

PPG PLATINUM DISTRIBUTOR ADVANTAGE CANADA PROGRAM OUTLINE

PLATINUM APPRECIATION (PPG STOCK) - 0.45% of Total Purchases¹

- Payout Bi-annually in April and August
- Calculation (Total Purchases)*(0.45%)
- Qualifications Meet the contractual requirements outlined in the Platinum Distributor Agreement

PLATINUM FUNCTIONAL ADVANTAGE – Rebate 1.5% of Total Purchases¹

- Payout Paid monthly, one month in arrears.
- Calculation (Total Purchases)*(1.5%)
- Qualifications Meet the contractual requirements outlined in the Platinum Distributor Agreement

PLATINUM PLUS ADVANTAGE – Rebate 1.25% of Paint Purchases²

- Payout Paid annually in Q1 2025 to distributors who meet the qualifications below.
- Calculation (Paint Purchases)*(1.25%)
- Qualifications Meet the contractual requirements outlined in the Platinum Distributor Agreement and meet the milestones below:
 - 1. Exceed prior year total Paint Purchases, on a corporate-wide basis, by at least 11%
 - 2. Complete purchase forecast via Platinum Progress within the business plan section, by the last day of the previous quarter.
 - Q2 2024 Due: March 31, 2024
 - Q3 2024 Due: June 30, 2024
 - Q4 2024 Due: September 30, 2024
 - Q1 2025 Due: December 31, 2024
 - **3.** Attain quarterly purchase target, defined in Platinum Progress. Calculated as 75% of full year target paint purchases divided evenly by quarter cumulatively ending the year at 100% of growth target.

PPG PLUS ASSOCIATED PRODUCTS ("AP") – Rebate 5.00% of PPG AP Purchases³

- Payout Paid annually in Q1 2025 to distributors who meet the qualifications below.
- Calculation (PPG AP Purchases)*(5%)
 - 1. Qualifications Exceed prior year PPG-branded AP and other AP purchases by 5%



PPG PLATINUM PREMIER[™] ADVANTAGE – Rebate 0.50% of Total Purchases¹

- Payout Paid annually in Q1 2025 to distributors who meet the qualifications below.
- Calculation (Total Purchases)*(0.50%)
- Qualifications Meet the contractual requirements outlined in the Platinum Distributor Agreement and meet the milestones below:
 - 1. Yearly purchases of \$250,000
 - 2. Report year over year % PPG paint sales out performance quarterly for via Platinum Progress within the business plan section.
 - **3.** Report PPG paint inventory level (High, Normal, Low) quarterly via Platinum Progress within the business plan section.
 - 4. SEM[®]
 - 15% growth of SEM[®] purchases vs. 2023 (Purchases include those purchased directly from SEM[®] or any WD)**
 - Each distributor store location must purchase and sell one SEM® Cabinet (Part #70080)
 Purchase can be directly from SEM® or WD. The SEM® Cabinet contains a sample of SEM® key products and represent a shop conversion to SEM®
 - Purchase 5 GLADIATOR[™] XC Matte Extreme Coating kits (Part #56650 (black) or 56670 (tintable). Purchase can be directly from SEM[®] or WD.
 - A representative must attend a SEM[®] product training class at Rock Hill, SC or a local BDC in 2023 or 2024
 - 5. PPG MOONWALK[™] mixing system-1 *Moonwalk* at a customer or distributor location (signed contract)

END OF YEAR ADVANTAGE – Rebate 1% of Paint Purchases²

- Payout Paid annually in Q1 2025 to distributors who meet the qualifications below.
- Calculation (Paint purchases)*(1%)
- Qualifications Meet the contractual requirements outlined in the Platinum Distributor Agreement and meet the milestones below:
 - 1. Complete the Profit Planning Survey by March 31
 - 2. Complete and review a business plan with the PPG TM & CTM by May 1
 - 3. Certified DTR Verification via Platinum Progress Forms & Reports section- Distributor Technical Representative (DTR) Certification Have one person on staff become a certified DTR by completing both the DTR exam from the PPG KNOWLEDGE COLLEGE[™] and the hands-on evaluation or complete a field certification for at least one technician.
 - 4. Grow SHOPLINE[®] Volume by 5%



COMMERCIAL GROWTH ADVANTAGE _-1.00% of Commercial Liquid Paint Purchases⁴

- Payout Paid annually in Q1 2025 to distributors who meet the qualifications below.
- Calculation (Commercial Liquid Paint Purchases)*(1%)
- Qualifications Meet the contractual requirements outlined in the Platinum Distributor Agreement and meet the milestones below:
 - 1. Exceed prior year Commercial Liquid Paint Purchases, on a corporate-wide basis, by at least 11%
 - 2. Complete a business plan with the PPG TM & CTM by May 1

<u>COMPETITIVE SHOP WIN⁵ ADVANTAGE</u> – Rebate 0.50% of Paint Purchases²

- Payout Paid annually in Q1 2025 to distributors who meet the qualifications below.
- Calculation (Paint Purchases)*(0.50%)
- Qualifications Meet the contractual requirements outlined in the Platinum Distributor Agreement and meet the minimum number of Competitive Shop Win Points in the table below:

Competitive Shop Wins⁵		
Prior Year Distributor Paint Purchases	Distributor-wide Win Points Required	
Up to \$1MM	1	
\$1MM - \$2.5MM	3	
\$2.5MM - \$4MM	5	
\$4MM - \$6MM	7	
\$6MM - \$8MM	9	
\$8MM - \$10MM	12	
Over \$10MM	3-year average sent separately	

Collision	Point Value	Commercial
Shop Value		Yearly Value @ PPG Dist. Cost
Up to \$750K	0	Up to \$35K
\$750-\$1.75MM	1	\$35K-\$80K
\$1.75MM-\$3MM	2	\$80K-\$135K
\$3MM- \$10MM	3	\$135K-\$450K
\$10MM-\$20MM	4	\$450K-\$900K
\$20MM+	5	\$900K+



Definitions:

- "Total Purchases" Total PPG invoiced purchases less credits. Excludes SEM[®], ICR
- 2. "Paint Purchases" PPG invoiced liquid purchases of Collision and Commercial paint, less credits. Excludes PPG-branded AP, other AP, SEM[®], ICR, 3M[®]
- "PPG Associated Products (AP) Purchases" PPG invoiced purchases less credits of PPGbranded AP and other AP. Excludes – Collision, Commercial, GROW, SEM[®], ICR, 3M[®]
- "Commercial Liquid Paint Purchases" PPG invoiced liquid purchases of Commercial products sold under the AMERCOAT[®], AQUACRON[®] brand name, as well as CPC, LIC, and Fleet products, less credits.
 Excludes Collision, GROW, PPG-branded AP, other AP, SEM[®], ICR, 3M[®]
- "Competitive Shop Win" Competitive Collision shop converted to PPG. Commercial win at least \$35,000 value at distributor annual Commercial Paint Purchases, converted to PPG. All wins must be reported to and qualified by the PPG Territory Manager. Excludes – Certified Distributor Network (CDN)

**** SEM Purchases-** Purchases must be reported quarterly by the distributor to Rhonda Sutton <u>rsutton@ppg.com</u> by the 15th of the month following the end of the quarter.