

PPG Global Coatings Innovation Center – to be open in July 2023



Sustainability Driven Innovation

One person's perspective

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Capacity 550 technical staff
Global Center of Excellence
Waterborne Technology
Digital & Modeling
Mobility



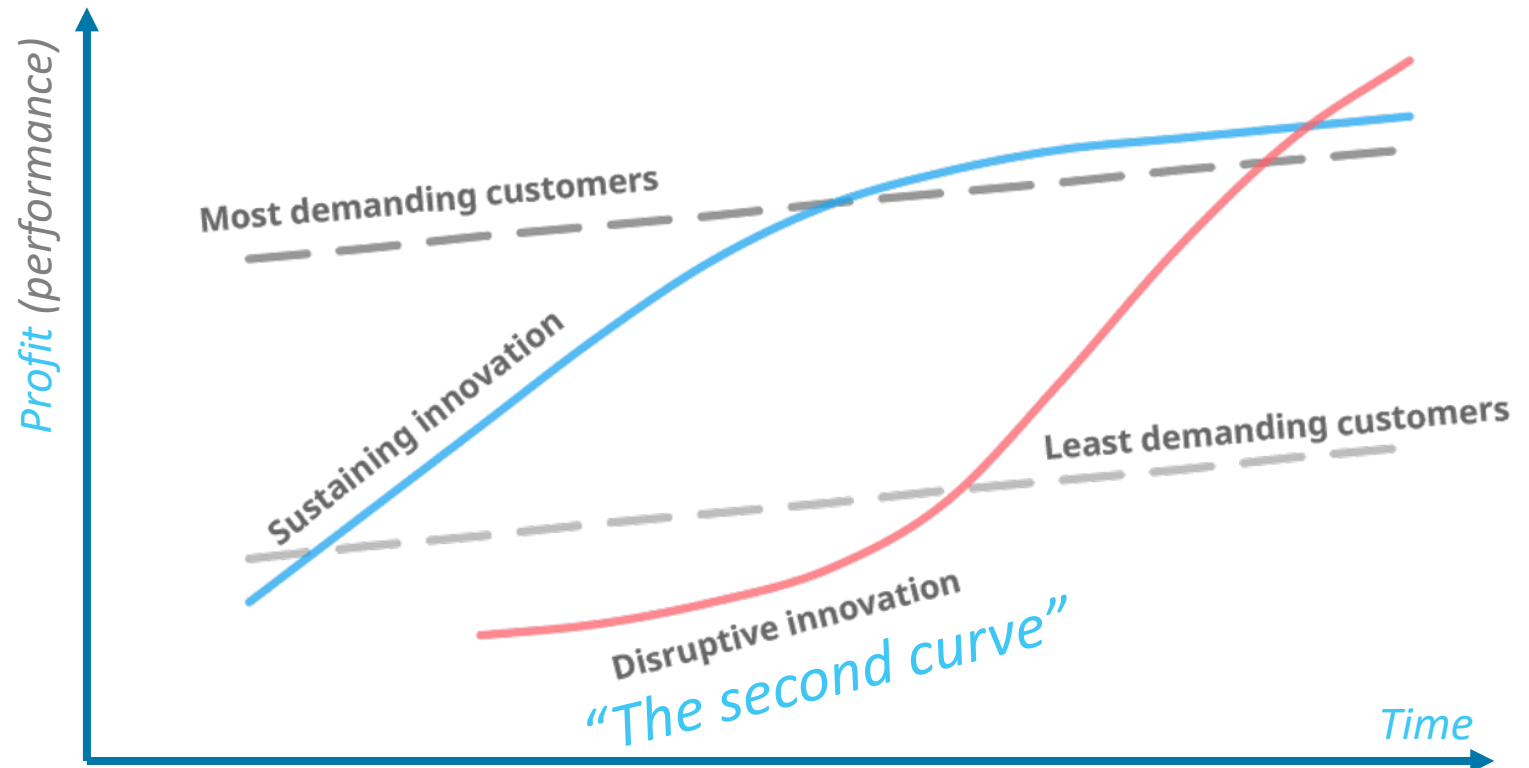
Corporate entrepreneur, delivering **growth** and **ROI**

- ❑ reduce cost of existing products
- ❑ Create new demands via **disruptive innovation**

According to McKinsey, **94%** executives NOT satisfied with their innovation performance.

