

PPG INDUSTRIES INC
Form 11-K
June 27, 2018

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

FORM 11-K

✓ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the year ended: December 31, 2017

or

☐ 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

PPG Industries Employee Savings Plan
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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.

Report of Independent Registered Public Accounting Firm

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

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of PPG Industries Employee Savings Plan (the “Plan”) as of December 31, 2017 and 2016 and the related statement of changes in net assets available for benefits for the years then ended, including the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on the Plan’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Supplemental Information

The supplemental schedule of Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held as of December 31, 2017) has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental schedule is the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental schedule reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedule. In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/PricewaterhouseCoopers LLP

Pittsburgh, Pennsylvania
June 27, 2018

We have served as the Plan's auditor since 2013.

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PPG Industries Employee Savings Plan

Statements of Net Assets Available for Benefits

As of December 31, 2017 and 2016

(\$ in millions)	2017	2016
Net Assets:		
Investments at fair value		
Mutual funds	\$621	\$497
PPG Industries, Inc. common stock	881	830
Money market funds	9	11
Common-collective trusts	1,612	1,358
Investments at contract value		
Stable value fund account	638	698
Total investments	\$3,761	\$3,394
Notes receivable from participants	42	42
Net Assets Available for Benefits	\$3,803	\$3,436

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

PPG Industries Employee Savings Plan

Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2017 and 2016

(\$ in millions)	2017	2016
Additions:		
Net appreciation in fair value of investments	\$551	\$84
Interest and dividend income	31	47
Interest income on notes receivable from participants	2	2
Total net investment income	584	133
Contributions:		
Employer	61	63
Employee	85	86
Total contributions	146	149
Assets transferred into PPG Industries Employee Savings Plan (Note 1)	30	67
Total additions	760	349
Deductions:		
Withdrawals	349	304
Administration expenses	1	2
Assets transferred out of PPG Industries Employee Savings Plan (Note 1)	43	—
Total deductions	393	306
Net increase	367	43
Net Assets Available for Benefits:		
Beginning of year	3,436	3,393
End of year	\$3,803	\$3,436

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

PPG Industries Employee Savings Plan

Notes to the Financial Statements

As of and for the Years Ended December 31, 2017 and 2016

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.

On January 1, 2016, the Company merged certain other U.S. defined contribution plans into the Plan.

Trustee of the Plan Assets - Fidelity Management Trust Company ("FMTC") was the trustee of the Plan assets for the years-ended December 31, 2017 and 2016.

Recordkeeper of the Plan - On January 1, 2016, Alight Solutions, formerly known as Aon Hewitt, superseded Voya Retirement Services as the recordkeeper of 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 Plan assets. The Plan Administrator has adopted uniform and nondiscriminatory procedures to allocate these expenses to participant accounts.

Eligibility to Participate in the Plan - The Plan is available to most 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.

Investment Options - Participants of the Plan are eligible to invest in money market funds, mutual funds, PPG Industries, Inc. common stock, the Stable Value Fund, and common-collective trusts.

Contributions - Contributions under the Plan are made by the participants and, for certain participants, by the Company.

Employee

The participants' maximum contribution rate for the years ended December 31, 2017 and 2016 was 50% of eligible participant compensation, up to \$18,000. Participants can contribute on a before-tax basis, an after-tax basis, and on a Roth 401(k) after-tax contribution basis. 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 limited to \$6,000 in 2017 and 2016. Employee contributions also include rollovers from other qualified plans. The amount of individual rollovers from other plans totaled \$12 million and \$10 million in 2017 and 2016, respectively.

Employer

For most participants not covered by a collective bargaining agreement, Company-matching contributions are applied to each participant's contribution subject to a maximum of 6% of the eligible participant's compensation contributed. The Company-matching contribution was 100% during 2017 and 2016. 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.

Employer contributions also include "Employer Additional Contributions" where the Company deposits additional retirement plan monies into eligible participant accounts. These contributions are between 2% and 5% of the eligible participants' eligible Plan compensation. The applicable contribution percentage is based on a combination of the participants' age and years of service. The Employer Additional Contributions were \$18 million in 2017 and 2016. Participant Accounts - Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participants' contribution, the Company's matching contribution, the Employer Additional Contribution, if applicable, and allocations of fund earnings and is 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. The Employer Additional Contributions are generally vested over a three year service period.

