentages) | Three Months Ended March 31 2026 | 2025 | Percent Change 2026 vs. 2025 |
|---|---|---|---|
| United States and Canada | $1,262 | $1,284 | (1.7) % |
| EMEA | 1,423 | 1,272 | 11.9 % |
| Asia Pacific | 698 | 647 | 7.9 % |
| Latin America | 547 | 481 | 13.7 % |
| ***Total*** | $3,930 | $3,684 | 6.7 % |

***Three Months Ended March 31, 2026***

Net sales increased $246 million due to the following:

- *Favorable foreign currency translation (+6%)*
- *Higher selling prices (+1%)*

For specific business results, see the Performance of Reportable Business Segments section within Item 2 of this Form 10-Q.

Cost of sales, exclusive of depreciation and amortization, increased $133 million primarily due to the unfavorable impact of foreign currency translation.

Selling, general and administrative expense increased $47 million primarily due to overhead cost inflation and the unfavorable impact of foreign currency translation, partially offset by cost-control measures.

Depreciation expense increased $16 million primarily due to higher capital spending in 2025.

Other income, net decreased by $18 million primarily due to the absence of a first quarter 2025 gain on an insurance reimbursement related to damages incurred at a southern U.S. factory from a winter storm in 2021, the absence of a first quarter 2025 gain on the sale of the Company's remaining Russia business, and a decrease in income recognized in connection with transition services agreements with the buyer of PPG's U.S. and Canada architectural coatings business.

***Effective Tax Rate and Earnings Per Diluted Share***

| ($ in millions, except percentages and amounts per share) | Three Months Ended March 31 2026 | 2025 | Percent Change 2026 vs. 2025 |
|---|---|---|---|
| Income tax expense | $132 | $122 | 8.2 % |
| Effective tax rate | 25.5% | 24.3% | 1.2 % |
| Adjusted effective tax rate, continuing operations* | 25.5% | 24.5% | 1.0 % |
| | | | |
| Earnings per diluted share, continuing operations | $1.70 | $1.64 | 3.7 % |
| Adjusted earnings per diluted share* | $1.83 | $1.72 | 6.4 % |
| *See Regulation G Reconciliation below | | | |

Both Earnings per diluted share, continuing operations and Adjusted earnings per diluted share for the three months ended March 31, 2026 increased year over year due to higher selling prices, the favorable impact of foreign currency translation, cost-control actions and lower adjusted weighted average common shares outstanding due to share repurchases.

***Regulation G Reconciliations - Results from Operations***

PPG believes investors' understanding of the Company's performance is enhanced by the disclosure of net income from continuing operations, earnings per diluted share from continuing operations, PPG's effective tax rate and segment income adjusted for certain items along with segment income before interest, taxes, depreciation and amortization ("Segment EBITDA"). PPG's management considers this information useful in providing insight into the Company's ongoing performance because it excludes the impact of items that cannot reasonably be expected to recur on a quarterly basis or that are not attributable to our primary operations. Net income from continuing operations, earnings per diluted share from continuing operations, the effective tax rate and segment income adjusted for these items along with segment EBITDA are not recognized financial measures determined in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") and should not be considered a substitute for net income from continuing operations, earnings per diluted share from continuing operations, the effective tax rate, segment income or other financial measures as computed in accordance with U.S. GAAP. In addition, adjusted net income, adjusted earnings per diluted share, the adjusted effective tax rate and segment EBITDA may not be comparable to similarly titled measures as reported by other companies.

Income before income taxes from continuing operations is reconciled to adjusted income before income taxes from continuing operations, the effective tax rate from continuing operations is reconciled to the adjusted effective tax rate from continuing operations and net income from continuing operations (attributable to PPG) and earnings per share – assuming dilution (attributable to PPG) are reconciled to adjusted net income from continuing operations (attributable to PPG) and adjusted earnings per share – assuming dilution below.

| | **Three Months Ended March 31, 2026** | | | | |
|---|---|---|---|---|---|
| *($ in millions, except percentages and per share amounts)* | Income Before Income Taxes | Income Tax Expense | Effective Tax Rate | Net Income (attributable to PPG) | Earnings Per Diluted Share[(a)] |
| As reported, continuing operations | $517 | $132 | 25.5% | $382 | $1.70 |
| Adjusted for: | | | | | |
| Acquisition-related amortization expense | 27 | 7 | 24.3% | 20 | 0.09 |
| Business restructuring-related costs, net[(b)] | 5 | 1 | 23.2% | 4 | 0.02 |
| Portfolio optimization[(c)] | 7 | 2 | 25.6% | 5 | 0.02 |
| Adjusted, continuing operations, excluding certain items | $556 | $142 | 25.5% | $411 | $1.83 |

| | **Three Months Ended March 31, 2025** | | | | |
|---|---|---|---|---|---|
| *($ in millions, except percentages and per share amounts)* | Income Before Income Taxes | Income Tax Expense | Effective Tax Rate | Net Income (attributable to PPG) | Earnings Per Diluted Share[(a)] |
| As reported, continuing operations | $502 | $122 | 24.3% | $375 | $1.64 |
| Adjusted for: | | | | | |
| Acquisition-related amortization expense | 32 | 8 | 24.4% | 24 | 0.10 |
| Business restructuring-related costs, net[(b)] | 9 | 2 | 19.7% | 7 | 0.03 |
| Portfolio optimization[(c)] | (6) | — | N/A | (6) | (0.03) |
| Insurance recovery[(d)] | (6) | (2) | 24.3% | (4) | (0.02) |
| Adjusted, continuing operations, excluding certain items | $531 | $130 | 24.5% | $396 | $1.72 |

