

PPG SERVICES

PROGRAM DETAILS AND BENEFITS

About PPG Services

- PPG Services is a digital technology platform that streamlines project management and paint services for efficiency and accuracy. With this program, we are offering better, simpler, and more innovative solutions to everyday business and operational challenges. Our long-term strategic vision is to deliver technological solutions for our customers to grow their businesses and with the introduction of PPG Services, we are delivering on that.

Why PPG Services?

Our offering is designed to deliver **consistency, efficiency, speed and savings** through a comprehensive solution of quality paint products, professional services, and innovative technologies to streamline project management and better address our customer needs.

PPG Services builds on PPG's long-term strategic vision to be able to provide **differentiated solutions** that help our customers succeed, and our goal of creating value for our partners and supporting the **growth of individual businesses**.

We've seen a general trend in the market – buyer behavior is shifting. Businesses either have in-house facility management teams that are looking to procure on a national level, or they use 3rd party management companies who only procure on a national level. We see an opportunity to act on this recent trend, **keep our partners an active part of the process**, and lead the charge on streamlining the painting aspect of facility management.

Customers value having a **single point of contact** across all of their locations nationwide. PPG Services is helping our contractor customers stay ahead of the curve, and providing an opportunity for paint contractors to generate additional income through national maintenance programs.

Our processes are transparent, and we can honor existing relationships between our painter partners and their current customers. With our solution, national businesses will have a more comprehensive solution for their facility maintenance needs, and local contractors nationwide will have the ability to be take on incremental work.

Our Target Customer

We have done the research to assess where our offering adds the most value and have implemented strict guardrails around work we will and will not do. Therefore, PPG Services will be offered to **third party facility management companies and national accounts in retail, restaurant, hospitality, and multi-site office spaces** who are making decisions at the corporate level, not locally.

In addition to national accounts, this program serves large franchise / owner groups with 10 or more locations who operate similarly to the national accounts in-scope above.

PPG Services will NOT be offered in the following segments where the value proposition does not exist:

- x Infrastructure, DOT
- x Oil & Gas, Upstream, Downstream, Midstream
- x Water / Wastewater
- x Power, Hydro, Conventional, Nuclear, Natural Gas, Coal
- x Power Transmission
- x Marine
- x Transportation & Rail
- x Chemical Processing
- x Hydrocarbon Fireproofing
- x Commercial Real Estate
- x New Multi-family Construction
- x Franchise Groups (<10 Locations)
- x Local General Contractor Work
- x CapEx Projects
- x New Construction

These markets do not capture value through our processes and technology today.

Vendor Onboarding

Requirements

- Crew must carry general liability insurance and workers compensation
 - For Workers Compensation, we require a minimum of \$500k
 - For General Liability we require \$2mm in aggregate
 - Crew must have state licenses (where applicable)
 - Crew must have professional relevant experience
 - Company owners are subject to criminal background checks
 - Crew must consistently deliver high quality work to keep ratings high and continue to get assigned more projects
 - Both union and non-union crews can apply to be on the platform
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Process and How-To

There is no fee to be on the platform.

Painters interested in joining the PPG Services platform can contact the PPG Services Procurement Team.

Our team will follow-up to confirm insurance and conduct a background check as well as set crews up on our project management and billing programs to ensure fast, easy payouts.

**Visit ppgpaints.com/services
to get started!**

Drug Testing

If customers require drug testing, then we will require drug tests for any contractor expected to be on site

Staffing & Logistics

Crew Selection

- Crews are selected based on experience and skillset, proximity to job, availability and past performance on PPG Services jobs (internal ratings). We use local labor on the vast majority of our projects, and will only use a crew from a different location if we do not have contractors on our platform to fulfill that project.
 - If necessary, we have the ability to override the system. For example, we can give priority to painting crews when strong relationships between crew and customer already exist.
 - Contractors will receive a detailed scope of work, which includes address, photos, floor plans, and the payout for the project from a member of the PPG Services team. Once they have verbally committed they will receive a work order from our automated platform that they must accept.
 - Lead time for painters is typically 3-5 business days, though it can range to from 24-hours to 2 weeks in advance, depending on the full project scope.
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PAINTING COMPANY TESTIMONIALS:

"Since I don't need to do any additional sales or marketing to get access to jobs I work on through PPG Services, it's been a really helpful way for me to take on more projects."