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 as soon as administratively possible unless instructions are provided by the participant. Those participants with vested balances of less than \$1,000 will receive a taxable cash distribution as soon as administratively possible unless instructions are provided by the participant. Those participants with vested balances of greater than \$5,000 may defer the distribution of their account. Those participants must begin receiving a required minimum distribution by April 1 of the year following termination from PPG, and each year thereafter. Required minimum distributions may not be rolled over to another retirement plan, IRA, or Roth IRA.

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 Plan 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, (d) those who have paid off a loan in the past 30 calendar days, (e) those who are not receiving a paycheck, and (f) those who are suspended from making contributions due to an in-service or hardship withdrawal, 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 60 months. Primary residence loans have a loan term of 61 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 15th of the previous month plus 1%. Principal and interest payments are generally repaid by payroll deductions. Company contributions, based on age and years of service, are not available for loans.

Transfers - Transfers in primarily occur when PPG acquires a new business and the existing plan(s) of the acquired company are legally moved into the Plan. Transfers out primarily occur when PPG divests part or all of one of its strategic business units and portions of the Plan related to the divested business are legally moved out of the Plan. On September 1, 2017, assets valued at approximately \$43 million were transferred out of the Plan to other U.S. defined contribution plans after PPG's sale of the North American fiber glass business. Additionally, on October 1, 2017, assets valued at approximately \$30 million were transferred into the plan from other U.S. defined contribution plans through PPG's acquisition of The Crown Group.

On January 1, 2016, assets valued at \$67 million were transferred into the Plan from certain other PPG U.S. defined contribution plans.

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.

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, 2017 and 2016, 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.

Investment Valuation - Investments are generally stated at fair value. Investments in securities traded on securities exchanges are valued at the closing sales price on the last business day of the Plan year. Listed securities for which no sale was reported on that date are valued at bid quotations. See Note 3 for further information pertaining to fair value measurement.

The Stable Value Fund is a pooled separate account with FMTC as the investment manager, which invests in a diversified portfolio of fixed income securities, such as U.S. government obligations, mortgage-related and asset-backed securities, and corporate bonds. The Stable Value Fund is measured at contract value. See Note 4 for additional information regarding the Stable Value Fund.

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. Fair Value Measurement

Accounting guidance on fair value measurements establishes a hierarchy of inputs employed to determine fair value measurements, which has three levels.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities. 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. Level 3 inputs are unobservable inputs employed for measuring the fair value of assets or liabilities.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. PPG evaluates the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2017 and 2016, there were no transfers between levels.

The financial assets that are reported at fair value on a recurring basis as of December 31, 2017, were as follows:

(\$ in millions)	Level 1	Level 2	Level 3	Total
Investments in the fair value hierarchy:				
PPG Industries, Inc. common stock	\$881	\$ —	\$ —	—\$881
Mutual funds	621	—	—	621
Money market funds	9	—	—	9
Total assets in the fair value hierarchy	1,511	—	—	1,511
Common-collective trusts ^(a)	—	—	—	1,612
Investments at fair value	\$1,511	\$ —	\$ —	—\$3,123

^(a) Certain investments that are measured at net asset value per share (or its equivalent) are not required to be classified in the fair value hierarchy.

The financial assets that are reported at fair value on a recurring basis as of December 31, 2016, were as follows:

(\$ in millions)	Level 1	Level 2	Level 3	Total
Investments in the fair value hierarchy:				
PPG Industries, Inc. common stock	\$830	\$ —	\$ —	—\$830
Mutual funds	497	—	—	497
Money market funds	11	—	—	11
Total assets in the fair value hierarchy	1,338	—	—	1,338
Common-collective trusts ^(a)	—	—	—	1,358
Investments at fair value	\$1,338	\$ —	\$ —	—\$2,696

^(a) Certain investments that are measured at net asset value per share (or its equivalent) are not required to be classified in the fair value hierarchy.

Common-Collective Trusts

The investment in Common-Collective Trusts is comprised of investments in the BlackRock Institutional Trust Company (“BlackRock”) S&P 500 Index Fund, the Mellon Capital Management Company (“Mellon”) International Equity Fund, BlackRock LifePath Portfolio Funds, the Mellon Bond Index Fund and the

BlackRock U.S. Treasury Inflation Protected Securities (TIPS) Index Fund. The BlackRock S&P 500 Index Fund's objective is to provide a total return that closely corresponds to the investment performance of the S&P 500 with dividends reinvested. The BlackRock S&P 500 Fund is invested in the Equity Index Fund T, which is not a mutual fund and is only available to qualified institutional investors. The Mellon International Equity Fund is a pooled separate account consisting of institutionally managed commingled pools. Mellon's international fund is invested in the Mellon EB Daily Liquidity ACWI ex-U.S. Fund and is available only to qualified institutional investors. The objective of the BlackRock LifePath Portfolio Funds is to maximize total return while maintaining an investment mix of stocks and fixed income instruments relative to a participant's retirement time frame. The Mellon Bond Index Fund's objective is to provide a total return that closely corresponds to the investment performance of the Index. The BlackRock U.S. TIPS Index Fund's objective is to provide a total return that seeks to match the investment performance of the TIPS Index. This commingled pool is not a mutual fund and is only available to qualified institutional investors. The fair value of the common-collective trust is based upon the net asset value of the underlying investments held by each of the funds. These investments are valued at their respective net asset value per share or unit on the valuation date.