(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 income, net on the consolidated statement of income, accelerated depreciation of certain assets, which is included in Depreciation on the consolidated statement of income, and other restructuring-related costs, which are included in Cost of sales, exclusive of depreciation and amortization, Selling, general and administrative and Other income, net on the consolidated statement of income.

(c) Portfolio optimization includes a $6 million charge related to the step-up of acquired inventory in the first quarter 2026. Portfolio optimization also includes a $7 million gain recognized on the sale of a business in the first quarter 2025. There was no tax expense associated with that gain. 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.

(d) In the first quarter 2025, the Company received reimbursement under its insurance policies for damages incurred at a southern U.S. factory from a winter storm in 2021, which is included in Other income, net on the condensed consolidated statement of income.

***Performance of Reportable Business Segments***

***Global Architectural Coatings***

| ($ in millions, except percentages) | Three Months Ended March 31 2026 | 2025 | $ Change 2026 vs. 2025 | % Change 2026 vs. 2025 |
|---|---|---|---|---|
| Net sales | $965 | $857 | $108 | 12.6 % |
| Segment income | $155 | $118 | $37 | 31.4 % |
| Depreciation and amortization expense | $29 | $26 | $3 | 11.5 % |
| Segment income before interest, taxes, depreciation and amortization (EBITDA) | $184 | $144 | $40 | 27.8 % |

***Three Months Ended March 31, 2026***

Global Architectural Coatings net sales increased due to the following:

- *Favorable foreign currency translation (+12%)*
- *Higher selling prices (+2%)*

*Partially offset by:*

- *Divestiture-related sales (-1%)*

Architectural coatings – EMEA net sales, excluding the impact of currency, acquisitions and divestitures ("organic sales") decreased by a low single-digit percentage compared to the prior year with higher selling prices more than offset by lower sales volumes. Overall demand for architectural coatings in Europe was mixed by country.

Architectural coatings - Latin America and Asia Pacific organic sales increased by a mid-single-digit percentage compared to the prior-year quarter driven by strength in Latin America. In Mexico, retail sales volumes were solid in the quarter, reflecting strong consumer demand, while project-related spending recovered somewhat with increased government and local investment. Economic uncertainty continues to temper foreign direct business investment.

Segment income of $155 million was 31% higher than the prior year. The increase was driven by higher selling prices, favorable foreign currency translation and the positive impact of cost-control actions.

*Looking Ahead*

In the second quarter of 2026, the company expects further year-over-year strengthening in retail sales and a modest recovery of project-related spending in Mexico, while consumer sentiment in Europe is anticipated to remain mixed. Quarterly aggregate organic sales for the segment are expected to be in the range of flat to a positive low single-digit percentage compared to the second quarter 2025.

***Performance Coatings***

| ($ in millions, except percentages) | Three Months Ended March 31 2026 | 2025 | $ Change 2026 vs. 2025 | % Change 2026 vs. 2025 |
|---|---|---|---|---|
| Net sales | $1,334 | $1,265 | $69 | 5.5 % |
| Segment income | $288 | $274 | $14 | 5.1 % |
| Depreciation and amortization expense | $38 | $33 | $5 | 15.2 % |
| Segment EBITDA | $326 | $307 | $19 | 6.2 % |

***Three Months Ended March 31, 2026***

Performance Coatings net sales increased due to the following:

- *Higher selling prices (+3%)*
- *Favorable foreign currency translation (+3%)*
- *Acquisitions (+1%)*

*Partially offset by:*

- *Lower sales volume (-2%)*

Automotive refinish coatings organic sales decreased by a double-digit percentage versus the prior year. As expected, results were impacted by lower organic sales, reflecting a difficult comparison to the prior year when customer order patterns were heavily weighted to the first half of 2025. Automotive refinish coatings organic sales are anticipated to improve for PPG in the second half of the year, and we are already seeing early signs of demand improvement in the U.S. refinish market. Automotive insurance claims have been down a low single digit percentage in February and March, which reflects a more normalized level for the industry.

