



**Dow Inc. Presents at the Credit Suisse Annual Specialties & Basics Conference
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John Roberts: Great, well, thank you all for coming back here. Again, I'm John Roberts. I lead the US Chemicals team here at Credit Suisse. This is the 35th annual Credit Suisse Specialties and Basics Conference, one of the longest-running events like this.

This is the Dow Chemical fireside chat. With us is Howard Ungerleider. Howard is President and CFO. He's a career Dow employee. He's one of the longest-serving CFOs in the industry, since 2014 with Dow. He also was CFO of DowDuPont, and then now CFO of the new Dow, of course. He also led the integration of Rohm & Haas (ph) before that.

With Howard is Pankaj Gupta, who leads the Investor Relations function at Dow. So welcome, Howard; welcome, Pankaj.

Howard, do you have any opening remarks that you'd like to make to the group before we go to --

Howard Ungerleider: I do. I do. First, thank you for having me. It's great to see you back in the saddle. You made me feel old, I would say, by calling me one of the, what, longest-tenured CFOs?

John Roberts: Well, I'm one of the longest-running analysts on Wall Street.

Howard Ungerleider: Yeah, I was just going to say, so turnabout is fair play. John is one of the longest-running analysts on Wall Street as well, with multiple firms. But really, it's good to have you back on behalf of the industry.

So, look, before we jump into Q&A, I do want to provide a brief update on our outlook. Importantly, what we're doing to navigate the evolving market dynamics and the progress that we are continuing to make as we execute our long-term Decarbonize and Grow strategy.

Now, as you can see on Slide 2, our track record of employing our disciplined and balanced approach to capital allocation, if you only listen to two words from me today, disciplined and balanced, those are the two words that I want you to remember and what we've been working on for the last four-plus years as we were preparing, in 2018, to spin out.

And we've also been very much focused on operating with the best-owner mindset and really have continued to position Dow to drive earnings, cash flow, and return on capital growth over the economic cycle. And, for example, our early-cycle growth investments and our efficiency programs have raised our underlying earnings above pre-pandemic levels, as you see on the slide. We've nearly tripled our three-year trailing cumulative free cash flow since spin. There's been a lot of macroeconomic environments in the last four years, but we've been able to triple a three-year trailing average.

We bolstered our balance sheet, which is now the strongest it's been in my more than 30 years with Dow. We've significantly reduced our debt by more than \$6 billion over that time, and our pension liabilities by \$5 billion. And as you can see in the upper right, we now have no substantive long-term debt maturities due until 2027. And our latest annual benchmarking, which reflects our now four-year-and-growing commitment to increased transparency, has continued to demonstrate that we're delivering superior results relative to the majority of our peers across the majority of our key financial metrics. And you'll see them on the slide, but return on capital, free cash flow yield, shareholder remuneration, debt reduction, and cost structure are just some of the metrics where we're delivering above-average, first-quartile, or best-in-class performance.

You know, as a result of our actions over the last several years, we've created a streamlined portfolio that is balanced across key value chains, with scale, with unmatched feedstock flexibility, and with geographic diversification, which is certainly going to come in handy, more than likely, in the macro that we're dealing with. And I think importantly, our cash flow track record enables us to continue advancing our long-term Decarbonize and Grow strategy, while at the same time also returning significant cash to shareholders. And we're doing that through our industry-leading dividend, and also our new \$3 billion share repurchase program that we announced last quarter.

Our robust balance sheet, coupled with all of these actions that I just listed for you, really provide Dow with significantly more resiliency versus prior economic cycles. And I really think this will be beneficial as we navigate the current dynamic macroeconomic environment, and frankly, the lower consumer demand that we're seeing in Europe, which -- and I'm sure, John, we can talk about it -- we definitely expect to see that continue in the near term.

You know, since our earnings call the combination of ongoing geopolitical tensions, higher energy and feedstock costs, and record inflation have really weakened European end-market demand and consumer spending. And eurozone consumer confidence is continuing now in negative territory. PMI recently contracted below 50, and overall economic and industrial activity is slowing significantly. You know, on the one side of the ocean, the US, while overall economic activity has continued, high inflation and logistics constraints are driving PMI to its lowest level since mid-2020. And clearly, rising interest rates have driven housing starts down month on month by almost 10 percent in July.