4. Stable Value Fund

The objective of the Stable Value Fund is to preserve the invested principal and accumulated interest, while earning a competitive level of income over time. The Stable Value Fund is a separate account managed by FMTC. The Stable Value Fund is fully benefit-responsive and consists of synthetic guaranteed investment contracts.

The Stable Value Fund invests in a diversified portfolio of short-term bonds and other fixed income securities, such as U.S. Treasury bonds, government agency securities, corporate bonds, mortgage-backed securities, commercial mortgage-backed securities, and asset-backed securities. The Stable Value Fund also invests in money market funds to provide daily liquidity and purchases third party wrap contracts that are designed to permit the Fund to use contract (book) value accounting to provide for the payment of participant directed withdrawals and exchanges at contract (book) value under most circumstances. Interest is credited to the Stable Value Fund under the wrap contracts. There is no immediate recognition of gains and losses on the fixed income securities. Instead, gains or losses are recognized over time by adjusting the interest rate credited to the Stable Value Fund.

The wrap contracts have been issued by State Street Bank and Trust, J.P. Morgan Chase, Prudential Insurance Company of America, American General Life, Nationwide Life Insurance Company, and Transamerica Premier Life. The S&P credit rating at December 31, 2017 of the issuing financial institutions is AA-, A+, AA-, A+, A+ and AA-, respectively. The underlying investments of the Stable Value Fund are stated at contract value.

The third party wrap contracts provide that participant fund transactions are executed at contract value. Contract value represents contributions made to the fund, plus net investment income, less participant withdrawals. The interest crediting rates are reset quarterly based upon market rates of similar investments, the current yield of the underlying investments, and the spread between market value and contract value, but the rate cannot be less than 0%.

Certain events, such as a Plan termination or Plan merger initiated by the Plan Administrator may limit the ability of the Plan to transact at contract value or may allow for the termination of the wrap contract at less than contract value. The Plan Administrator does not believe that any events that may limit the ability of the Plan to transact at contract value are probable.

5. Related-Party Transactions

FMTC manages the Stable Value Fund. These transactions are considered exempt party-in-interest transactions. Eligible participants may borrow from their individual account balance in the Plan as discussed in Note 1, and these transactions are considered exempt party-in-interest transactions.

At December 31, 2017 and 2016, respectively, the Plan held approximately 22,268,466 and 25,848,639 common shares of PPG Industries, Inc. common stock, the Plan Sponsor, with a cost basis of

\$343,026,319 and \$390,860,895. These transactions are considered exempt party-in-interest transactions. Dividends earned on PPG Industries, Inc. common stock were \$14 million in 2017 and 2016.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan, subject to the provisions of ERISA. In the event the Plan is terminated, Plan participants will receive all amounts credited to their accounts.

7. Federal Income Tax Status

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated April 28, 2017 that the Plan continues to be qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Internal Revenue Code ("IRC"). Therefore, no provision for income taxes has been included in the Plan's financial statements.

Plan management evaluates tax positions taken by the Plan and recognizes a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2017, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

Participants in the Plan are not liable for federal income tax on amounts allocated to their accounts resulting from their before-tax deferrals, employer contributions, or investment income until such time as a withdrawal is requested.

8. Reconciliation of Financial Statements to Form 5500

A reconciliation of net assets available for benefits per the financial statements to the total net assets per the Form 5500 as of December 31, 2017 and 2016, and the increase in net assets per the financial statements to the net income per the Form 5500 for the years ended December 31, 2017 and 2016, is as follows:

(\$ in millions)	2017	2016
Net assets available for benefits per the financial statements	\$3,803	\$3,436
Adjustment from contract value to fair value for fully benefit-responsive investment contracts	—	4
Total net assets per the Form 5500	\$3,803	\$3,440
Net increase in net assets per the financial statements	367	43
Change in the adjustment from contract value to fair value for fully benefit-responsive investment contracts	(4)	(2)
Net income per the Form 5500	\$363	\$41