Aerospace coatings organic sales increased by a double-digit percentage compared to the first quarter 2025, led by higher selling prices and sales volumes. Demand is robust, and customer order backlogs remained strong, even with improved manufacturing output stemming from growth-related debottlenecking investments. Global international and domestic air travel improved year over year, and combined are above pre-pandemic levels. As demand for our technology-advantaged products grows, the company is focused on further manufacturing debottlenecking and capacity expansion through greenfield investment to drive additional volume growth in this resilient business.

Protective and marine coatings organic sales increased by a high single-digit percentage compared to the prior-year first quarter driven by higher sales volumes. Increased sales volumes were driven by share gains in both protective and marine, reflecting demand for PPG's sustainably-advantaged products.

First quarter organic sales for the traffic solutions business increased by a high single-digit percentage compared to the prior-year, outpacing the industry. The first quarter was the eighth consecutive quarter with year-over-year sales volume increases. Seasonally, first and fourth quarter sales in the business are typically lower, at about half of the second and third quarter levels, due to the difficulty of applying traffic markings in colder temperatures.

Segment income was $288 million, an increase of 5% versus the prior year, primarily due to higher selling prices, partially offset by the impact of lower automotive refinish sales volumes and higher growth-related investment spending in aerospace coatings and protective and marine coatings.

*Looking Ahead*

We anticipate continued strength in aerospace coatings as well as protective and marine coatings. While automotive refinish coatings continues to gain share through demand for the company's bundled coatings and digital services business model, we expect lower organic sales year over year in the second quarter due to customer order patterns in 2025. Automotive refinish coatings organic sales are anticipated to improve for PPG in the second half of the year. Traffic solutions is expected to follow typical seasonal trends. Second quarter organic sales for the segment are anticipated to be within the range of flat to a positive low single-digit percentage compared to the second quarter 2025.

***Industrial Coatings***

| ($ in millions, except percentages) | Three Months Ended March 31 2026 | 2025 | $ Change 2026 vs. 2025 | % Change 2026 vs. 2025 |
|---|---|---|---|---|
| Net sales | $1,631 | $1,562 | $69 | 4.4 % |
| Segment income | $193 | $215 | ($22) | (10.2)% |
| Depreciation and amortization expense | $52 | $48 | $4 | 8.3 % |
| Segment EBITDA | $245 | $263 | ($18) | (6.8)% |

***Three Months Ended March 31, 2026***

Industrial Coatings segment net sales increased due to the following:

- *Favorable foreign currency translation (+4%)*
- *Higher sales volumes (+1%)*

*Offset by:*

- *Lower selling prices (-1%)*

Organic sales for automotive OEM coatings decreased by a low single-digit percentage compared to the first quarter 2025 driven by lower indexed-based selling prices. Sales volumes were flat, including share gains, which outpaced the decline in global automotive industry production by about 300 basis points. Margins in the first quarter were negatively impacted by regional mix as China automotive production dropped in comparison to a particularly high level in the first quarter of last year. Global auto industry production in the second quarter is expected to be flat compared to the prior-year quarter with year over year declines in Europe and North America offset by growth in Asia Pacific and Latin America.

First quarter industrial coatings organic sales declined by a low single-digit percentage compared to the prior year driven by higher selling prices which were more than offset by lower sales volumes, mostly in the U.S. Sales in some product categories were above prior-year levels, including growth in heavy duty equipment and coil. The most pronounced weakness was in kitchen and bakeware, consumer electronics and appliances.

First quarter organic sales in packaging coatings increased by a double-digit percentage compared to the prior year, with higher sales volumes partially offset by lower index-based prices. Results reflect the positive momentum from share gains in the U.S. and Canada, Asia Pacific and Europe, aided by expanding European regulations. Globally, beverage and food packaging demand is solid, and PPG sales volume growth is expected to outpace the market.

Segment income was $193 million, a decrease of 10% versus the prior year, driven by lower index-based selling prices and unfavorable sales mix, partially offset by the impact of cost-control actions.

*Looking Ahead*

Our share gains in automotive OEM coatings and packaging coatings are yielding benefits, and we expect to outperform the respective markets again in the second quarter. As a result, aggregate organic sales for the segment are anticipated to be in the range of flat to a positive low single-digit percentage compared to the second quarter 2025 driven by flat selling prices and higher sales volumes.

***Tariff Impact and Mitigation***

PPG is impacted by the economic and political conditions in the markets we serve, which includes effects related to the imposition and magnitude of tariffs. The current global macroeconomic environment is highly dynamic, and we continue to monitor changes to tariffs and the corresponding impacts on our business. PPG did not experience a significant decrease in customer demand, significant increase in raw material costs, or other significant adverse impacts related to tariffs during the first three months of 2026. The Company continues to monitor overall economic demand and customer order patterns and is prepared to take actions intended to mitigate adverse impacts, as necessary, through supply chain contingency plans, pricing actions, and/or cost reduction actions.