- Joshua Martinez, Forza Painting

"This program saves our team a lot of time estimating all the jobs beforehand. They also pre-purchase paint so there are fewer upfront costs for us. Another great benefit is we get paid quickly once the job is done."

- Kerry O'Brien, OB 1 Painting

Staffing & Logistics

Project Logistics

Project Point of Contact

- A PPG Services Project Manager will be assigned to every project to serve as the day-to-day point of contact, as well as to field any questions or concerns on-site. They can be reached via phone call, e-mail or text. When necessary, PPG Services Project Managers can be on-site and are available to return to the jobsite if issues cannot be resolved.

Paint Ordering

- PPG Services orders all paint. When the job spec calls for **PPG paint**, our team places the order and the paint / materials can be picked up at whichever store is preferred by the contractor, or sent directly to the site. For **non-PPG paint**, PPG Services will place the paint order with whichever retail store location is convenient or preferred. For **large orders**, PPG Services can pay for the purchase directly. On some occasions, the supply stipend we provide can be increased to cover the cost of paint/materials on top of sundry supplies.

Check-In / Check-Out

- In many cases, our customers require the use of an Interactive Voice Response (IVR) system to check-in and check-out from a location. In these cases, crews are required to utilize the IVR system in order to commence work and close-out a job.
- Retail customers often request a punch-list prior to close-out.
- PPG Services team provides a list of close-out items through our platform and request certain items such as close-out photos and IVR sign-out, if required by the customer. All close-out items must be completed to receive payment.

Payment Information

Payout Rates

- Often we are provided NTE (not to exceed) figures from national clients by location.
- We do not negotiate wages, nor do we award projects based on bidding.
- Our rates are set nationally with customers and based on standard (slow) production rates, site characteristics, and common client-specific traits. We are able to price each location with speed and accuracy.

Payouts and Margins

- PPG Services' payouts to vendors are often at or above what painters would charge their clients. PPG Services is able to command higher prices due to its scale, the value it is creating, and our vendors are able to maintain their current margins. We do not take a fee from your work.
- For example, our average payout breaks-down to ~\$50 per hour for non-signatory work. This payout increases for weekend rates, emergency work, and union locations. When a signatory crew is required on site, we payout the union rates required for that geography / union group.
- Contractors are paid within **7 days** of job completion.
- Because of the average size of our national projects, we are able to pay in full after completion of a job. There is almost never any retainage held.

Example:

The average job size for national account projects ranges from

\$2,750 - \$3,000

per work order.

Because our jobs are priced on scope and not on working hours, there is no change in the payout even if contractors finish early.

Program Benefits

Overall Benefits to PPG Painter Partners:

- Payment is guaranteed by PPG Services when job is completed, avoiding credit and payment risk for businesses
- Maintain profit margin and earn equal or higher payouts than crews could charge clients - PPG Services is able to command higher prices due to scale.
- Painter payouts are fair, and processed quickly for convenience
- Mitigates shift in market by providing business to our regional/local painter partners despite buyer preference to make purchases through national providers
- Technology to streamline processes and minimize errors
- Paint products ordered and pre-purchased by PPG Services

For National Accounts / Retailers:

- Consistent specs for accurate representation across your [client's] locations
- Better visibility and insights into job details and project status
- Access to our nationwide platform of quality painters, plus vetting, onboarding and managing of crews
- Transparent, consistent and predictable pricing to help with budgeting
- A dedicated representative to help us integrate with your systems and centralize your processes to optimize your painting program

Information for Union Painters

As mentioned previously, both union and non-union crews are invited to apply to the PPG Service platform. Below, find some information specific to union contractors interested in learning more about the program and how we operate when a job is specified for union work.

- PPG Services does not determine whether or not a customer site is to be painted by signatory or non-signatory crews.
- We do not often see union work, but we notify our customers when they incorrectly state that a location should be union.
- If a customer has a union spec on the job, we utilize union crews and pay union rates based on the requirements by the union groups in the particular geography where the work was performed.
- If non-signatory work is still interesting to Union companies, we are able to send these work orders to you as well. However, we pay non-union rates for non-signatory work.