PPG INDUSTRIES INC
Form 11-K
June 23, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 11-K
ý ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the year ended: December 31, 2013
or
o TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission file number 1-1687
A. Full title of the plan and address of the plan, if different from that of the issuer named below:
PPG Industries Employee Savings Plan
B. Name of the issuer of the securities held pursuant to the plan and the address of its principal executive office:
PPG Industries, Inc.
One PPG Place, Pittsburgh, Pennsylvania 15272

Table of Contents

PPG INDUSTRIES EMPLOYEE SAVINGS PLAN
TABLE OF CONTENTS

NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and Administrator of
PPG Industries Employee Savings Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of PPG Industries Employee Savings Plan (the “Plan”) at December 31, 2013, and the changes in net assets available for benefits for the year ended December 31, 2013 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at December 31, 2013) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

Pittsburgh, Pennsylvania
June 23, 2014

1

Table of Contents

2012 REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Plan Administrator of and Participants in
PPG Industries Employee Savings Plan:

We have audited the accompanying statement of net assets available for benefits of the PPG Industries Employee Savings Plan (the "Plan") as of December 31, 2012 and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2012 and the changes in net assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Pittsburgh, Pennsylvania
June 25, 2013

Table of Contents

PPG INDUSTRIES EMPLOYEE SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2013 AND 2012

($ in millions)	2013	2012
NET ASSETS:		
Investment in net assets of the PPG Industries Master Trust — at fair value	$3,393	$3,015
Receivables:		
Notes receivable from participants	42	45
NET ASSETS AVAILABLE FOR BENEFITS — at fair value	3,435	3,060
ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACTS	(14)	(27)
NET ASSETS AVAILABLE FOR BENEFITS	$3,421	$3,033

See notes to financial statements.

Table of Contents

PPG INDUSTRIES EMPLOYEE SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

($ in millions)	2013	2012
ADDITIONS:		
Income — net from investments in the PPG Industries Master Trust	$620	$569
Interest income on notes receivable from participants	2	2
Total income	622	571
Contributions:		
Employer	36	28
Employee	102	69
Total contributions	138	97
Total additions	760	668
DEDUCTIONS:		
Withdrawals	367	174
Administration expenses	2	2
Total deductions	369	176
NET INCREASE PRIOR TO PLAN TRANSFERS	391	492
TRANSFERS OUT TO OTHER PLANS	(3)	—
NET INCREASE	388	492
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	3,033	2,541
End of year	$3,421	$3,033

See notes to financial statements.

Table of Contents

PPG INDUSTRIES EMPLOYEE SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
1. DESCRIPTION OF THE PLAN

The PPG Industries Employee Savings Plan (the "Plan") is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The plan was established in 1965 for employees residing in the United States. Eligible participants include employees of PPG Industries Inc. (the "Company" or "PPG") and certain of its subsidiaries and collective bargaining units. The Plan was converted to an Employee Stock Ownership Plan ("ESOP") on December 1, 1988, and was amended effective January 1, 2006, to reflect that only the PPG Stock Fund is an ESOP. The named fiduciary for the operation and administration of the Plan (the “Plan Administrator”) is the PPG Global Director, Compensation and Benefits. The named fiduciary with respect to control and management of the assets of the Plan is the PPG Executive Committee and the PPG Benefits Investment Committee. Their responsibilities include, but are not limited to, approval of trustees, investment options, and investment managers and establishing performance benchmarks. The PPG Employee Benefits Committee also has responsibility for establishing, maintaining, and amending the Plan.

Administrative Expenses - The Plan pays all reasonable and necessary costs to manage and operate the Plan as determined by the Plan Administrator. These expenses, including recordkeeping fees, administrative charges, professional costs, and trustee costs, are paid from the assets of the PPG Industries Master Trust (the "Master Trust"). The Plan Administrator has adopted uniform and nondiscriminatory procedures to allocate these expenses to participant accounts.

Trustee of the Plan Assets - Fidelity Management Trust Company ("FMTC") was the trustee for all of the Plan assets as of December 31, 2013 and 2012.

Eligibility to Participate in the Plan - The Plan is available to U.S. salaried and hourly employees of PPG and its wholly owned subsidiaries who are not covered by a collective bargaining agreement and hourly employees whose employment is covered by a collective bargaining agreement where the collective bargaining agreement provides for participation. An eligible employee may become a participant as of the first day of any month that is coincident with or following his or her hire date.

Contributions - Contributions under the Plan are made by the participants and, for certain participants, by the Company. The participants' maximum contribution rate for the years ended December 31, 2013 and 2012 was 50% of eligible participant compensation. Participants can contribute on a before-tax basis, an after-tax basis, and on a Roth 401(k) after-tax contribution basis. Pre-tax contributions and Roth 401(k) after-tax contributions were restricted to $17,500 in 2013 and $17,000 in 2012. Catch-up contributions, including Roth 401(k) catch-up contributions, are permitted for eligible participants (catch-up contributions are not eligible for the Company match) and were restricted to $5,500 in both 2013 and 2012.

Employee contributions also include rollovers from other qualified plans. The amount of individual rollovers from other plans totaled $40.3 million and $7.9 million in 2013 and 2012, respectively. The increase in rollovers in 2013 compared to 2012 was primarily due to employees of the former AkzoNobel North American architectural coatings business becoming eligible Plan participants as a result of PPG's acquisition of this business in April 2013.