***Middle East Conflict and Price Increases***

In the first quarter 2026, a military conflict commenced in the Middle East involving the United States, Israel and Iran. Although we do not have material operations in the Middle East, we continue to assess the impact of the conflict. In recent weeks, the global petrochemical, energy and transportation markets have experienced significant volatility and supply constraints, driven by factors outside the control of individual suppliers or manufacturers. This is resulting in higher costs for raw materials, energy, logistics and packaging across the coatings value chain. Considering our capabilities and assuming a macro environment with petrochemical feedstock prices at the spot price during April and May, the impact to PPG is expected to be a mid-single-digit percentage increase in the cost of goods sold for the remainder of the year. To ensure continuity of supply and service for customers worldwide, PPG has begun implementing a price increase of up to 20% across all product lines and services on a customer-by-customer basis or as existing contracts allow. Certain product categories, technologies and regions may require higher price adjustments to fully offset current cost inflation, and additional price increases may occur in the future as market conditions continue to evolve.

***Liquidity and Capital Resources***

PPG had cash and short-term investments totaling $1.6 billion and $2.2 billion at March 31, 2026 and December 31, 2025, respectively.

The Company continues to believe that cash on hand and short-term investments, cash from operations and the Company's ability to access the capital markets will be sufficient to fund our operating activities, capital spending, acquisitions, dividend payments, debt service, share repurchases, contributions to pension plans and contractual obligations.

**Cash from operating activities**

Cash from operating activities for the three months ended March 31, 2026 was $33 million and cash used for operating activities for the three months ended March 31, 2025 was $18 million. The $51 million increase was primarily due to higher income from continuing operations and lower increases in working capital compared to the prior year.

*Operating Working Capital*

Operating working capital is a subset of total working capital and represents (1) trade receivables – net of the allowance for doubtful accounts (2) FIFO inventories and (3) trade liabilities. We believe operating working capital represents the key components of working capital under the operating control of our businesses. A key metric we use to measure our working capital management is operating working capital as a percentage of sales (current quarter sales annualized).

| *($ in millions, except percentages)* | March 31, 2026 | December 31, 2025 | March 31, 2025 |
|---|---|---|---|
| Trade receivables, net | $3,195 | $2,783 | $2,917 |
| Inventories, FIFO | 2,344 | 2,177 | 2,288 |
| Trade creditors' liabilities | 2,401 | 2,212 | 2,362 |
| Operating working capital | $3,138 | $2,748 | $2,843 |
| Operating working capital as a % of sales | 20.0% | 17.6% | 19.3% |
| Days sales outstanding | 65 | 59 | 64 |

*Environmental*

| | Three Months Ended March 31 | |
|---|---|---|
| *($ in millions)* | 2026 | 2025 |
| Cash outlays for environmental remediation activities | $11 | $3 |

| *($ in millions)* | Remainder of 2026 | Annually 2027 - 2030 |
|---|---|---|
| Projected future cash outlays for environmental remediation activities | $30 - $50 | $20 - $60 |

**Cash used for investing activities**

Cash used for investing activities for the three months ended March 31, 2026 and 2025 was $279 million and $168 million, respectively. The $111 million increase in cash used for investing activities was primarily due to business acquisitions in the current year.

Total capital spending is expected to be approximately $650 million to $700 million in 2026 in support of future organic growth opportunities.

**Cash used for financing activities**

Cash used for financing activities for the three months ended March 31, 2026 was $334 million and cash from financing activities for the three months ended March 31, 2025 was $698 million. The $1,032 million increase in cash used for financing activities was primarily due to net debt activity, including the repayment of the $700 million 1.2% notes, which matured in the quarter.

*Credit Agreements*

In April 2023, PPG entered into a €500 million term loan credit agreement (the "Term Loan"). The Term Loan contains covenants that are consistent with those in the Credit Agreement discussed below and that are usual and customary restrictive covenants for facilities of its type, which include, with specified exceptions, limitations on the Company’s ability to create liens or other encumbrances, to enter into sale and leaseback transactions and to enter into consolidations, mergers or transfers of all or substantially all of its assets. In April 2023, PPG borrowed €500 million under the Term Loan. In December 2023, PPG obtained lender commitments sufficient to increase the size of the Term Loan by €250 million. In January 2024, PPG borrowed the additional €250 million. In December 2024, PPG obtained lender commitments sufficient to increase the size of the Term Loan by €300 million. In January 2025, PPG borrowed the additional €300 million. In January 2026, the Term Loan was amended to extend its maturity. Based on this amendment, the Term Loan terminates and all amounts outstanding are payable in January 2029.

In October 2025, PPG amended its five-year credit agreement (the "Credit Agreement") dated as of August 30, 2019 to extend its maturity. The amended Credit Agreement provides for a $2.3 billion unsecured revolving credit facility, of which $2,148 million of the total commitment has a term through July 2029 and $152 million of the total commitment has a term through July 2028. The Company has the ability to increase the size of the Credit Agreement by up to an additional $750 million, subject to the receipt of lender commitments and other conditions precedent. The Company has the right, subject to certain conditions set forth in the Credit Agreement, to designate certain subsidiaries of the Company as borrowers under the Credit Agreement. In connection with any such designation, the Company is required to guarantee the obligations of any such subsidiaries under the Credit Agreement. There were no amounts outstanding under the Credit Agreement as of March 31, 2026 and December 31, 2025.

