



DOW

The image features a blue-tinted background of a molecular structure on the left side. The Dow logo, a red diamond shape with the word "DOW" in white, is positioned at the top center. To the right of the logo is a white vertical bar containing the text.

DOW INC.

ENVIRONMENT, SOCIAL & GOVERNANCE OVERVIEW

Eunice Heath

Corporate Director, Sustainability

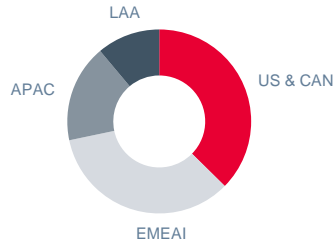
January 2021

PORTFOLIO OVERVIEW

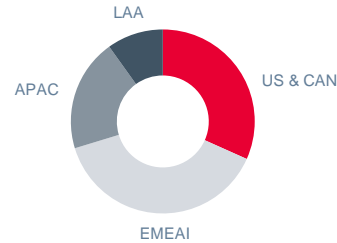
GLOBAL SCALE & REACH

Pro Forma 2019 Net Sales¹

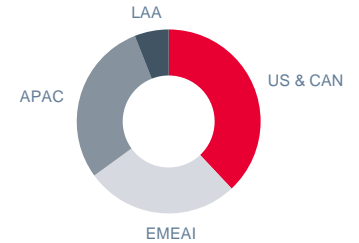
PACKAGING & SPECIALTY PLASTICS



INDUSTRIAL INTERMEDIATES & INFRASTRUCTURE



PERFORMANCE MATERIALS & COATINGS



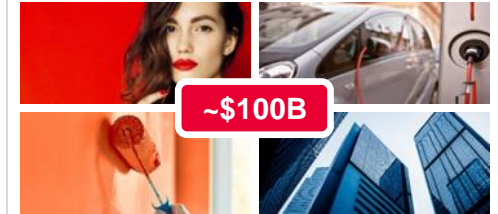
ADDRESSABLE APPLICATIONS



~\$350B



~\$200B



~\$100B

APPLICATIONS & END USES

- Flexible and rigid packaging for food and consumer
- Health and hygiene
- Artificial turf
- Pressure pipe and power/telecom transmission applications

- Insulation
- Furniture and bedding
- Footwear
- Infrastructure applications

- Solvents
- Lubricants
- Surfactants
- Heat transfer fluids
- Energy
- Life sciences
- Consumer applications

- Personal care and home care
- Mobility and transportation
- Building and infrastructure
- Consumer and electronics
- Industrial & chemical processing

- Interior and exterior architectural paints
- Traffic and road markings
- Industrial and protective coatings used in metal, wood, leather and paper applications

STAYING #DOWSTRONG THROUGH THE COVID-19 PANDEMIC

Ensuring Safety & Business Continuity

- The safety of our employees is always our first priority
- Enabled ~2/3 of global workforce to work remotely while maintaining business continuity through the pandemic
- Enhanced health and safety measures at all sites
- Crisis management teams activated to ensure business continuity through safe operations
- Published and shared externally and with our communities a comprehensive Return to Workplace Playbook

Supporting Global Community

- Ramped-up raw material production for ingredients to critically needed medical and health products
- Adapted 5 Dow sites to produce hand sanitizer; donated to local health systems, government agencies; equipped employees on the front lines
- Collaborated with Whirlpool and Reynolds Consumer Products to provide respirators to healthcare workers
- Developed simplified face shield design; shared externally for others to join in protecting healthcare workers
- Committed \$3.7 million to aid COVID-19 relief efforts worldwide

Enhancing Our Financial Strength

- Strong cash flow and YTD cash conversion up more than 5000 bps YOY
- Further strengthened robust liquidity, ending 3Q20 with >\$13.5B in total cash and committed liquidity
- Reduced net debt by \$1.8B or 12% since YE19
- Extended all significant debt maturities out to 2H24
- Delivering unique cash tailwinds of \$1.5B in 2020
- Prudently reduced capital and operating expenses early in the pandemic

Accelerated these activities all while advancing our broader ESG strategy in 2020

OUR ESG-ALIGNED AMBITION DRIVES LONG-TERM VALUE

*Our ambition is to be the most **innovative**, **customer-centric**, **inclusive** and **sustainable** materials science company.*

Innovating with our customers at the design table to meet evolving market needs

Enhancing customer experience with digitalization and sustainability-infused business models



