Broadridge

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01:00 PM EDT

Kate: Good morning, and welcome to the virtual webcast of the 2020 Annual Meeting of Stockholders of Dow, Inc. We do not expect any technical difficulties today. However, in the event we lose audio or webcast connection and we are unable to provide any updates, please wait 10 minutes for resolution. Please refer to the company's Investor website for updates.

The polls are open. To vote, click on the "Vote Here" button at the bottom-right corner of the webcast screen. The polls will remain open until the conclusion of the "Matters to Be Voted On" portion of the meeting.

I would now like to introduce Dow's General Counsel and Corporate Secretary, Amy Wilson, to begin the meeting.

Amy Wilson: Thank you, Kate. During the webcast today, the company may make forward-looking statements about our expectations or predictions about the future. Because these statements are based on current assumptions and factors that involve risks and uncertainties, the company's actual performance and results may differ materially from what is said here today. Please refer to Dow's 2019 Annual Report on Form 10-K filed with the SEC on February 7, 2020 for detailed discussions of principal risks and uncertainties that could cause such differences and to our subsequent SEC filings for updates.

With that, I'll turn the call over to Dow's Chief Executive Officer, Jim Fitterling, to share a few opening remarks before we call the business meeting to order.

Jim Fitterling: Thank you, Amy. I'd like to begin by recognizing the brave healthcare professionals, first responders, grocery store workers, public servants, and others who are on the front lines fighting the COVID-19 pandemic and helping to ensure the health and well-being of our communities. Among those heroes on the front lines are thousands of our own Dow colleagues staffing our plants and laboratories to manufacture and ship our products to support our customers. Thank you for what you are doing.

Dow continues to operate its assets, taking necessary precautions to protect employees and contractors. Most governments around the world have designated the chemical industry as an essential business, and we're proud to serve a vital need as companies across the value chain respond to growing, and sometimes urgent, market dynamics, especially in the healthcare, hygiene, and medical industries.

Dow has a breadth of solutions that are serving specific COVID-19 needs and applications, such as intermediates for cleaning products, pharmaceutical ingredients, packaging, and non-wovens for gowns, disinfecting wipes, and face masks, just to name a few. It's important to remember that our industry is uniquely qualified to address world challenges when and where they are needed.

For that reason, Dow recently announced that, in addition to providing financial support at international, national, and local levels, we have also begun manufacturing much-needed hand sanitizer at five sites around the Dow world. Dow doesn't typically manufacture hand sanitizer, but we have the assets and the capability. The majority of the product is being donated to local health systems, government agencies, and used at our manufacturing sites to help protect employees who are on the front lines. These in-kind donations are in addition to the $3 million contribution we previously committed to help governments and localities respond to the crisis.

The pandemic is creating an uncertain and dynamic macroeconomic environment, but there are a few general trends emerging. Industries like automotive, durable goods, and construction are feeling the brunt of the demand slowdown, with much of the rest of our consumer-driven business experiencing increased demand due to the new realities of the situation.

We are proactively adjusting our operations, where it makes sense, to meet those demands. The tremendous Dow team, and our assets across the globe, are enabling us to stay close to our customers and suppliers so that we can make quick operational changes.

Let me close with a few comments about Dow's financial position, and I want to be as clear as I can: Dow's financial and operational playbook remains strong. Our management team is aligned, and we are in a solid position to navigate the current environment. We have ample liquidity and a strong balance sheet, with approximately $11 billion of cash on hand and committed lines, and zero substantive debt maturities due until the second half of 2023. We expect our operations to generate solid free cash flow, which will allow us to adequately cover the dividend and our obligations.

Our priority uses for cash have not changed. Ensuring safe and reliable operations continues to be our first priority. We will protect the dividend, and we will continue to de-lever, following through on the actions that we began when we spun out as the new Dow. The fundamentals of Dow's business remain strong, and we are well-positioned to emerge even stronger when the global economy rebounds.

I'll now turn it over to Jeff Fettig, our Chairman, to call the meeting to order.

Jeff Fettig: Well, good morning, everyone, and thank you for joining us today. I'm Jeff Fettig, non-Executive Chairman of the Board of Directors of Dow. I now call this Annual Meeting of Stockholders to order.

It is my intent to chair and conduct the meeting in the manner stated on the Agenda in the Rules of Conduct and Procedures. In addition to Jim, Amy and me, the other Director nominees are attending today's meeting through this live webcast. Amy will now address some of the formalities of today's meeting.

Amy Wilson: Thank you, Jeff. The Agenda is shown at the top-right corner of the webcast screen, and the Rules of Conduct and Procedures are posted at the bottom-right corner of the webcast

screen. The procedures we follow are simple and designed to ensure that we have a fair and orderly meeting.

As noted, the polls are open. If you have not already voted your shares or wish to change your vote, you may do so by clicking on the "Vote Here" button at the bottom-right corner of the webcast screen. The polls will remain open until the conclusion of the "Matters to Be Voted On" portion of the meeting.