The Term Loan and the Credit Agreement require the Company to maintain a ratio of Total Indebtedness to Total Capitalization, as defined in the Term Loan and the Credit Agreement, of 60% or less; provided, that for any fiscal quarter in which the Company has made an acquisition for consideration in excess of $1 billion and for the next five fiscal quarters thereafter, the ratio of Total Indebtedness to Total Capitalization may not exceed 65% at any time. As of March 31, 2026, Total Indebtedness to Total Capitalization as defined under the Credit Agreement was 45%.

The Credit Agreement also supports the Company’s commercial paper borrowings which are classified as long-term based on PPG’s intent and ability to refinance these borrowings on a long-term basis. Commercial paper borrowings outstanding under the Credit Agreement were $567 million as of March 31, 2026 and zero as of December 31, 2025.

*Other Debt Issued and Repaid*

In March 2026, PPG's $700 million 1.2% notes matured, and the Company repaid this obligation using cash on hand.

In March 2025, PPG completed a public offering of €900 million 3.250% Notes due 2032. Refer to Note 6, “Borrowings” in Part I, Item 1 of this Form 10-Q for additional information.

*Other Liquidity Information*

*Restructuring*

Aggregate restructuring savings were approximately $20 million in the first quarter 2026. Total restructuring savings are expected to be approximately $60 million in 2026. In addition, the Company continues to review its cost structure to identify additional cost savings opportunities. Refer to Note 5, “Business Restructuring” in Part I, Item 1 of this Form 10-Q for further details on the Company's business restructuring programs. We expect cash outlays related to restructuring actions of approximately $80 million to $100 million in 2026.

***Currency***

Comparing spot exchange rates at March 31, 2026 and at December 31, 2025, the U.S. dollar was relatively stable against the currencies of many countries within the regions PPG operates, resulting in no impact to consolidated net assets at March 31, 2026 compared to December 31, 2025.

Comparing average exchange rates during the first three months of 2026 to those of the first three months of 2025, the U.S. dollar weakened against the currencies of many countries where PPG operates, including the Mexican peso, partially offset by strengthening against the euro. This had an favorable impact on Income before income taxes for the three months ended March 31, 2026 of $29 million from the translation of these foreign earnings into U.S. dollars.

***New Accounting Standards***

Refer to Note 2, “New Accounting Standards” in Part I, Item 1 of this Form 10-Q for further details on recently issued accounting guidance.

***Commitments and Contingent Liabilities, including Environmental Matters***

PPG is involved in a number of lawsuits and claims, both actual and potential, including some that it has asserted against others, in which substantial monetary damages are sought. See Part II, Item 1, “Legal Proceedings” of this Form 10-Q and Note 13, “Commitments and Contingent Liabilities” in Part I, Item 1 of this Form 10-Q for a description of certain of these lawsuits.

As discussed in Part II, Item 1 and Note 13, although the result of any future litigation of such lawsuits and claims is inherently unpredictable, management believes that, in the aggregate, the outcome of all lawsuits and claims involving PPG, including asbestos-related claims, will not have a material effect on PPG’s consolidated financial position or liquidity; however, any such outcome may be material to the results of operations of any particular period in which costs, if any, are recognized.

As also discussed in Note 13, PPG has significant reserves for environmental contingencies. Refer to the Environmental Matters section of Note 13 for details of these reserves. It is PPG’s policy to accrue expenses for contingencies when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. Reserves for environmental contingencies are exclusive of claims against third parties and are generally not discounted. In management’s opinion, the Company operates in an environmentally sound manner and the outcome of the Company’s environmental contingencies will not have a material effect on PPG’s financial position or liquidity; however, any such outcome may be material to the results of operations of any particular period in which costs, if any, are recognized. Management anticipates that the resolution of the Company’s environmental contingencies will occur over an extended period of time.

***Critical Accounting Estimates***

Management has evaluated the accounting policies used in the preparation of the financial statements and related notes presented in this Form 10-Q and believes those policies to be reasonable and appropriate. We believe that the most critical accounting estimates made in the preparation of our financial statements are those related to accounting for contingencies, under which we accrue a loss when it is probable that a liability has been incurred and the amount can be reasonably estimated, and to accounting for pensions, other postretirement benefits, business combinations, goodwill and other identifiable intangible assets with indefinite lives because of the importance of management judgment in making the estimates necessary to apply these policies.

For a comprehensive discussion of the Company’s critical accounting estimates, see Item 7, "Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our 2025 Form 10-K. There were no material changes in the Company’s critical accounting estimates from the 2025 Form 10-K.