PPG Industries Employee Savings Plan

Supplemental Schedule

Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

As of December 31, 2017

(\$ in millions)

	Current Value
Mutual funds — at fair value:	
Fidelity Contrafund*	\$ 194
Fidelity Growth Company Fund*	236
Vanguard Small Capitalization Index Fund	191
Investment in PPG Industries, Inc. common stock — at fair value*	881
Money market funds — at fair value:	
FMTC Institutional Cash Portfolio*	9
Common-collective trusts — at fair value:	
BlackRock Lifepath Index Retirement Fund	99
BlackRock Lifepath Index 2020 Fund	69
BlackRock Lifepath Index 2025 Fund	88
BlackRock Lifepath Index 2030 Fund	79
BlackRock Lifepath Index 2035 Fund	60
BlackRock Lifepath Index 2040 Fund	48
BlackRock Lifepath Index 2045 Fund	32
BlackRock Lifepath Index 2050 Fund	34
BlackRock Lifepath Index 2055 Fund	20
BlackRock Lifepath Index 2060 Fund	5
BlackRock Target Strategy Fund (S&P 500 Index)	542
BlackRock TIPS Index Fund	51
Mellon EB Daily Liquidity Bond Index Fund	205
Mellon EB Daily Liquidity ACWI ex-U.S. Fund	280
Stable value fund - at market value:	
Cash & Cash equivalents	1
Bankers Trust Pyramid Directed Account Cash Fund	
Fifth Third Bank 2.875% 10/1/21	1
Key Bank NA 2.35% 3/8/19	1
FMTC Institutional Cash Portfolio	8
Total Cash & Cash Equivalents	11
U.S. Government Obligations - at market value:	
Fannie Mae 1.5% 11/30/20	6
Fannie Mae 0.875% 08/02/19	2
Fannie Mae 1% 10/24/19	7
Freddie Mac 0.875% 07/19/19	4
New York State Urban Development Corporation 2.67% 03/15/23	1
New York State Urban Development Corporation 2.7% 03/15/23	2

US Treasury Note 1.375% 03/31/20	4
US Treasury Note 1.375% 04/30/20	4
US Treasury Note 1.75% 12/31/20	45
US Treasury Note 1.25% 10/31/21	29
US Treasury Note 1.875% 03/31/22	28
US Treasury Note 1.625% 07/31/20	34
US Treasury Note 1.5% 4/15/20	9
US Treasury Note 1.5% 05/15/20	10
US Treasury Note 1.625% 08/31/22	28
Total U.S. Government Obligations	213
Corporate Debt - at market value:	
AON plc 2.8% 03/15/21	1
AbbVie Inc. 2.5% 05/14/20	1
American Express Card 2.125% 3/18/19	1
American Express 2.25% 5/05/21	1
American Honda Finance 2.125 10/18	1
American Honda Motor Co. Inc. 1.7% 02/22/19	1
American Honda Finance 1.7% 9/9/21	1
Amgen Inc. 2.2% 05/22/19	1
Amgen Inc. 2.125% 05/01/2020	1
Anheuser-Busch InBev 2.15% 2/1/19	1
Anheuser-Busch InBev 1.9% 2/01/19	2
Anheuser-Busch 2.65% 2/01/21	2
Anheuser-Busch InBev 3.3% 2/01/23	2
Anthem Inc. 2.95% 12/01/22	1
Apple Inc. 2.85% 5/6/21	1
Australia and New Zealand Banking Group NY 2.25% 6/13/19	1
Australia and New Zealand Banking Group 2.125% 8/19/20	1
B.A.T International Finance 2.75% 6/20 144A	1
B.A.T International Finance 3.5% 6/22 144A	1
BMW USA 2.7% 04/06/22 144A	1
BPCM 1.375% 5/10/18	1
BP Capital Markets plc 2.315% 2/20	1
BNP Paribas 2.45% 03/17/19	1
BPCE SA 2.5% 7/15/19	1
Bank of America Corp. 2.65% 4/1/19	3
Bank of America FDG 2.25% 4/21/20	1
Bank of America 3.004%/VAR 12/20/23 144A	1
Bank of Nova Scotia 2.8% 07/21/21	1
Bank of Nova Scotia 2.7% 3/7/22	1
Bank of Toyko-Mitsubishi UFJ 2.35% 9/8/19 144A	1
Bank of Toyko-Mitsubishi 2.3% 03/20 144A	1
Barclays plc 2.75% 11/8/19	1

