



## PPG GLOBAL ANTI-CORRUPTION POLICY

### Introduction

As a global company operating in over 70 countries, PPG is required to comply with a number of laws and regulations. Critical among these laws and regulations are those governing bribery and corruption.

In recognition of these requirements, and to underscore our commitment in our [Global Code of Ethics](#) (“Code”) to act with integrity and against corruption, PPG maintains a Global Anti-Corruption Policy (“Policy”). The Policy applies to PPG Industries, Inc. (“PPG”) and its wholly owned or controlled subsidiaries (“subsidiaries”) worldwide. This Policy builds on our Code to reinforce the increasing number of standards and principles that govern our conduct in order to conform to the rigorous anti-bribery and anti-corruption laws in place throughout the world.

Every country where PPG operates is subject to one or more of these laws. Examples include the U.S. Foreign Corrupt Practices Act (FCPA), Loi Sapin 2 in France, The Mexican National Anticorruption System, the U.K. Bribery Act, the China Criminal Code, and the Brazilian Clean Companies Act. Although there are some differences between these laws, all were adopted to eliminate corruption and restore public confidence in the integrity of the global market, and promote a fair and competitive commercial environment within which to conduct business.

### Policy

Our Policy is:

- We prohibit bribery and corruption in all of our business dealings in every country.
- No PPG employee or anyone acting on PPG’s behalf may promise, offer, give or accept bribes or kickbacks when conducting PPG business.
- We prohibit any off-book transactions with respect to our third party intermediaries, private companies, governments or their respective agents
- These prohibitions apply to all transactions between PPG and any other party – whether a private entity or individual or a state owned/public/government entity or official.
- We will develop and maintain complete books and records in sufficient detail that accurately and fairly reflect the transactions of the company.
- We will maintain a system of adequate internal accounting controls as described in the [PPG Controller’s Manual](#).

This Policy supplements the [Bribery and Corruption](#) and [Business and Financial Records](#) sections of the Global Code of Ethics. This Policy also supports our [Third Party Due Diligence Policy](#).

### Guidance

As a PPG employee, it is your responsibility to understand the following points:

- ***Bribes are not limited to cash.*** Bribes include “anything of value” intended to improperly influence a commercial or government decision. “Anything of value” includes cash, cash-equivalents, gifts, meals, entertainment, travel, personal property, assumption or forgiveness of a debt, charitable donations, sponsorships, services, offers of employment or other unfair benefit. Items of nominal value or small gifts/tokens of esteem are not generally considered bribes.

Any company hospitality, travel, gifts, entertainment and meals must be proportionate to the occasion and comply with PPG’s policies and local laws and regulations in the country of the recipient’s location. For example, although it is appropriate and acceptable to cover the cost of a customer trip to visit a PPG manufacturing, research or other facility for a legitimate business purpose, vigilance is required. The duration of the visit must be commensurate with the time needed to satisfy the business purpose and the cost of the trip must be reasonable and only cover actual trip-related costs. Any unrelated costs such as an extension of the trip, shopping, services, etc. must be paid for by the customer. Please refer to [PPG’s Global Travel Policy](#) and [Controller’s Manual](#) for additional information.

- ***The bribe does not have to be accepted or successful to violate the law.*** Under the laws of many countries, PPG has committed a violation even if the offer of the payment or bribe is turned down. It also doesn’t matter if a payment is actually made or if the recipient actually does anything for you. The violation occurs the moment an improper offer or payment is made.
- ***Bribes to obtain permits, licenses, product and other approvals, etc. are also illegal.*** Most people associate bribes with obtaining business from a customer. However, it is just as illegal to pay a bribe to a government or regulatory official to obtain other benefits, such as an operating or EHS permit, a tax break, approval or certification of a product, a license to conduct business, etc. Remember, you cannot pay a bribe to gain any improper business advantage.
- ***Particularly stringent prohibitions apply to any effort to improperly influence government officials.*** Our Policy prohibits bribery and corruption between PPG and its commercial partners in addition to PPG and government entities/officials. However, some laws, including the U.S. FCPA, impose particularly substantial fines and penalties on bribes and payments to foreign government officials.
- ***State-owned entities (SOEs) are considered government officials.*** In many countries, the government may have a partial ownership interest in a company - an SOE - with which PPG chooses to do business. SOEs are common throughout the world and particularly in China, Russia, the UAE, and Indonesia. Since it will not always be apparent whether a company is exclusively a private venture or has some level of government ownership, it makes it all the more important that PPG associates never offer or make bribes or improper payments to any entity.
- ***PPG may be liable if our agents and other intermediaries pay bribes on our behalf.*** PPG depends on third parties in many countries to sell our products and services. The prohibition against offering and making bribes and payments applies equally to these types of intermediaries. Likewise, improper payments or bribes cannot be made to the friends or relatives of a person employed by the customer, or a government official, if PPG knows or strongly believes that the payment will benefit the customer or government official for an improper purpose.