***Forward-Looking Statements***

Management’s Discussion and Analysis and other sections of this Quarterly Report contain 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 SEC. 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 earnings guidance, 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, margins, share gains, customer inventory levels, PPG inventory levels, our ability to maintain favorable supplier relationships and arrangements, the timing of and the realization of anticipated cost savings from restructuring 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, the amount of future share repurchases, economic and political conditions in the markets we serve, the imposition and magnitude of tariffs, 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, cybersecurity events, global human health issues, the unpredictability of existing and possible future litigation, including asbestos litigation, and government investigations. However, it is not possible to predict or identify all such factors.

Consequently, while the list of factors presented here and in the 2025 Form 10-K under Item 1A 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 income, business disruption, operational problems, financial loss, legal liability to third parties, other factors set forth in Item 1A of the 2025 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.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

*Foreign Currency Risk*

We conduct operations in many countries around the world. Our results of operations are subject to both currency transaction risk and currency translation risk. Certain foreign currency forward contracts outstanding during 2026 and 2025 served as a hedge of a portion of PPG’s exposure to foreign currency transaction risk. The fair value of these contracts were net liabilities of $13 million and net assets of $1 million as of March 31, 2026 and December 31, 2025, respectively. The potential reduction in PPG's Income before income taxes resulting from the impact of adverse changes in exchange rates on the fair value of its outstanding foreign currency hedge contracts of 10% for European and Canadian currencies and 20% for Asian and Latin American currencies was $443 million for the three months ended March 31, 2026 and $447 million for the year ended December 31, 2025.

PPG had U.S. dollar to euro cross currency swap contracts with a total notional amount of $375 million as of both March 31, 2026 and December 31, 2025. The fair value of these contracts were net assets of $17 million and $11 million as of March 31, 2026 and December 31, 2025, respectively. A 10% increase in the value of the euro to the U.S. dollar would have had an unfavorable effect on the fair value of these swap contracts by reducing the value of these instruments by $39 million and $40 million at March 31, 2026 and December 31, 2025, respectively.

As of March 31, 2026 and December 31, 2025, PPG had non-U.S. dollar denominated borrowings outstanding of $4.0 billion and $4.1 billion, respectively. A weakening of the U.S. dollar by 10% against European currencies and by 20% against Asian and South American currencies would have resulted in unrealized translation losses on these borrowings of $454 million at March 31, 2026 and $457 million at December 31, 2025.

*Interest Rate Risk*

The Company manages its interest rate risk by balancing its exposure to fixed and variable rates while attempting to minimize its interest costs. PPG has interest rate swaps which converted $375 million of fixed rate debt to variable rate debt as of both March 31, 2026 and December 31, 2025. The fair values of these contracts were liabilities of $7 million and $6 million as of March 31, 2026 and December 31, 2025, respectively. An increase in variable interest rates of 10% would have lowered the fair values of these swaps and increased annual interest expense by $3 million and $2 million for the periods ended March 31, 2026 and December 31, 2025, respectively. Considering the debt balance outstanding at March 31, 2026 and December 31, 2025, a 10% increase in interest rates in the U.S., Canada, Mexico and Europe and a 20% increase in interest rates in Asia and South America would have increased annual interest expense associated with PPG's variable rate debt obligations by $6 million and $3 million for the periods ended March 31, 2026 and December 31, 2025, respectively. Further a 10% reduction in interest rates would have increased the fair value of the Company's fixed rate debt by approximately $84 million and $73 million at March 31, 2026 and December 31, 2025, respectively; however, such changes would not have had an effect on PPG's Income before income taxes or cash flows.

There were no other material changes in the Company’s exposure to market risk from December 31, 2025 to March 31, 2026. Refer to Note 11, “Financial Instruments, Hedging Activities and Fair Value Measurements” in Part I, Item 1 of this Form 10-Q for a description of our instruments subject to market risk.

**Item 4. Controls and Procedures**

a. Evaluation of disclosure controls and procedures. Based on their evaluation as of the end of the period covered by this Form 10-Q, the Company's principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms and to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

b. Changes in internal control over financial reporting. There were no changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

PPG is involved in a number of lawsuits and claims, both actual and potential, including some that it has asserted against others, in which substantial monetary damages are sought. These lawsuits and claims may relate to contract, patent, environmental, product liability, asbestos exposure, antitrust, employment, securities and other matters arising out of the conduct of PPG's current and past business activities. To the extent these lawsuits and claims involve personal injury, property damage and certain other claims, PPG believes it has adequate insurance; however, certain of PPG's insurers are contesting coverage with respect to some of these claims, and other insurers may contest coverage. PPG's lawsuits and claims against others include claims against insurers and other third parties with respect to actual and contingent losses related to environmental, asbestos and other matters.