Berkshire Hathaway 2.75% 3/15/23	1
Canadian Imperial Bank of Commerce 2.55% 6/22	1
Capital One Bank 2.25% 2/13/19	2
Caterpillar Financial 2.1% 01/10/20	1
Chevron Phillips Chemical 2.45% 5/1/20 144A	1
Chevron Corp. NEW 1.961% 03/20	1
Cisco Systems Inc. 2.125% 3/19	2
Cisco Systems 2.45% 6/15/20	1
Cisco Systems 1.85% 9/20/21	1
Citigroup Inc. 2.55% 04/08/19	5
Citigroup Inc. 2.5% 7/29/19	1
Citizens Bank MTN 2.45% 12/04/19	1
Citizens Bank NA 2.55% 5/13/21	2
Citizens Bank NA 2.65% 5/26/22	1
Comcast Corp. 1.625% 01/15/22	2
Commonwealth NY 2.25% 03/13/19	2
Commonwealth Bank NY 2.3% 9/6/19	1
Commonwealth Bank of Australia New York Branch 2.3% 3/20	1
ConocoPhillips Co. 2.2% 05/15/20	1
Consolidated Edison 2% 5/15/21	1
Credit Suisse NY 2.3% 5/19	2
Credit Suisse NY 3% 10/29/21	1
Daimler Finance NA 2.25% 9/19 144A	2
Daimler Finance 2.25% 3/20 144A	1
Daimler Finance 1.5% 7/5/19 144A	2
Daimler Finance 2.85% 1/6/22 144A	1
John Deere MTN 2.55% 1/8/21	1
Deutsche Bank AG 2.5% 2/13/19	2
ERP Operating lp 3.375% 6/1/25	1
Eversource Energy 2.8% 3/15/22	1
Exxon Mobile Corp. 2.726% 3/1/23	1
Exxon Mobile Corp. 2.222% 3/1/21	1
Fifth Third Bank 2.375% 4/25/19	1
GE Capital International 2.342% 11/15/20	1
General Electric Co. 3.375% 3/11/24	1
GSINC 5.25% 7/27/21	1
Goldman Sachs Group 2.75 9/15/20	2
Goldman Sachs 2.625% 04/25/21	1
Goldman Sachs Group 2.625% 1/19	2
Goldman Sachs Group 2.55% 10/19	1
HSBC Holdings 2.95% 5/25/21	1
HSBC USA Inc 2.25% 06/23/19	1
Huntington National Bank 2.2% 4/1/19	1

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Huntington National Bank 2.5% 8/7/22	1
Hyundai CAP AM 2.6% 3/20 144A	1
Hyundai AMR 1.75% 9/27/19 144A	1
Intercontinental Exchange 2.75% 12/01/20	1
ITC Holdings Corp. 2.7% 11/22 144A	1
JPMC CO. 2.35% 01/28/19	1
JPMorgan Chase & Co 2.25% 1/23/20	3
JPMorgan Chase & Co 2.75% 6/20	2
JPMC CO 2.55% 10/29/20	1
Japan Bank International 1.5% 7/21/21	1
JPMC CO 2.2% 10/22/19	2
Key Bank NA 2.5% 12/15/19	1
Manufacturers & Traders Trust Co. 2.1% 02/06/20	1
Manufacturers & Traders Trust Co. 2.5% 5/18/22	1
MUFG Americas HLD 2.25% 02/20	1
Marsh & McLennan Companies 2.35% 03/06/20	1
Marsh & McLennan Companies 2.75% 1/30/22	1
MassMutual GLB 2.35% 4/19 144A	1
MassMutual 2.45% 11/23/20 144A	1
Medtronic Inc. 2.5% 3/15/20	2
MetLife GLB 2.3% 4/10/19 144A	2
MetLife GLOB 2.65% 4/22 144A	1
Mitsubishi 2.45% 10/16/19 144A	1
Mitsubishi UFJ FI 2.95% 3/1/21	1
Mitsubishi UFJ FIN 2.998% 2/22	1
Mizuho Financial 2.273% 9/13/21	1
Mizhuo BK LTD 2.45 4/19 144A	2
Morgan Stanley 2.75% 05/19/22	1
Morgan Stanley 2.5% 01/24/19	3
Morgan Stanley 2.375% 7/23/19	1
Morgan Stanley 2.5% 04/21/21	1
Morgan Stanley 2.625% 11/17/21	1
Morgan Stanley 2.65% 01/27/20	1
New York Life 1.95% 2/20 144A	2
New York Life Global 1.7% 9/14/21 144A	1
New York Life Global 2.3% 6/10/22 144A	1
Nordea Bank AB 2.375% 4/4/19 144	1
Ontario Province 1.25% 06/19	1
Ontario Province CDA 2.4% 2/22	1
Ontario PROV 4% 10/7/19	4
Oracle Corp 2.25% 10/8/19	2
PECO Energy Co 1.7% 9/30/21	1
PNC Bank NA 2.4% 10/18/19	1