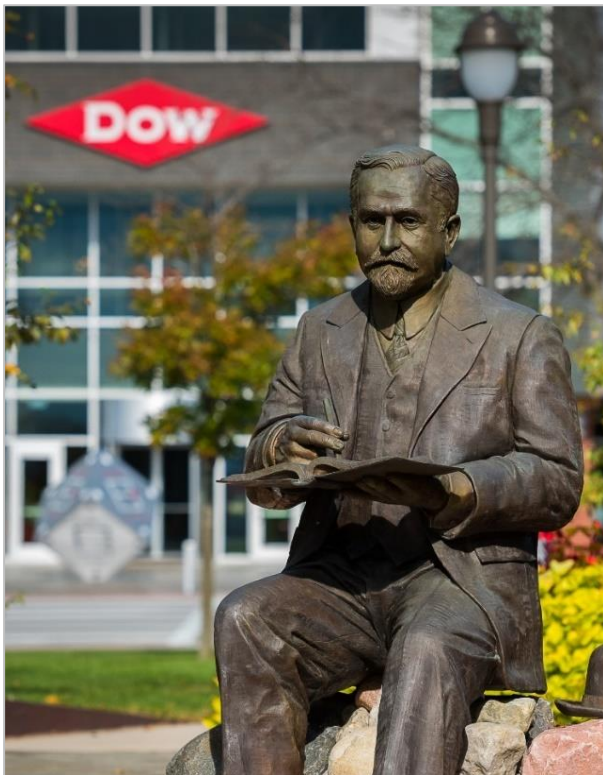
Committing to inclusion, diversity and equity for our Company and for our communities

Driving ambitious sustainability targets to address carbon neutrality and plastics circular economy

EVOLVING OUR SUSTAINABILITY STRATEGY AND TACKLING CRITICAL CHALLENGES



A STRONG CULTURE AND LEGACY OF COMMITMENT TO SUSTAINABILITY



- ▼ Board Committee Oversight and Leadership
- ▼ Sustainability External Advisory Council
- ▼ ESG Reporting Team
- ▼ Executive-Led Carbon and Plastics Teams
- ▼ Business and Function Sustainability Leaders
- ▼ Dow Company Foundation Board

Top-Down Commitment, Bottom-Up Alignment and Action

- ▲ Community Advisory Panels
- ▲ Regional Sustainability Academies
- ▲ Grassroots Sustainability Communities of Practice
- ▲ Attracting future talent seeking sustainable and inclusive values
- ▲ Team Dow engaged through innovation and Global Citizenship efforts targeting more sustainable solutions

Global Team Dow incentivized by the addition of ESG elements into 2020 Performance Award

PROACTIVE APPROACH TO ESG REPORTING & DISCLOSURE

A Commitment to Continuous Improvement

- Historical leadership in comprehensive climate-related sustainability disclosure to GRI Framework
 - First generation of Sustainability Goals initiated in 1995
 - Report and disclosure to CDP since 2003
 - Early adopters of Scope 3 reporting
- 2019 Sustainability Report expanded to include disclosure alignment to SASB
- 2020 Proxy Report includes discussion of sustainability priorities including Climate Protection
- Committed and progressing towards implementing the TCFD disclosure recommendations by 2022



ADVANCING OUR ESG PRIORITIES IN 2020

Environment

- Launched **sustainability targets** to address carbon neutrality and circular economy
- **More than halfway** to target of 750 MW from renewable sources by 2025; executed key projects with **energy savings** and **carbon reductions** of >580,000 metric tons
- Diverse, outside-in perspective on EH&S and sustainability issues via best-in-class **Sustainability External Advisory Council**
- Signed JDA with Shell to accelerate **electric ethylene steam cracker** technology
- Expanding our **post-consumer recycled** plastic portfolio offerings around the world
- 2019 Sustainability Report expanded to include **disclosure alignment to SASB**

Social

- Initiated **Dow ACTs commitment** and strong actions to address racial inequity; investing >\$5MM to HBCUs for STEM
- Partnering with 731 organizations, with **\$33.5MM donated for social impact**
- Committed \$3.7 million to aid **COVID-19 relief** efforts in Dow communities and \$1MM for hometown flood recovery disaster relief
- Increased **ERG engagement** with 98% of people leaders & ~50% workforce participating
- **Enhanced disclosures** via EEO-1 Report
- Implemented **Civic Duty paid time off** for U.S. employees
- Launched the **Military Degree Equivalency Program** for the U.S. and Canada

Governance

- Added **two new directors** – Jill Wyant and Gaurdie Banister Jr. – enhancing the diverse perspectives and deep expertise of our Board
 - 11 of 12 independent directors
 - >50% with <5 years on Board
 - Nearly 60% female or U.S. minority representation
- Best-in-class governance and reporting **transparency**
- Joined The Board Diversity Action Alliance
- **Added ESG metrics** into Executive Compensation program and 2020 Performance Award for top 300 leaders

Accountability for ESG metrics exists at all levels – board, management and employees



Seek

Together™