You know, turning to the Pacific and China, recovery has yet to occur, really, due to their COVID policies. Chinese industrial production and retail sales growth slowed year over year in July, and Chinese PMI declined below 50 in August. That said, I would say recent interest rate cuts in China, as well as their recovery from lockdowns, are expected to drive economic growth as we enter 2023 and serve as a bit of a tailwind.

But I would say currently, where we are, these regional dynamics that I just talked about are translating into industry cash margins that are basically at breakeven levels or negative in NEG, in siloxanes, and an ethylene. And hopefully, you've seen that at these levels, we have immediately taken action. We've trimmed back operating rates to align production with supply chain and logistics constraints as well as demand, and we're seeing that across the industry as well. We've now seen more than three dozen producers in Asia and Europe primarily cutting back rates. At the same time, though, we continue to see strength, and I would say continued strength, in our downstream end markets. Markets like formulated silicone products for personal care applications, our functional polymers and wire and cable and elastomers applications, as well as alkoxyates for pharma, for cleaning, for energy applications.

Now, taking all that into account, we now see approximately \$600 million in lower sales and lower operating EBITDA versus the current first-call consensus for the third quarter. We are taking disciplined actions to ensure we continue to adapt to the evolving market dynamics across our value chains. We continue to leverage our global scale, our advantaged feedstock flexibility to capitalize on efficiencies as we drive production. We're actively engaging as an organization to manage the logistics challenges and to proactively minimize the impact of higher raw material and energy costs. For example, in August, we announced to customers that we began temporarily reducing polyethylene production due to conditions in Europe that I talked about, and also the port congestion in the US Gulf Coast. That temporary adjustment will lower our global nameplate capacity for polyethylene by approximately 15 percent. And we continue to see underlying signals, though, that will benefit our portfolio over time.

A couple of examples: US inflation is now starting to show what I would call modest signs of improvement, at least in gasoline, which should uplift consumer sentiment and drive continued strength in spending, although utilities, housing, food and frankly core CPI are remaining stubbornly high. Pent-up demand for vehicles and improvements in semiconductor availability should translate to additional volumes for the mobility sector as constraints ease. And of course, the robust recovery we are starting to see really in travel, as well as increasing demand for beauty and personal care applications, are benefiting our silicones portfolio. So, we'll continue to operate with agility as we continue to navigate the current market dynamics, and we remain well positioned to capture demand as conditions improve.

You know, at the same time, we are continuing to advance our long-term Decarbonize and Grow strategy in order to deliver the higher earnings, higher return on capital, and a higher cash flow that I talked about over the economic cycle. And as you see on Slide 4, we have us significant number of in-flight actions that will increase our underlying EBITDA by \$2 billion over the next several years, and by more than \$3 billion by 2030, with earnings and cashflow growth levers across each of our operating segments. And you know, our decisive actions to navigate the current macros, I'm pleased to report, are supported by a very strong financial foundation, with the balance sheet that I talked about that provides greater resiliency as we continue to focus on maximizing value creation for all of our stakeholders over the long term.

And with that, John, I'll hand it back to you to start the fireside chat.

John Roberts:

You also had an announcement today on circular plastics. I think it got completely overshadowed by the macroeconomic commentary here, so maybe just give that some airtime as well.