PNC Bank Pittsburgh 1.45% 7/19	1
PepsiCo Inc. 1.7% 10/06/2021	1
Philip Morris International 1.875% 1/15/19	1
Philip Morris International 1.875% 2/21	2
Pricoa Global 2.45% 9/21/22 144A	1
Principal FDG 2.375% 9/19 144A	1
Principal FDGII 2.2% 4/20 144A	1
Protective Life 2.615% 8/22 144A	1
Protective Life 2.161% 9/20 144A	1
Quebec Province 2.375% 1/31/22	2
Royal Bank of Canada 2.2% 7/27/18	1
Royal Bank of Canada 2.15% 03/15/19	1
Royal Bank of Canada 2.35% 10/30/20	1
Schlumberger 2.35% 12/21/18 144A	2
Shell International Finance BV 2.125% 05/20	1
Shell International 2.25% 11/10/20	1
Simon Property Group 2.625% 06/15/22	1
Simon Property Group 2.75% 06/01/23	1
Sumitomo Mitsui Banking Corp 2.934% 3/9/21	1
Sumitomo Mitsui Banking Corp 2.45% 1/10/19	1
Sumitomo Mitsui Banking Corp 2.25% 07/11/19	1
Sumitomo Mitsui Banking Corp 2.45% 01/16/20	1
TJX Companies, Inc. 2.75% 6/15/21	1
Toronto-Dominion Bank 2.125% 7/02/19	1
Toronto-Dominion Bank 2.25% 11/5/19	1
Total Capital International 1.45% 01/15/18	1
Total Capital International 2.125% 01/10/19	2
Total Capital International 2.75% 06/19/21	1
Toyota Motor Credit Corp. 1.55% 10/18/19	1
Toyota Motor Corp. 2.6% 1/11/22	2
TransCanada PIP 3.125% 1/15/19	1
TransCanada 2.125% 11/15/19	1
TransCanada PIP 2.5% 8/1/22	1
UBS AG, Stamford Branch 2.375% 8/14/19	1
UBS AG, London 2.45% 12/01/20 144A	1
USAA Capital Corp 2% 6/1/21 144A	1
UnitedHealth Group 2.875% 12/15/21	1
Visa Inc 2.8% 12/14/22	1
Vodafone Group plc 1.5% 2/19/18	1
Volkswagen GR 2.125% 5/19 144A	1
Volkswagen GRP 2.4% 5/20 144A	1
Volkswagen 2.125% 11/18 144A	2
WellPoint Inc 2.25% 8/15/19	1

Wells Fargo 3% 01/22/21	1
Wells Fargo & Co MTN 2.6% 7/20	1
Wells Fargo & Co 2.1% 07/26/21	1
Westpac Banking 1.6% 08/19/19	1
Westpac Banking 2.8% 1/11/22	1
Westpac Banking 2.15% 3/6/20	1
Wisconsin Energy 2.45% 6/15/20	1
Total Corporate Debt	208
Mortgage Backed Securities - at market value:	
AMOT 2017-3 A2 2.04% 6/22	1
ALLYA 2015-1 A3 1.39% 09/19	1
ALLYA 2017-1 A3 1.7% 02/21	1
AMXCA 2017-3 A 1.77% 11/22	2
AMXCA 2017-6 A 2.04% 05/23	1
AMXCA 2017-1 A 1.93% 09/22	2
BACCT 2017-A1 A1 1.95% 08/22	2
BACCT 2017-A2 A2 1.84% 1/23	2
BMWOT 2016-A A3 1.16% 07/20	1
BMWLT 2017-2 A3 2.07% 10/20	1
BACM 2016-UB10 A2 2.723% 06/49	1
COMM 2015-CR22 A2 2.856% 03/48	1
CSAIL 2017-CX9 A2 2.884% 09/50	1
COMM 2012-LC4 A4 3.288% 12/44	2
COMM 2010-C1 A3 4.205 7/46	3
COMM 2012-CR3 ASB 2.372% 11/45	1
COMM 2012-CR3 A3 2.822% 10/45	1
COMM 2013-CR6 A4 3.101% 03/46	1
COMM 2013-CR7 A4 3.213% 03/46	1
COMM 2013-CR8 A5 3.612% 06/46	1
COMM 2014-CR17 A2 3.012% 05/47	1
COMM 2014-CR18 A2 2.924% 07/47	1
CPART 17-1A A3 2.05% 03/21	1
COMET 2015-A8 A8 2.05% 08/23	1
COMET 2016-A3 A3 1.34% 04/22	2
COMET 2016-A4 A4 1.33% 6/15/22	2
COMET 2017-A3 A3	2
COMET 2017-A4 A4 1.99% 07/23	2
CARMX 16-4 A3 1.4% 08/21	2
CARMX 2016-2 A3 1.52% 02/21	1
CARMX 2017-4 A3 2.15% 10/22	1
CARMX 2017-3 A3 1.97% 04/22	1
CHAIT 2016-A2 A 1.37% 06/15/21	2
CHAIT 2016-A5 A5 1.27% 07/21	1