PPG has developed and maintains a robust third party due diligence program to validate and manage its agents and intermediaries. Please consult the information on this site for further information: [PPG Third Party Due Diligence](#).

We must also apply appropriate due diligence when selecting joint venture partners, candidates for acquisition and their respective agents and representatives. PPG could be held responsible for improper activities conducted by a company that it acquires, or by its joint venture partners, if it fails to (i) undertake a careful and timely review of potential areas of risk; (ii) implement an effective compliance program at those entities; or (iii) otherwise stop such improper activity.

- ***Be careful with rebates, prebates and discounts.*** Like many companies, PPG occasionally provides rebates, prebates and similar payments or discounts to customers in order to obtain or retain contracts or business as part of a negotiated commercial arrangement. These payments are not “improper” if they are expressly provided for in the contract, are reasonable and consistent with the SBU’s ongoing practice, are not paid in cash, are paid to the customer entity directly rather than to or through any individual, are properly accounted for in our books and records, and otherwise conform to the contract requirements.
- ***Accurate and transparent books and records and adequate internal accounting rules are essential.*** It is never appropriate to mischaracterize transactions in our books and records. Bribes are often concealed under the guise of legitimate payments, such as commissions or consulting fees. In many cases, companies are charged with violations of anti-corruption laws even when there is no proof of a bribe – all because improper payments were inaccurately recorded or they had weak internal controls which expose them to a risk of corruption.

Additionally, costs incurred and the activities undertaken as part of hospitality, travel, gifts, entertainment and meals must be transparent – this means that the accounts which evidence these costs and activities must reference the individuals involved, identify a clear business purpose, describe the activity, state the amount of money spent, etc.

- ***Charitable contributions can sometimes be considered bribes.*** Many employees are surprised to learn that charitable contributions and sponsorships can present a risk of violating anti-bribery or anti-corruption laws and regulations.

As an example, a PPG business partner or government official may actively support or be on the board of a charity. As further described in the [Charitable Contributions](#) section of our Code, PPG cannot use a donation to that charity to attempt to influence the partner or official to do business with us, secure an approval, or obtain any other improper business advantage.

- ***Political contributions.*** PPG supports political candidates through company-approved structures within the requirements of local laws and with the approval of PPG Government Affairs. Similar to the risk presented by charitable contributions, there is a clear concern if contributions are made to a political candidate or party to improperly influence that government official or business partner. Any employee who is asked to make a payment, other than a voluntary personal campaign contribution, to a government official must contact PPG’s Chief Compliance Officer and PPG Government Affairs.

### **Consequences**

Violations of this Policy and anti-corruption and anti-bribery laws and regulations can result in severe criminal and/or civil penalties for both the Company and the individuals involved. It is important to always act in a manner which avoids even the appearance of a potential violation of these restrictions. Financial penalties under certain laws are unlimited and frequently exceed several million dollars. Criminal penalties for individuals can result in ten years or more jail time, plus personal fines, which PPG cannot pay on your behalf.

Any violation of this Policy or these laws and regulations may result in disciplinary action by the Company, up to and including termination of employment.

### **Monitoring and Review**

Management is responsible for establishing controls to ensure that its business is carried out globally in accordance with PPG's policies and all applicable laws and regulations. PPG's Corporate Audit Services will regularly monitor and review employee compliance with this Policy, the related procedures and the referenced laws and regulations.

### **Reporting**

Any director, officer or employee of PPG and its subsidiaries who suspects or knows of a violation of this Policy or these laws and regulations must report the information to PPG's Chief Compliance Officer, PPG's Corporate Counsel, Global Ethics & Compliance, another resource identified below, or through PPG's confidential, anonymous "[Ethics Helpline](#)".

### **Resources**

If you have any questions regarding this Policy or the referenced laws and regulations, please contact:

- *PPG's Chief Compliance Officer – U.S. (412.434.3200)*
- *PPG's Corporate Counsel, Global Ethics & Compliance (412.434.2434)*
- *PPG's Senior V.P. and General Counsel – U.S. (412.434.2471)*
- *PPG's regional counsel:*
  - *General Counsel – Asia Pacific (852.2860.4569)*
  - *General Counsel – EMEA (41.21.822.3011)*
  - *Law Director – South America (55 19 2103.6082)*
  - *Law and Compliance Director – Latin America North (52 55 5284.1779)*