- Howard Ungerleider: Yeah, I appreciate you calling it out. The announcement that John's talking about is the announcement with Mura. So, we've got several goals around circularity, one of which is closing the loop and driving 1 metric tons of circular polymers, and we're doing that through a variety of projects. We're really looking at a pipeline of projects, both in the mechanical recycling, as well as the advanced recycling as well as non-hydrocarbon-based alternative feedstocks as well. And Mura has got a really interesting proprietary technology that allows you to recycle very, very hard-to-recycle plastics. And the announcement -- the announcement today is just a follow-on announcement to the second quarter earnings, where we announced more than 600 metric tons of advanced recycling polymer capacity with Mura, with Valoregen, with Nexus and several others. And the project that we announced this morning is in our Bohlen, Germany, facility that they're going to site a 120-kT advanced recycling capacity that will be up and running by 2025. And so, we're pretty excited about that partnership with Mura.
- John Roberts: I bet it's even cost-competitive versus German gas right now.
- Howard Ungerleider: I would guess it will be. That is true. We're not at 2025 yet, but we're very excited about the circularity.
- John Roberts: A couple of things you said in your opening comments, I thought you said ethylene cash margins near breakeven. We had Lyondell earlier talk about they wish they could operate their German crackers because more of the margin had migrated to olefins or ethylene right now. Maybe square the two.
- Howard Ungerleider: Yeah, my comment was really around Asia-Pacific. So, when you look at Asia-Pacific, it's been bouncing around between breakeven, I think this week, it's about negative \$50 to \$100 a ton, and it's been between breakeven and negative \$300, \$400 a ton here for the last few months.
- John Roberts: Okay. And similar comment on siloxanes. Was that an Asia siloxanes comment? I don't think about Europe being as big a siloxanes market as, say, the Americas and Asia.
- Howard Ungerleider: Yeah, so with silicones you really have -- and actually in all those molecules like ethylene and also MEG, but silicones really is a tale of two worlds right now. You've got the upstream siloxanes, to your point, that I alluded to. That is definitely a China comment. I mean, siloxane prices in China, spot prices were \$10, \$12 a kg. That has really fallen to about \$2. Essentially, you're right at cash breakeven or cash negative in Asia.
- Part of that is the demand that just hasn't come back with the COVID policies that China continues to implement. And then, part of that is because of the additional capacity that came on in Asia as well. So that's going to be with us, probably for several quarters until that capacity does get absorbed, which it will over time.
- Conversely, you've got our performance or our formulated silicones, what we internally talk about as our G3. This is going into personal care applications, mobility applications, building and construction applications. That business, the margins are hanging in there, and we're seeing demand. While on a softening basis certainly in Europe, there's still good demand in North America and Latin America for most of those applications.
- John Roberts: Okay. You put out a press release last month, you mentioned it again in your remarks

about the logistical constraints in the US Gulf Coast. Explain that a little bit for the group here. And does it get fixed relatively quickly with the slowing demand? Does that provide enough slack that that'll go away as an issue?

Howard Ungerleider: Yeah, I think it's been a struggle for a lot of the industry for a while. I think, you know, because of our geographic diversification between where we are across the Gulf Coast, but also South America, also our Middle East joint ventures, and then also our large assets in Canada, I think we've been able to, I'll say outperform most of our peers in terms of that. But you know, we were not immune, so we definitely saw that crunch in the US Gulf Coast in terms of a lot of the retailers bringing in more inventory than they probably wanted, and that kind of crowded out some of the ports.

So, we are intervening. It likely will still be with us through the balance of the year. With that said, I'm very proud of the Dow team. In August, we were able to increase our marine pack cargo shipments out of the US by more than 15 percent. The teams are actively engaging on a plan to do another 10 or 15 percent over the next 30 to 60 days. But I think it's just something that we're still going to be dealing with here through the end of the year. And then you've got the potential for the rail strike, which certainly could be a headwind for the entire industry, and frankly, for the US economy, if that doesn't get solved.

John Roberts: Okay. A simple explanation for what's going on here is consumers bought too much stuff in the pandemic. They're now buying services, and we've got the normal inventory sort of bullwhip effect as things slow down. Do you have a different view of the world, or is this kind of just a more normal inventory drawdown as people now are switching back to services from buying goods?

Howard Ungerleider: Yeah, I mean, look, I think that's a fair comment, and certainly the bullwhip effect, you definitely see where our sector is, and all the companies that you cover, including Dow, are in the chain. We tend to be the first to see an economic slowdown, but then we also are the first to come out of an economic slowdown.

I also -- look, in our long tenure, both of us, you know, we've seen lots of cycles, and you typically see periods of demand where there can be a 12 -- in a 12-month calendar year, there can be 11 months of demand, 12 months of demand, or 13 months. You know, the last 18 to 24 months, we've been dealing with a couple of 13 months of demand years. This year, you know, we'll see where it ends, but it likely is going to be an 11-month year of demand.

You know, I would say, you know, we put out our earnings corridor, John, to talk about kind of the net \$6 to \$12 billion EBITDA range going to \$9 to \$15 [company corrected after the event], and we did that because, look, based on demand, based on supply, you know, earnings will move around that band. But I think, you know, one of the things that I'm probably the most proud of in terms of the Dow organization is how much more we are focusing and have focused on cash in the last four and a half, five years. And I would just challenge you to really dig in as you're thinking about Dow as an investment. The Dow portfolio that we have today is a cash generating machine. And if you look at the last four and a half or five years, lots of macroeconomic environments, right, 2019 with a slowing -- that was pre COVID. It was slowing industrial demand. Then we had COVID, which was a massive petrochemical as well as macroeconomic trough that we hadn't seen in 100 years. back to, you know, the winter storm Ida and Uri in 2021. This year, we'll see where, you know, things end.