CCCIT 2014-A6 A6 2.15% 07/21	1
CCCIT 2016-A1 A1 0% 11/21	2
CCCIT 17-A2 A2 1.74% 01/21	2
CCCIT 2017-A3 A3 1.92% 04/22	2
CCCIT 2017-A8 A8 1.86% 8/8/22	1
CCCIT 2017-A9 A9 1.8% 09/21	1
CGCMT 2012-GC8 A4 3.024% 9/45	1
CGCMT 2017-P7 A2 3.199% 04/50	1
DBUBS 2011-LC2A A4 4.537% 7/44	1
DCENT 2012-A6 A6 1.67% 01/22	2
DCENT 2014-A4 A4 2.12% 12/21	1
DCENT 2015-A2 A 1.9% 10/22	1
DCENT 2016-A1 A1 1.64% 07/21	1
DCENT 2016-A3 A3 1.85% 10/23	1
DCENT 2016-A4 A4 1.39% 3/22	1
DCENT 2017-A6 A6 1.88% 2/15/23	1
FHLG 15YR 3.5% 08/30#G15273	1
FHLG 20YR 3.5% 06/32#C91456	2
FHLG 15YR 3% 05/29#J29409	3
FHLG 5.50% 5/34 #Z40042	1
FNR 2013-16 GP 3% 03/33	1
FNR 2014-83 P 3% 06/43	1
FNR 2015-32 PA 3% 4/44	1
FNR 2015-28 P 2.5% 5/45	3
FNR 2015-28 JE 3% 05/45	2
FNR 2015-42 LE 3% 06/45	2
FNR 2015-49 LE 3% 07/45	1
FNR 2015-54 GA 2.5% 07/45	1
FNR 2016-19 AH 3% 04/46	1
FNR 2016-26 CG 3% 05/46	2
FNR 2016-27 HK 3% 01/41	2
FNR 2016-27 KG 3% 01/40	1
FNR 2016-37 BK 3% 06/46	3
FNR 2016-34 GH 3% 06/46	3
FNR 2016-105 PA 3.5% 4/45	2
FNR 2016-100 P 3.5% 11/44	2
FNR 2017-11 HA 3.5% 12/45	2
FNR 2017-20 AP 3.5% 03/45	3
FNR 2017-74 PA 3.5% 11/45	2
FNR 2017-97 P 3% 01/47	2
FHR 4046 LA 3% 11/2026	1
FHR 2015-4472 WL 3% 05/45	1
FHR 4656 PA 3.5% 10/45	2