From the late 1880's until the early 1970's, PPG owned property located in Cadogan and North Buffalo Townships, Pennsylvania which was used for the disposal of solid waste from PPG's former glass manufacturing facility in Ford City, Pennsylvania. In October 2018, the Pennsylvania Department of Environmental Protection (the "DEP") approved PPG's cleanup plan for the Cadogan Property. In April 2019, PPG and the DEP entered into a consent order and agreement ("CO&A") which incorporated PPG's approved cleanup plan and a draft final permit for the collection and discharge of seeps emanating from the former disposal area. The CO&A includes a civil penalty of $1.2 million for alleged past unauthorized discharges. PPG's former disposal area is also the subject of a citizens' suit filed by the Sierra Club and PennEnvironment seeking remedial measures beyond the measures specified in PPG's approved cleanup plan, a civil penalty in addition to the penalty included in the CO&A and plaintiffs' attorneys fees. PPG and the plaintiffs settled plaintiffs' claims for injunctive relief and PPG agreed to enhancements to the DEP approved cleanup plan and a $250,000 donation to a Pennsylvania nonprofit organization. This settlement has been memorialized by an amendment to the CO&A which was appended to a Consent Agreement between PPG and the plaintiffs which has been entered by the federal court. The remaining claims in the case for attorneys' fees and a civil penalty are not affected by this settlement. A trial on the issue of a civil penalty under the Clean Water Act was held in June 2024. Following the trial, the parties filed Proposed Findings of Fact and Conclusions of Law and the matter is now ready for a decision by the Court. With regard to plaintiffs' motion for attorneys' fees, the Court appointed a Special Master to review the parties' positions regarding the amount of fees that should be awarded.

In 2006, a lawsuit was filed in Manaus, Brazil, captioned Di Gregório Navegação LTDA v. PPG Industries, Inc. (the "Di Gregório litigation"). The lawsuit asserted claims arising from a November 1998 fire on a cargo ship off the coast of Brazil; the lawsuit alleges the fire was caused by PPG chemical products that were part of the ship's cargo. The plaintiff, a charterer of the ship, brought claims for various alleged damages. This litigation was pending as of July 18, 2012 when PPG and Eagle Spinco Inc. ("Eagle Spinco") signed a Separation Agreement setting forth the separation of the assets and liabilities of PPG's commodity chemicals business to an entity to be later identified by Eagle Spinco. The assets and liabilities identified in the Separation Agreement specifically included all liabilities relating to the Di Gregório litigation. On January 22, 2013, PPG and Eagle US 2, LLC ("Eagle US 2") signed a Contribution Agreement, by which PPG transferred to Eagle US 2 the assets and liabilities as set forth in the Separation Agreement. Georgia Gulf Corporation then acquired Eagle Spinco and Eagle US 2 in a merger transaction after which Georgia Gulf was renamed Axiall Corporation ("Axiall"). Thereafter, Axiall owned Eagle Spinco and Eagle US 2. Under the terms of the Contribution Agreement, Eagle US 2 acquired the assets and liabilities as defined in the Separation Agreement, including the Di Gregório litigation. In 2016, Westlake Corporation acquired Axiall and its subsidiaries, including Eagle Spinco and Eagle US 2. For convenience, Westlake Corporation, Axiall, Eagle Spinco, and Eagle US 2 collectively are referred to as "Westlake."

Under the Separation Agreement and Contribution Agreement, Eagle US 2 assumed the Di Gregório litigation liability, and Eagle Spinco and Eagle US 2 were required to remove PPG as an obligor for this liability. To the extent PPG was not removed as an obligor, the Separation Agreement provides that Eagle Spinco and Axiall must act as agents or subcontractors of PPG and pay any liability in the matter on PPG's behalf. The Separation Agreement also provides PPG an uncapped right of indemnification for all damages PPG incurs arising from the Di Gregório litigation and for any breach of the Separation Agreement or Contribution Agreement.

Since 2013, Westlake exclusively has controlled the defense of the Di Gregório litigation. In 2024, PPG learned that Westlake never substituted itself into the case in place of PPG or otherwise informed the Brazilian court that Westlake is the real party in interest and assumed all liability for the matter. On May 30, 2024, Westlake informed PPG that the Brazilian court entered an award against PPG (which remains the nominal defendant) that with prejudgment interest, fees, and costs would total over $700 million. More recently, Westlake informed PPG that it believes simple prejudgment interest applies to the judgment which would result in the final award being approximately $350 million. Westlake informed PPG that although it will continue to defend the case and pursue an appeal of the award, it will not post any bond, pay any judgment, or take any steps to prevent the plaintiff from attempting to execute on the judgment against PPG.3

On May 17, 2024, Eagle Spinco filed a lawsuit against PPG in Delaware Superior Court alleging breach of the Separation Agreement and requesting declaratory relief (the “Eagle Spinco Lawsuit”). In its lawsuit, Eagle Spinco sought to have the Di Gregório liability determined to be one in which its obligation is only to indemnify PPG for any damages PPG incurs net of any insurance coverage available from PPG’s insurers.