For most participants not covered by a collective bargaining agreement, Company-matching contributions are applied to each participant's monthly contribution subject to a maximum of 6% of the eligible participant's compensation. The Company match rate established each year is at the discretion of the Company. As of January 1, 2012, the Company matching contribution was 75% on the first 6% of eligible participant

Table of Contents

compensation contributed. Effective April 1, 2013, the company matching contribution was increased to 100% of the first 6% of eligible participant compensation contributed. For those participants whose employment is covered by a collective bargaining agreement, the level of Company matching contributions, if any, is determined by the relevant collective bargaining agreement.

Participant Accounts - Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution, the Company's matching contribution, if applicable, and allocations of fund earnings and charged with an allocation of fund losses and administrative expenses. Allocations are based on participant account balances, as defined by the Plan. Participants direct the investment of their contributions and Company matching contributions into various investment options offered by the Plan.

Vesting - All participant contributions and Company matching contributions and their related earnings are vested immediately and become nonforfeitable.

Payment of Benefits - Upon termination from service as a result of a voluntary or involuntary separation, retirement, or being approved for a Company sponsored long-term disability program, a participant may elect how to receive payment of his or her account from several options, including a total distribution, a partial lump-sum distribution, or recurring payments. The benefit to which a participant is entitled is the participant's vested account balance. Participants who separate from service with a vested balance between $1,000 and $5,000 will have their vested account balance rolled over into an individual retirement account unless they make a different decision within 90 days of their separation from service. Those participants with vested balances of less than $1,000 will receive a taxable cash distribution unless they make a different decision within 90 days of their separation from service.

Payments to designated beneficiaries upon the death of the participant are made as a lump-sum distribution as soon as administratively possible from the date such payments are requested by the designated beneficiary or beneficiaries.

Notes Receivable from Participants - All active participants, excluding (a) those with a vested account balance less than $2,000, (b) those who have two existing loans, (c) those who have defaulted on an existing loan within the past 36 months, and (d) those who have paid off a loan in the past 30 calendar days, may borrow, for either general purposes or for a primary residence, from their account a minimum of $1,000, up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance, reduced by the highest outstanding participant loan balance over the past 12 months. General purpose loans have a loan term of 12 to 56 months. Primary residence loans have a loan term of 60 to 360 months. The loans are secured by the participants' account balance and are issued at an interest rate equal to the prime interest rate on the last business day of the previous month plus 1%. Principal and interest payments are generally repaid by payroll deductions.

Transfers - Transfers in occur when PPG acquires a new business and the existing plan(s) of the acquired company are legally moved into the Plan. Transfers out occur when PPG divests part of its business and portions of the Plan related to the divested business are legally moved out of the Plan.

On January 28, 2013, the Company completed the separation of its former commodity chemicals business and merger of its wholly-owned subsidiary, Eagle Spinco Inc., with a subsidiary of Georgia Gulf Corporation, which is now known as Axiall Corporation. As a result of this transaction, participant loan balances of $3 million were transferred out of the Plan and into plans established by Axiall Corporation.

No transfers of assets were made to or from the Plan in 2012.

The above brief description of the Plan is provided for general information purposes only. Participants should refer to the Summary Plan Description for a complete description of the Plan, which is available from the Plan Administrator.

Table of Contents

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RELATED MATTERS

Basis of Accounting - The financial statements of the Plan are prepared on the accrual basis of accounting, except for amounts due to participants who had requested withdrawals, which are not recorded as a liability of the Plan as of December 31, 2013 and 2012, in accordance with the American Institute of Certified Public Accountants Audit and Accounting Guide, Audits of Employee Benefit Plans.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends on the PPG Industries common stock are recorded as investment income on the ex-dividend date.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires Plan management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein. Actual results could differ from those estimates.

Risk and Uncertainties - The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could be material in relation to the amounts reported in the financial statements.

Master Trust - The Master Trust was established pursuant to a trust agreement between PPG and FMTC in order to permit the commingling of assets of multiple PPG sponsored employee benefit plans for investment and administrative purposes. The Plan is one of these PPG sponsored employee benefit plans that has assets in the Master Trust.

Investment Valuation - Investments are stated at fair value. See Note 4 for further information pertaining to fair value measurements.

Notes Receivable from Participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are recorded as withdrawals based on the terms of the Plan document.

3. PPG INDUSTRIES MASTER TRUST

The Master Trust assets are held by FMTC. Each participating employee benefit plan is entitled to an allocable share of the net assets and changes therein of each of the Master Trust investment options in which the respective plan participates. The Plan's assets are included in the Master Trust together with other PPG sponsored plans.

The net investment income of the commingled Master Trust investment funds is allocated by the trustee to each participating plan based on that plan's interest in each commingled Master Trust investment fund, as compared with the total interest of all the participating plans, in each commingled Master Trust investment fund at the beginning of the month. The investment income for the Loan Fund, which is not part of the Master Trust, is recorded separately for this specific fund.

Table of Contents

As of December 31, 2013 and 2012, the Plan had approximately a 98.82% and 99.13% interest in the Master Trust, respectively. The net assets available for benefits of the Master Trust are summarized as follows:

($ in millions)	2013	2012
Investments at fair value:		
PPG Industries common stock*	$1,072	$919
Mutual funds*	490	358
S&P 500 Index Fund*	392	287
Stable Value Fund*	776	843
International Equity Fund*	191	138
Common Collective Trusts*	499	474
Money market funds	14	16
Total investments at fair value	3,434	3,035
Receivables	5	16
Liabilities	(6)	(10)
Net assets at fair value	3,433	3,041
Adjustment from fair value to contract value for fully benefit-responsive investment contracts:		