Stockholders may submit questions electronically during the meeting by typing your question in the box located at the bottom-left corner of the webcast screen. These questions will not be visible to other participants. Questions received during the meeting will not be answered live; but instead, we will consider our response to such questions following the conclusion of the meeting in accordance with the procedural rules. This could include a direct response or via the company's website on the Investor Relations page depending on the subject matter and relevance. Select questions previously submitted via the proxy vote website will be addressed at the end of the meeting.

Please note that this meeting is being recorded. However, participants are not permitted to use any recording device.

Notice of the Annual Meeting was distributed to all of our common stockholders of record as of February 12, 2020. Proof of Notice will be incorporated into the minutes of this meeting.

The Board appointed Broadridge Financial Solutions to act as the Inspector of Election to the meeting. We are informed by our Inspector that a quorum shall be deemed present for purposes of conducting the business of the meeting. Deloitte & Touche, our Independent Auditors, are attending today's meeting through this live webcast.

We will now review the matters to be voted on. Under the company's bylaws, the only matters properly before our stockholders today are those set forth in the Notice of Annual Meeting and proxy statement. The bylaws also provide the procedures a stockholder must follow to nominate Directors. The period in which stockholders can nominate Directors at this meeting has passed.

The first item on the agenda is the election of Directors. The Director nominees are Samuel Allen; Ajay Banga; Jaqueline Barton; James Bell; Wesley Bush; Richard Davis; Jeff Fettig; Jim Fitterling; Jacqueline Hinman; Jill Wyant; Daniel Yohannes. Your Board recommends a vote for these nominees.

The next items on the agenda are three management proposals. Agenda item two gives stockholders the opportunity to approve, on an advisory basis, executive compensation. Agenda item three gives stockholders the opportunity to approve, on an advisory basis, the frequency of future advisory votes to approve executive compensation. Stockholders may indicate a preference for every one, two, or three years.

Agenda item four concerns the ratification of the selection of Deloitte & Touche as the company's independent registered public accounting firm for the current year. Your Board recommends a vote for agenda items two and four, and one year for agenda item three.

This concludes the review of the matters to be voted on. The polls are now closed. The Inspector of Election will collect and tabulate all of the proxies and ballots. Only a small

percentage of the total vote remained to be counted, which should not significantly affect the overall results.

Subject to a final tabulation, we report the following preliminary results provided by the Inspector: all of the Director nominees have been elected; that stockholders have approved executive compensation; that stockholders have voted to approve executive compensation on an annual basis; and that the appointment of Deloitte & Touche has been ratified. The final voting results will become part of the record of the meeting and will be reported in a Form 8-K to be filed in connection with the matters voted upon at this meeting.

Jeff Fettig: Thank you, Amy. All items of the business have now been completed, and the meeting is now adjourned. With that, I'll turn it back over to Amy to address questions previously submitted via the proxy vote website.

Amy Wilson: Thank you again, Jeff. As noted, we will now address stockholder questions and comments received in advance of the meeting. Where we received multiple questions on the same topic, we've grouped them together and provided one answer.

To start off, we received several questions regarding our outlook on financial results and what the company is doing in response to the COVID-19 pandemic. We refer back to Jim's remarks at the start of this meeting and encourage you to visit our corporate website, where you will find announcements about our COVID-19 relief efforts and can review recent presentation materials posted on the company's Investor website. We also encourage you to tune into our first quarter earnings call on April 30th.

Next, we received a question related to requirements around Director ownership of company stock for the purpose of having a vested interest in the company's performance. Under Dow's stock ownership guidelines, Directors are required to own common stock of the company equal in value to at least five times the amount of the annual cash retainer within five years of their election or appointment. It is expected all Directors will be compliant within the required timeframe. We note that similar stock ownership guidelines are in place for Executive Officers of the company.

A few stockholders requested more information about compensation decisions during times of economic uncertainty. Dow's compensation program is designed and administered following the core principles of a strong link between pay and performance, aligning executive interests with stockholders' interest, particularly over the longer-term. And it reinforces business strategies and drives long-term sustained stockholder value. Please see the detailed disclosures in our proxy statement for more information.

We have received inquiries questioning recent performance of our stock and return on investment and questions regarding debt management during difficult times. We encourage you to review the recent presentation materials posted on the company's Investor website and join our upcoming earnings call on April 30th. And again, we refer back to Jim's remarks at the start of this meeting.

A stockholder submitted a question regarding the basis for continuing with share buybacks. We are committed to creating value for our shareholders through a balanced approach to capital allocation, including shareholder remuneration that is comprised of both dividend and share repurchases, including at a minimum to offset dilution, along with other cash priorities.

The next question from a stakeholder is, "What actions are being taken to address global warming and pollution?" Dow understands its role and responsibility as a steward of the environment. We are exceeding the goals we set to actively maintain our absolute greenhouse gas emissions at or below our 2006 baseline though our operations have grown exponentially since that baseline was set. Additionally, Dow is engaged in a wide spectrum of environmental initiatives and ESG activities. Please refer to our proxy statement and annual Sustainability Report, which can be found at dow.com, for more detailed information.

This concludes the Q&A session. Any questions received during the meeting will be addressed following the conclusion of the meeting in accordance with the procedural rules. A replay of today's meeting will be posted on Dow's website within 24 hours.

Thank you for your continued support and your interest in Dow. This concludes today's webcast.