Innovation dilemma

19 of **20** product innovations are said to **fail**



Mega Trend: sustainability as a sixth wave of innovation

cheaper, faster, shorter cycle

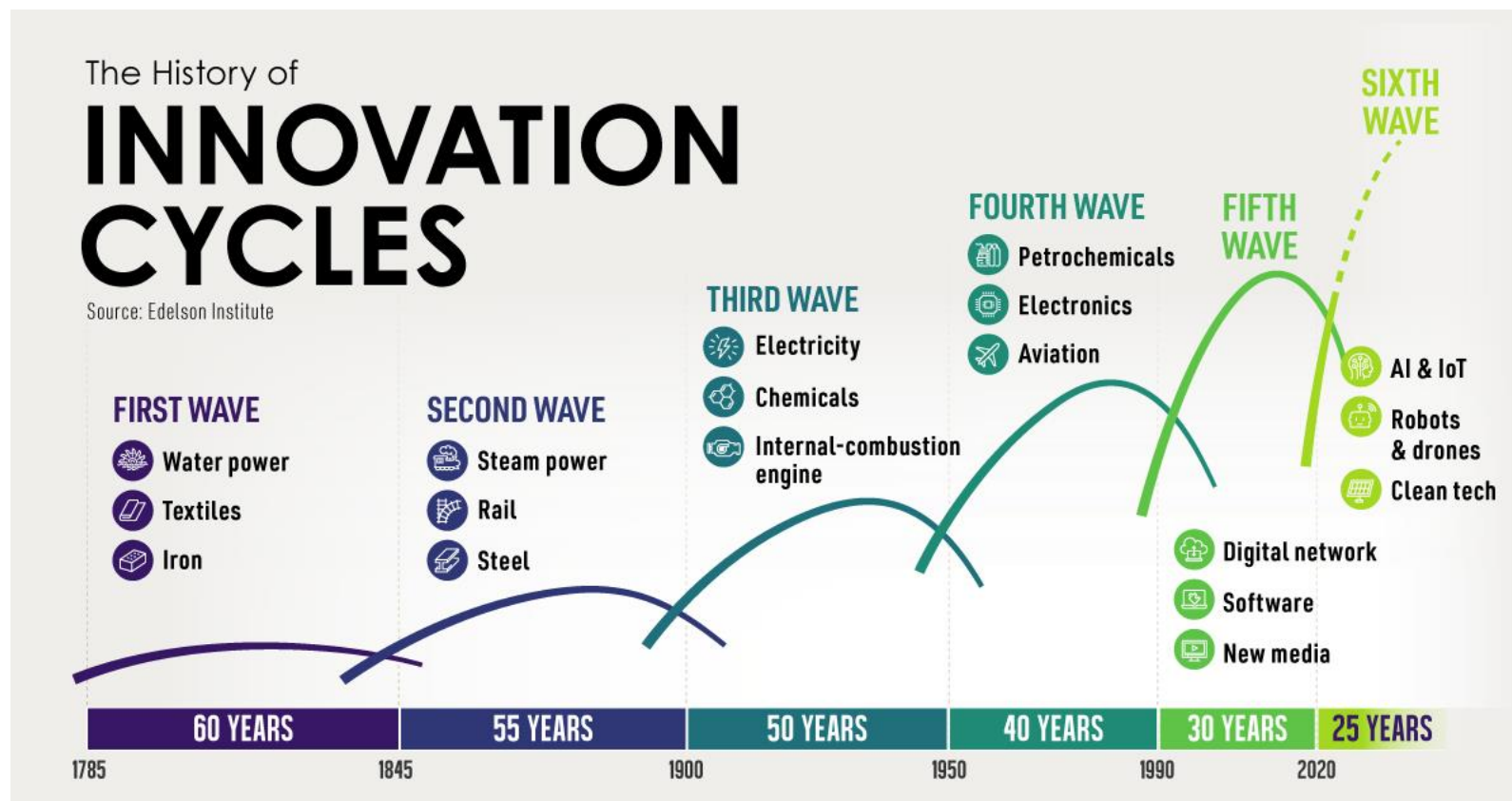
doing more with less

digitization

Business data **doubles** every 2 years.

digitalization

digital to create **new revenues** and **higher profits**.



Schumpeter's (1982) theory of "creative destruction"

Are we (Chemical Industry) prepared?

most common innovation failures:

- ❑ lack understanding of the market
