Dow Presents at
J.P. Morgan Industrials Conference

Jim Fitterling, Chair and CEO

March 14, 2024

Our Growth and Sustainability Roadmap to 2030

Decarbonize & Grow

Grow underlying earnings by ~$3B/year, while reducing GHG emissions by ~5MM mta by 2030[1]

Near-Term Growth and Efficiency Investments

✓ *Achieved*

FS1 cracker expansion

FCDh unit in Louisiana

Alkoxylates capacity investments

Silicones downstream debottlenecking projects

MDI distillation and prepolymers facility

Increased use of clean energy with >1,000 MW of renewable power

→ *In Flight*

P&SP: Enhancing feedstock flexibility and PE/functional polymers incremental growth projects

II&I: Additional alkoxylates capacity

PM&C: Multiple silicones and coatings debottlenecks

~$2B of EBITDA by mid-decade
>2MM mta CO_2e reduction

PATH2ZERO

→ *Fort Saskatchewan Path2Zero*

✓ **Board of Directors approved FID in 4Q23**

✓ **Locked in majority of long-term cost-advantaged ethane supply**

Construction to begin in 2Q24;
Phased start-ups ~2027 thru 2029

→ *Transformative, Next-Generation Solutions*

EDH pilot plant in ~2025; commercial scale in ~2030

E-cracking pilot start-up by ~2025

Solar power purchase agreement in Bahía Blanca by ~2025

X-energy advanced nuclear at Seadrift site ~2030

At **Terneuzen** site, compressor electrification 2027/2029 and circular hydrogen ~2030+

~$1B of EBITDA by 2030
~3MM mta CO_2e reduction

Transform the Waste

Commercialize 3MM mta of circular & renewable solutions

→ *Strategic Partnerships & Offtake Agreements*

✓ **Valoregen's** 15KTA mechanical recycling line in France achieved mechanical completion in 4Q23

✓ **Mura Technology** commenced commissioning in 4Q23 with 20 KTA of advanced recycling capacity in the UK

New Energy Blue partnership for bio-based renewable plastics by ~2026

Mura Germany 120 KTA advanced recycling facility start-up in ~2026; as much as 600 KTA total global capacity by ~2030

WM residential recycling project to divert >120 KTA plastic film from U.S. landfills

>$0.5B of EBITDA (~2030)

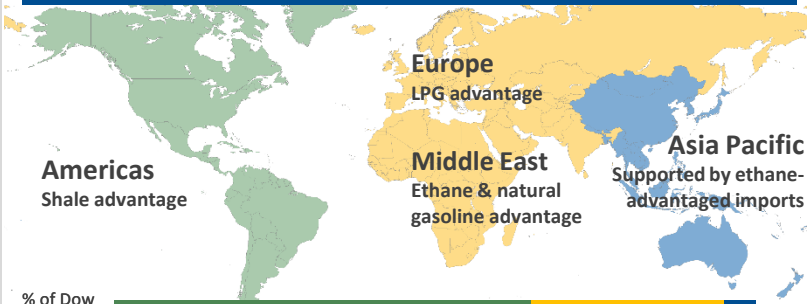
Disciplined organic growth investments

- Higher return, lower-risk, faster payback growth projects
- Investing prudently in downcycle, to lock-in lower cost inputs and be ready to capture up-cycle growth
- Invest in value-add trends that complement Dow's capabilities to de-risk projects
- Keep CapEx spending at or below D&A while targeting >13% ROIC over the cycle
- Established Green Finance Framework to align funding with goals & targets

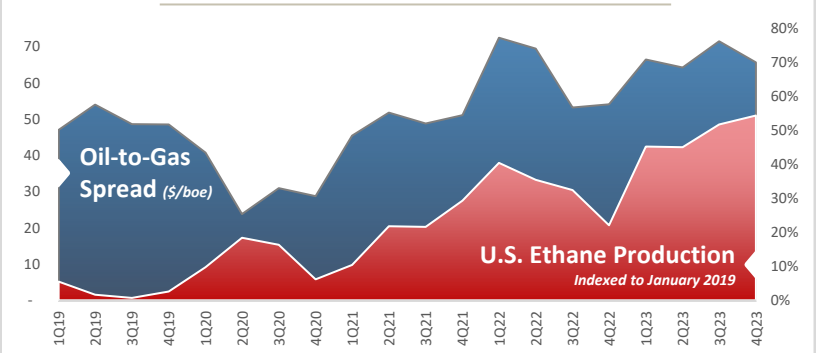
1. Applies to Scope 1 and 2 GHG emissions in CO_2 equivalent (CO_2e) versus 2020 levels