FHR 4683 EA 2.5% 05/47	2
FHR SER 4221 CLS GA 1.4% 7/23	1
FNMA 5.50% 11/34 #310105	1
FNMA 15YR 3.50% 3/27 #AL1746	1
FNMA 15YR 3.5% 09/29#AL5878	1
FNMA 15YR 4.5% 11/25#AL8242	1
FNMA 15YR 3% 09/31#AL8853	4
FNR 2011-26 PA 4.5% 04/41	1
FNMA 10YR 2% 08/23#MA1535	1
FITAT 2017-1 A3 2.03% 02/22	1
FORDF 2016-1 A1 1.76% 02/21	1
FORDF 2016-3 A1 1.55% 07/21	1
FORDF 2017-1 A1 2.07% 05/15/22	1
FORDF 2017-2 A1 2.37% 09/22	1
FORDR 14-1 A 2.26% 11/25	1
FORDR 2014-2 A 2.31% 04/26	1
FORDR 2015-1 A 2.12% 07/26	1
FORD CRD 16-1 A 2.31% 08/27	2
FORDO 2015-C A3 1.41% 02/20	1
FORDO 2016-C A3 1.22% 03/21	1
FORDO 2017-A A3 1.67% 6/21	1
FORDR 2017-1 A 2.62% 8/28	1
FORDO 2016-A A3 2.01% 07/20	1
FORDO 16-B A3 1.33% 10/20	1
GFORT 2015-1 A1 1.65% 05/20	1
GFORT 16-1 A1 1.86% 05/21	1
GFORT 17-1 A1 2.22% 1/22 144A	1
GSMS 2012-GC6 A3 3.482% 01/45	1
GSMS 2013-GC10 A5 2.943% 02/46	1
GSMS 2012-GCJ9 A3 2.773% 11/45	1
HAROT 2016-2 A3 1.39% 4/20	1
HAROT 2016-4 A3 1.21% 12/20	1
HAROT 2017-1 A3 1.72% 07/21	1
HUNT AUTO 16-1 A3 1.57% 11/20	1
HART 2016-B A3 1.29% 4/21	2
HART 2015-C A3 1.46% 02/20	1
HFMOT 2016-1A A2 1.81% 03/21	1
HART 2016-A A3 1.56% 09/20	1
JPMCC 2015-JP1 A2 3.1438% 1/49	1
JPMCC 2012-C8 A3 2.8291% 10/45	1
JPMCC 13-C10 A5 3.1425% 12/47	1
JPMBB 14-C22 ASB 3.5036% 09/47	1
JPMBB 15-C29 A2 2.8596% 05/48	1

JPMCC 16-JP4 A2 2.9343% 12/49	1
MBART 2016-1 A3 1.26% 02/21	1
MSBAM 2014-C14 A2 2.916% 2/47	1
MSBAM 2013-C7 A4 2.918% 2/46	1
MSC 2011-C2 A4 4.661% 06/44	1
MSBAM 2013-C8 A4 3.134% 12/48	1
MSBAM 13-C13 ASB 3.557% 11/46	1
MSBAM 2014-C16 ASB 3.477% 6/47	1
MSBAM 2014-C17 ASB 3.477% 8/47	1
NMOTR 2016-A A2 1.54% 06/21	1
NAROT 2017-A A3 1.74% 08/21	1
NAROT 2016-B A3 1.32% 01/15/21	1
NAROT 2016-C A3 1.18% 01/21	1
SRT 2017-A A3 2.58% 01/21	1
SSTRT 17-2A A3 2.04% 4/21 144A	1
SSTRT 2016-1A A3 1.524% 03/20	1
SSTRT 17-1A A3 1.89% 8/20	1
TAOT 2016-B A3 1.3% 04/20	1
TAOT 2016-C A3 1.14% 08/20	1
TAOT 2017-A A3 1.73% 2/21	1
UBSBB 2012-C2 A4 3.525 5/63	1
USAOT 2017-1 A3 1.79% 05/21	1
USAOT 2016-1 A3 1.2% 6/20	1
VZOT 16-1A A 1.42% 01/21	1
VZOT 2016-2A A 1.68% 5/21	2
VZOT 17-2A A 1.92% 12/21	1
VZOT 2017-3A A1A 2.06% 04/22	1
WFRBS 2012-C9 A3 2.87% 11/45	1
WFRBS 2011-C3 A4 4.375% 3/44	1
WFRBS 2012-C7 A2 3.431% 6/45	1
WFRBS 2013-C11 A5 3.071% 03/45	2
WFRBS 14-C23 ASB 3.636% 10/57	1
WFCM 2012-LC5 ASB 2.528% 10/45	1
WFCM 2013-LC12 A1 1.676% 7/46	1
WFCM 2015-C27 ASB 3.278% 2/48	1
WFCM 2016-C34 A2 2.603% 06/49	1
WFCM 2016-LC25 1.795% 12/15/59	1
WFCM 2016-C37 A2 3.103% 12/49	1
WOART 16-B A3 1.3% 2/22	1
WOART 2016-A A3 1.77% 09/21	1
Total Mortgage Backed Securities	206
Total Stable Value Fund at market value	638
Loans to participants with interest rates ranging from 4.25% to 11.50% and maturity dates through November 2047*	42

Total \$3,803

* Party-in-interest

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Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Global Director, Compensation and Benefits of PPG Industries, Inc., and Administrator of the Plan, has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

PPG Industries Employee Savings Plan
(Name of Plan)

Date: June 27, 2018 /s/ Karen P. Rathburn

Karen P. Rathburn
Global Director, Compensation and Benefits of PPG Industries, Inc. and Administrator of the
Plan