- ❑ innovation is **not compatible** with **existing capability** and **culture**
- ❑ poor execution
- ❑ Underestimation of potential competitors.



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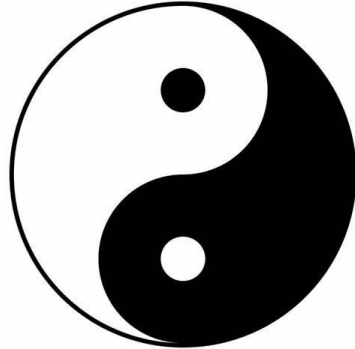
Looking for “*inspired and Inspiring*” people to “*make a dent to the universe*”

New and **Integrated** Skills



5 Veterans
25 cadets*
500 legacy employees

Disruptive Innovations
to create new demands



reduce cost to supply

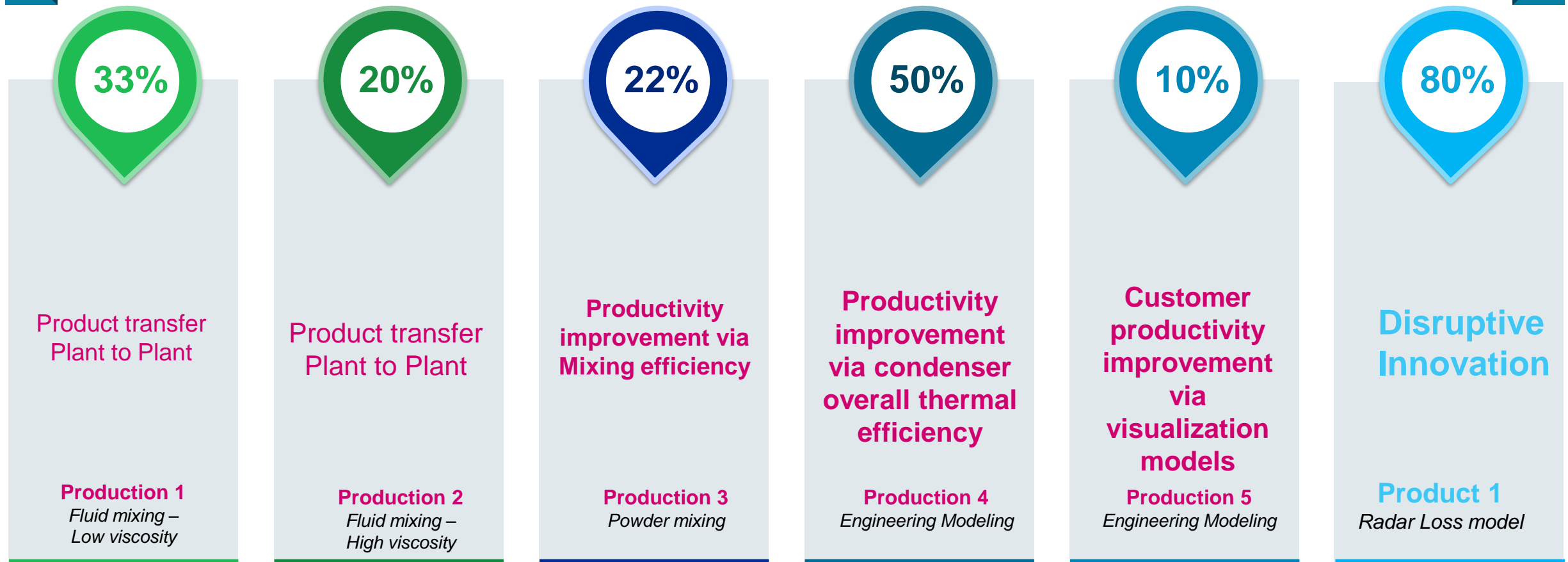
*Cadets: University Ph.D. and Master graduates