Lots of EBITDA volatility during that period, but look at our look at our cash from ops. Though all of those periods, we've generated plus or minus \$6 billion of cash from ops, plus or minus \$1 billion or \$1.5 billion on either side of that, so a much tighter range, because the organization continues to be focused on it, really sweating the assets, driving operational excellence, improving our reliability, continuing to optimize fixed costs, driving the benchmarking in terms of our cost structure, and our efficiency levers. So, really proud of the team.

You know, and we're giving a lot of that cash -- we're giving a majority of that cash back to our owners, right? Ever since spin, 65 percent of our net income goes back to the owners, primarily in the form of dividends, but we're also using stock buyback. We announced the second \$3 billion program that we're already actively buying shares. We bought \$800 million of shares in the third quarter. That's on top of the \$800 million that we did in the second quarter and the \$600 we did in the first quarter. So, you know, we're doing that. I think our total shareholder remuneration since spin is in the low 70s, so we committed to 65 percent, but I think if you add it up since spin, it's more like 73, plus or minus.

So, you know, we're giving most of that back to the owners, and then we're keeping some and investing in in that long-term Decarbonize and Grow strategy, where we should be able to deliver with those projects like Mura, like Valoregen, like the Alberta Path to Zero project, we should be able to decarbonize the company, and grow earnings, and grow cash, and grow our return on capital over the economic cycle, and that's what we're focused on.

John Roberts:

Okay. In your last quarterly earnings slide deck, you had an oil/gas spread chart. And you're actually one of the few firms that did it the right way in terms of absolute spread, not just the ratio of oil and gas, given the wide range that we're in. It's an overly simplistic way of characterizing your cost advantage in the feedstock environment. We've had so much volatility. Where are we today, and what's the Dow view about your spreads on a go-forward basis?

Howard Ungerleider:

I would say a couple of things. One, thank you for reading our slides and for doing it on your garden leave. We appreciate your diligence.

Yes, I think you're referring to the barrel of oil equivalent that we put together. And basically, what we were just trying to show at a very high level -- your point exactly -- is that we do have a significant advantage. Remember, 65 percent of our assets are based in the Americas, and then we have our Middle East assets as well. And then even in Europe, which is certainly a challenging demand market and certainly a challenging market from a feedstock standpoint, we have best-in-class feedstock flexibility. We can crack up to 60 65 percent LPGs in Europe.

But that chart that you're referring to, we just tried to highlight where the barrel of oil equivalent was. And so, in the first half of this year, it was in the mid-60s. It has come off. Right now, it's in the mid-50s. But if you just put that in -- you know, so you could say, well, that's a little bit of a negative versus the first half, which is true. But if you compare that to where it was for all of last year, it's about 10 percentage points higher. It was trading in the high 40s, call it 48, 49; now it's about mid-50s.

So, you know, look, in these periods of inflection, which I definitely think we're seeing

through the bullwhip effect, to use your language, you are seeing some wonky things happening, but that's just temporary. We saw the same thing happen during the pandemic slowdown, where things can get out of whack, especially with byproduct credits in some of the other regions. But look, you look at long term, the next 3, 5, 7, 10 years, you are going to have advantage on Dow's portfolio with our position on ethane, propane, the NGLs in general, our ability to crack LPGs in Europe, as well as our Middle East joint ventures.

There is just not enough -- there's just not enough supply of oil, and it will take years for that supply to really ramp. And you can ramp the natural gas much faster than you can ramp the oil. And as we all know, naphtha should trade over the long run on a Brent -- on a Brent basis.

John Roberts: Lyondell earlier said that they have no plans to shut down their European crackers this winter. So, I'm sure there's contingency plans, but their -- I should make maybe say their base case is that. What's Dow's planning around this winter for your German operations or Europe more broadly?

Howard Ungerleider: Look, I see us as -- look, we get we get paid to put plans in place for a range of scenarios. Certainly, I think the base case is optimization, so we have been absolutely working to reduce the amount of natural gas we use. We've already taken about 15 percent out. We are optimizing every layer of feedstock in every furnace. You know, when you look at Europe, I mean, again, this is another I think advantage to Dow. We've got a lot of geographic diversity in Europe, right, so all of Europe right now is not the same. Our largest integrated facility is in the Netherlands. Number two is in Spain. We do have assets in Germany. We have one cracker in Germany, in Boehein. That's where the announcement for Mura came in.