On June 13, 2024, PPG filed a lawsuit against Westlake in the Court of Chancery in Delaware (the “PPG Lawsuit”), asserting claims for specific performance, declaratory relief, breach of contract, and equitable estoppel. The PPG Lawsuit asserts: (a) Westlake assumed all liability for the Di Gregório litigation, (b) Westlake is obligated to remove PPG as an obligor in the litigation and has a continuing duty to act as PPG’s agent to satisfy any award if PPG is not removed as an obligor in the case, (c) Westlake has the duty to pay any award, bond, court fees and other costs awarded in the Di Gregório litigation, (d) Westlake’s obligations are unconditional and not contingent upon the recovery of any insurance proceeds and Westlake did not acquire any right to PPG’s insurance assets, and (e) PPG has an uncapped right of indemnification if Westlake fails to satisfy its obligations under the Separation Agreement and Contribution Agreement. Eagle Spinco filed counterclaims in the PPG Lawsuit restating the claims originally asserted in the Eagle Spinco Lawsuit, and dismissed the Eagle Spinco Lawsuit.

PPG intends to vigorously enforce its rights under the Separation Agreement and Contribution Agreement and to hold Westlake accountable for any damages PPG suffers as a result of Westlake’s breach of contract. A bench trial for the PPG Lawsuit was held in the Delaware Court of Chancery in May 2025. The court ordered post-trial briefing, and a final oral argument was held in July 2025. PPG expects the trial court to issue its final decision in 2026. PPG believes the risk of loss associated with this matter is remote.

For many years, PPG has been a defendant in lawsuits involving claims alleging personal injury from exposure to asbestos. For a description of asbestos litigation affecting the Company, see Note 13, “Commitments and Contingent Liabilities” in Part I, Item 1 of this Form 10-Q.

## Item 1A. Risk Factors

There were no material changes in the Company’s risk factors from the risks disclosed in the 2025 Form 10-K.

## Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

### Issuer Purchases of Equity Securities

The following table summarizes the Company's stock repurchase activity for the three months ended March 31, 2026:

| Month | Total Number of Shares Purchased | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Programs | Maximum Number of Shares That May Yet Be Purchased Under the Programs [(1)] |
|---|---|---|---|---|
| January 2026 | | | | |
| Repurchase program | — | $— | — | 17,112,110 |
| February 2026 | | | | |
| Repurchase program | — | $— | — | 16,038,529 |
| March 2026 | | | | |
| Repurchase program | 971,217 | $102.96 | 971,217 | 17,577,414 |
| Total quarter ended March 31, 2026 | | | | |
| Repurchase program | 971,217 | $102.96 | 971,217 | 17,577,414 |

(1) In April 2024, PPG's Board of Directors approved a $2.5 billion share repurchase plan. The remaining shares yet to be purchased under the program have been calculated using PPG's closing stock price on the last business day of the respective month. The repurchase program does not have an expiration date.

## Item 5. Other Information

### Rule 10b5-1 Trading Plans

During the three months ended March 31, 2026, none of the Company's directors or officers, as defined in Section 16 of the Securities Exchange Act of 1934, adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-

Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K of the Securities Exchange Act of 1934.

**Item 6. Exhibits**

See the Index to Exhibits on page 44.

**PPG INDUSTRIES, INC. AND SUBSIDIARIES**

**Index to Exhibits**

The following exhibits are filed as part of, or incorporated by reference into, this Form 10-Q.

| | |
|---|---|
| †31.1 | Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| †31.2 | Certification of Principal Financial Officer Pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| ††32.1 | Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| ††32.2 | Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS* | Inline XBRL Instance Document |
| 101.SCH** | Inline XBRL Taxonomy Extension Schema Document |
| 101.CAL** | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF** | Inline XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB** | Inline XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE** | Inline XBRL Taxonomy Extension Presentation Linkbase Document |
| 104 | Inline XBRL for the cover page of this Quarterly Report on Form 10-Q, included in the Exhibit 101 Inline XBRL Document Set. |

† Filed herewith.
†† Furnished herewith.
*The instance document does not appear in the Interactive Data File because its XBRL (Extensible Business Reporting Language) tags are embedded within the Inline XBRL document.
**Attached as Exhibit 101 to this report are the following documents formatted in Inline XBRL: (i) the Condensed Consolidated Statement of Income for the three months ended March 31, 2026 and 2025, (ii) the Condensed Consolidated Balance Sheet at March 31, 2026 and December 31, 2025, (iii) the Condensed Consolidated Statement of Cash Flows for the three months ended March 31, 2026 and 2025, and (iv) Notes to Condensed Consolidated Financial Statements for the three months ended March 31, 2026.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PPG INDUSTRIES, INC.
(Registrant)

Date: April 29, 2026

By: /s/ Vincent J. Morales
Vincent J. Morales
Senior Vice President and Chief Financial Officer
(Principal Financial Officer and Duly Authorized Officer)

By: /s/ Brian R. Williams
Brian R. Williams
Vice President and Controller
(Principal Accounting Officer and Duly Authorized Officer)