Take actions to drive sustainability goals

Building digital technology platforms and methodology to drive low carbons

Digital Solutions to Reduce Carbon Footprint: Energy, Waste & Green house gas

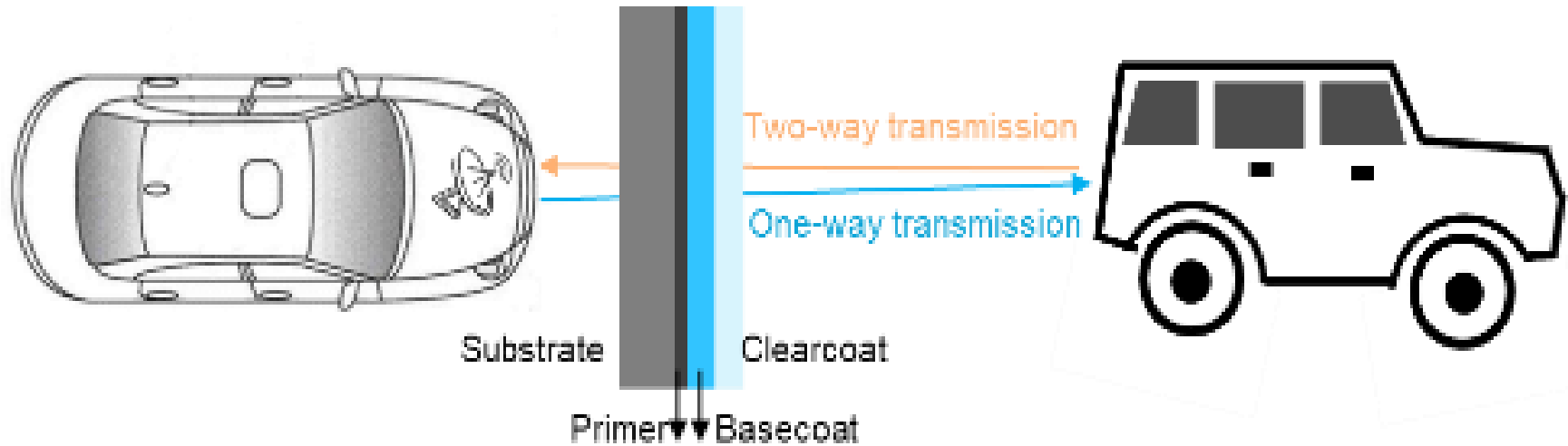


Examples of Cadet projects: a learning journey to **do more with less**



An example: >80% reduction of project cycle and resources

Agility and nimbleness : 18-month project to 3-monthsh



Items	Traditional Approach	With Radar Model
Lab samples needed	96	8
Lab tests	288	24

Deliver growth faster while building digital tools and people expertise

Radar transmission predictive model for auto paint



digital and sustainability: from “inspired” to actions

- ❑ **digital technology** is pivotal to **agility** & **nimbleness**
- ❑ talent: **entrepreneurship** is essential to disruptive innovation
- ❑ Empower the agile team and **autonomy**
- ❑ corporate **determination** for **changes**

Thank
you 