We're structurally hedged. About 50 percent of our entire European footprint on natural gas is structurally hedged. So, look, we're going to get pain. We're definitely seeing the margin compression because of the higher energy costs and the demand destruction that that higher energy cost is happening. But on a relative basis, again, back to the benchmarking, we should be able to outperform.

The Netherlands is in level one. Germany is level two. So, if Germany goes -- if there's a further load shedding, it likely happens in Germany before it happens anywhere else, and we have the load shedding plans. We're looking at further abilities to optimize by doing the recycled gas and coming up with other creative plans that our engineering team have.

So, we're ready for it. It may not be fun. It probably will be a cold winter. Our focus is on continuing to outperform our competition. That's been our mindset since spin.

John Roberts: The issue in Europe will probably come first quarter of 2023, do you think kind of the hardest period, or will it be fourth quarter 2022?

Howard Ungerleider: I mean, my quip back is yes, it will be somewhere -- it will be somewhere between there. I mean, I think look, it's hard for me to give you a real substantive answer. I would say this. You know, they thought that they couldn't get to 80 percent storage until November, and they're at 80 percent storage. I think they're doing a reasonable job of getting their storage up, although there's just -- you know, the question is, how much more storage can they get? They've also been moderating demand, intentionally and then unintentionally, because of the inflation. I mean, I personally think the demand destruction is going to be

a bigger challenge for us than gas. But frankly, we have to be prepared for either scenario.

John Roberts: Polyurethanes has a flatter cost curve than some of the other chemical chains that you have. Lyondell earlier said, propylene oxide is still strong. What are you seeing in propylene oxide in the isocyanates businesses?

Howard Ungerleider: Yeah, I think when you look at our polyurethane franchise, MDI is probably going to be the best over the medium term, still having margin compression because of the higher benzene cost and the demand destruction. Especially, most of the polyurethane chemistry, as you know, goes into a lot of consumer durable applications, when you think about furniture and bedding, you think about automotive, you think about appliances. And other than automotive, certainly appliances, furniture, and bedding, some of the commercial construction applications are certainly seeing demand destruction.

But over the medium term, there's not really any more MDI capacity coming on, and so that demand growth will drive higher asset utilizations. I would say, you know, PO polyols, less so. There's more capacity that's come on, and so that's probably going to take a little bit longer to get on the other side of that, from an improving asset utilization perspective, at least in terms of where we position or where we play in the markets. And then you've got our system houses, or our formulated system houses, which are not immune to the margin compression, certainly not immune to the demand. But those tend to be the most stable from a margin perspective and the highest margin, and so we should see growth there over the next few years.

John Roberts: Okay. In Alberta, Dow is leading the first large-scale project to use hydrogen to heat the furnaces. Talk just a little bit about that and whether there's anything in the new US Inflation Reduction Act with the hydrogen credits that might cause you to accelerate something in the US similarly.

Howard Ungerleider: Yeah. Look, that's a great question. Let me just, before I jump to the IRA, the Inflation Reduction Act, I want to just talk about the Alberta project and give everybody just a little bit more context.

Look, there's a lot of reasons why we picked Alberta for that project. One, people talk about the shale gas advantage in the US. The Alberta advantage has been around for many, many more decades, and as most periods of time is even more advantageous than US shale, and so that's one. Two, you're really close to NGLs and natural gas. You have access and infrastructure. Three, they already have the carbon capture and storage trunk line there, so we don't have to put that investment in. We just have to tie into it. Four, we're already there, so it's a brownfield site for us. We already have reactors and a cracker there. And we have access to the US, but also importantly, we have access out west to the ports to Asia. And importantly, there's, there's a price on carbon there.

So, for all those reasons, it's a really great project. I think the Inflation Reduction Act, there are some really good provisions, which certainly should be helpful. You know, the 45Q, for example, some of the incentives around nuclear, small modular nuclear, the clean energy, the clean fuels, that will all be helpful. But you still need carbon capture storage capability in the US Gulf. We're part of a few different consortiums. The US government really needs to help, I think, be supportive, like other countries around the world have, like Canada, out and Alberta, to be able to put that infrastructure in.

You know, I would also say, you know, if you think about what Senator Manchin is advocating on the permitting side, I think this is something that all of us in the industry really need to get behind as well. You know, we all want to get to a decarbonized future, but you're going to need several decades. You know, Dow has signed on to be carbon neutral by 2050. You're going to need several decades to get there. You're going to need natural gas. And if you don't do what Senator Manchin is advocating, then fundamentally, you're going to turn yourself into a problem like Europe, and I don't think we want to be Europe. You know, we have the feedstock. We have the advantage. We have manufacturing. That's how you build the middle class. That's how you make sure that consumers like each one of us can have an electric or utility bill that is economical, and that you can drive macroeconomic activity.

