Subject: Notice of Raw Material Supply Constraint

To whom it may concern,

We would like to make you aware of an industry-wide supply disruption affecting a raw material utilized in several of our coatings products (02GN084, 02GN093, 44GN098, 7010, CA5298A and 02GN097 product families). The disruption is the result of factors outside of our reasonable control and has impacted availability from our supply base.

At this time, we are working diligently with our suppliers and implementing mitigation plans that include qualifying a new raw material in the existing affected products. However, given qualification timeframes, it is likely that there will be extended lead times in the near future and we will need to allocate certain products as we navigate these constraints.

At this time, we are prioritizing valid rated orders that meet the below requirements:

- Priority rating (DX or DO) and program identification (DO-A1, DX-A4, etc.)
- Firm delivery dates (“as soon as possible” or “immediately” are invalid)
- Written signature on a manually placed order, or the digital signature or name on an electronically placed order, of an individual authorized to sign rated orders for the person placing the order
- Statement that reads in substance: “This is a rated order certified for national defense use and you are required to follow all the provisions of the Defense Priorities and Allocations System regulations (15 CFR part 700).”

If you do not have a valid rated order, please know that we are not accepting new non-rated orders for the products above, and we may cancel existing non-rated orders. We hope to renew supply of both non-rated and rated orders after qualification of the new raw material is complete.

We will share updates as the situation develops. Please reach out to your account representative with questions.

Thank you for your continued support and partnership.

Sincerely,

Art Ackerman
Global Product Director, Aerospace Coatings

Customer Q&A: Raw Material Supply Constraint

Q: What is causing this supply disruption?

A: The disruption is the result of an industry-wide shortage affecting a key raw material used in several aerospace products (02GN084, 02GN093, 44GN098, 7010, CA5298A, and 02GN097 product families). The raw material shortage originates within the broader supply chain and is outside of PPG's reasonable control. We are actively working with suppliers and pursuing measures to qualify a replacement raw material.

Q: Which products are affected?

A: Affected customers have received specific information regarding impacted products. As outlined in the letter, it will impact the 02GN084, 02GN093, 44GN098, 7010, CA5298A, and 02GN097 product families.

Q: How long will this disruption last?

A: At this time, the duration remains uncertain. We are working closely with suppliers and advancing qualification activities for an alternative material source. Given the qualification requirements associated with aerospace products, we anticipate supply constraints and extended lead times may continue in the near term. We will provide updates as more information becomes available.

Q: Will my existing orders be fulfilled?

A: We are reviewing customer commitments and available inventory on an ongoing basis. While we are making every effort to support existing commitments, supply limitations and regulatory requirements may require product allocation and prioritization. Customers impacted by any changes to existing orders will be contacted directly. This raw material shortage may result in PPG not accepting new orders and/or cancellation of existing orders.

Q: Are you accepting new orders?

A: At this time, we are only accepting valid rated orders for the affected finished goods identified in the 02GN084, 02GN093, 44GN098, 7010, CA5298A, and 02GN097 product families. This measure helps us manage available supply and prioritize customer requirements during the disruption.

Q: How are available products being allocated?

A: We are allocating available supply based on several factors, including DPAS ratings and associated regulatory requirements, customer contracts, operational requirements, production needs and available inventory. Our goal is to manage available supply as fairly and responsibly as possible.

Q: Will lead times increase?

A: Yes. Due to reduced raw material availability, customers should anticipate extended lead times for affected products. Lead times may vary. Your account representative can provide the most current guidance for specific existing orders.

Q: Will the product makeup change as a result of mitigation efforts?

A: Any alternative raw material source would be subject to applicable specification requirements before being introduced into production. PPG remains committed to maintaining product quality, performance and compliance standards.

Q: Is product quality or safety affected?

A: No. This is a supply availability issue, not a quality or safety issue. PPG remains committed to the same rigorous quality, performance, and compliance standards for all products supplied to customers.

Q: What is PPG doing to address the situation?

A: We have mobilized cross-functional teams to:

- Work closely with suppliers to restore supply.
- Evaluate and secure alternative sourcing options.
- Accelerate qualification of a new raw material.
- Optimize inventory and production planning.
- Maintain proactive communication with affected customers.

Our focus remains on minimizing disruption and restoring supply.

Q: How often will customers receive updates?

A: We are committed to transparent communication and will provide updates as the situation evolves. Customers should continue working with their account representatives, who will share the latest information regarding product availability, lead times and mitigation actions.

Q: Who should customers contact with questions?

A: Customers should contact their PPG account representative or customer service representative for the latest information related to affected products, order status, and available alternatives.