So, I think it's a good start, the IRA, but you need the natural gas for transition that will help enable us not only to be successful as a country for the next several decades, but also to ramp and transition to that decarbonized future.

John Roberts: And maybe just extend that a little further into electrically-fired furnaces. So, there's nothing commercial scale or world scale on the boards right now, but how far away are we, and what needs to happen for that to move forward?

Howard Ungerleider: Yeah, I mean, look, it's probably a decade plus. You know, we've been at this now for several years. You're probably referring to the joint development agreement we put together with Shell, so we're collaborating with them around the world. We started doing that officially in 2020. We just started up a small, small, call it pilot line, but it's really sub-pilot scale, really just to prove out some of the technology. I mean, we've got to get -- you know, the crackers need 800 degrees C, so you definitely need some innovation to be able to get that rate. So, that's what we're focused on.

The pilot line is operational, but really, the true pilot line is not going to -- we're going to learn from this through the series over the next couple of years. I would say we're probably looking at 2025, 2026 kind of timing, if everything goes reasonably well. And then you're probably talking about another five years before you can get there.

But hopefully, you've seen that we're not waiting for that. We're also working on small modular, so you saw the announcement with X-energy that we announced to collaborate with them to put a small modular nuclear reactor at one of our facilities in the US Gulf Coast, which will allow us, hopefully, to decarbonize at least one, if not more of the sites down in the US Gulf Coast.

John Roberts: Is this a good environment for Sadara that's there? Or again, they've got cheap gas, an advantage. But they're adjacent to Europe, where a lot of the demand problems are.

Howard Ungerleider: Yeah, I would say to be fair, it's probably mixed, but most of Sadara goes to Asia. Now, a chunk of it goes to Southeast Asia, a chunk of it goes to China. China is going to continue to be a net importer for at least the next couple of decades. And so, right now, with the China COVID policies, look, one of the disappointing things in terms of the macroeconomic activity is they've continued to have to deal with the lockdowns because of that policy, so we just haven't seen the typical economic growth that we're used to. So, that's a bit of a headwind for Sadara.

It is a mixed-feed cracker, right, so it's got some gas, and it's got some natural gasoline supporting the feedstock, and then it also has some naphtha, which is based on Brent. So,

it's a bit of a mixed bag. But actually, I mean, when you think about Sadara, we've done a lot together with our partner, Saudi Aramco, to really improve Sadara. It's been running exceptionally well. We reprofiled the debt. You know, when we reprofiled the debt last year, we set out a five-year runway before they would have to start paying back principal. And they were five years ahead of pace, so they paid back several hundred million dollars of -- I think it was \$500 million in total last year, and then this year, it'll probably be in that same kind of a range. So, they're five years ahead of the reprofiling paydown schedule, which is great to see.

John Roberts: If we had gone back a year or two ago, pensions would have been kind of up there in terms of questions. With no near-term maturities on your debt, in your pension liability. rising interest rates are -- you're actually okay with that?

Howard Ungerleider: Yes, we're very okay. Well, look, I mean, all of our debt, all of our financial debt is fixed. And obviously, you know, it doesn't take a lot of additional movement in terms of the interest rate and earning another year on the EROA, and you basically -- you're right, we've -- you know, as I mentioned in the prepared remarks, we've lowered our underfunded pension by \$5 billion. We've got about \$3 billion left. That should, within the next few years, we should be able to get that to zero. And then the plan, plan by plan, our plan, that's a lot of the word plan, but our plan, plan by plan, is to immunize and deal with that so we don't have to ever deal with that again.

So yeah, that's -- look, that's \$5 billion that eventually will make its way to the market cap. You investors will decide when, but that will make its way to the market cap at some point in time.

John Roberts: Great. We've got one minute left. Do we have any questions from the audience here? Howard, anything we didn't cover today?

Howard Ungerleider: Look, we just, we're focused on disciplined and balanced capital allocation, running the assets hard, sweating the assets, investing in lower-risk, faster-payback, higher-return projects over the economic cycle, and doing that within D&A or less.

John Roberts: Great. Thank you.

Howard Ungerleider: Thanks, John.

John Roberts: Thanks for coming. Thank you all for attending.