WELL-POSITIONED TO DELIVER GROWTH THROUGH THE CYCLE

Global Reach with Strategically Advantaged Positions

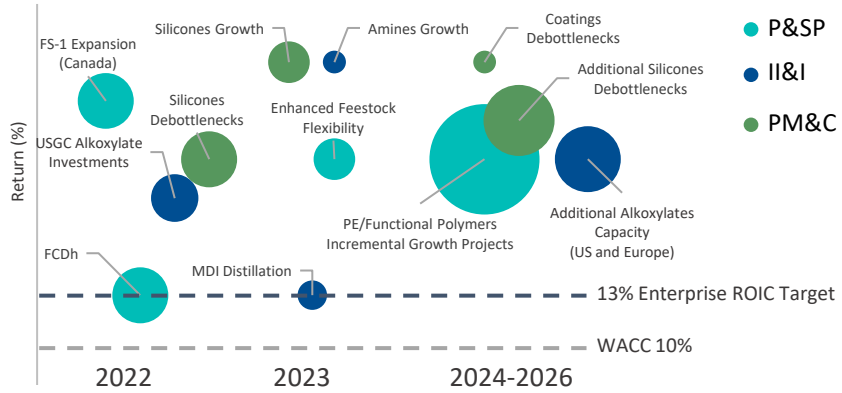




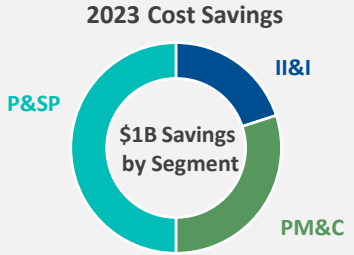


Source: US EIA through Oct 2023

On-Track to Deliver ~$2B/year EBITDA[1] Growth by Mid-Decade



Continued Emphasis on Operational Efficiency



- >90% of roles exited by YE2023
- Implemented actions to **rationalize select higher-cost, lower-return assets** in Polyurethanes, Coatings and Industrial Solutions
- Executed **structural improvements** to raw materials, logistics and utility costs

1. EBITDA/year run-rate estimated based on Dow and IHS historical mid-cycle margins and operating rate of 90%.

Executing our Growth Strategy While Maintaining Discipline

Strong financial flexibility to navigate market dynamics

Our disciplined & balanced approach since Spin allows us to meet our capital allocation priorities

- Counter-cyclical growth investments supported by a robust balance sheet
- Strong investment-grade credit rating
- Continuous focus on cash flow has led to ~96% cash flow conversion in 2023; >$1.5B of unique-to-Dow cash levers expected in 2024
- Low cost-to-serve operating model with $1B of cost savings in 2023
- Since Spin, we have returned ~90% cumulative operating net income to shareholders

Dynamic macroeconomic environment continues in 1H2024

Expect 1Q24 revenue and earnings in-line with the guidance outlined at our 4Q23 earnings call and current consensus[1]

- Global manufacturing PMI at an 18-month high
- Normal seasonal uptick in building and construction; consumer durables demand remains weak globally
- Recent U.S. PE price increases supported by industry outages, robust exports and resilient domestic demand
- European demand remains weak, despite lower energy costs
- Red Sea logistical challenges driving global freight costs higher and supporting prices in Europe
- Demand in China subdued in February due to the Lunar New Year

Executing on our disciplined and profitable growth strategy

By 2030, Dow will grow underlying earnings by >$3B/year across the economic cycle

- Near-term growth investments have added ~$800MM of incremental mid-cycle EBITDA since 2021; on track for remaining ~$1.2B by mid-decade
- Issued $1.25B of green bonds to support eligible green projects, mainly Fort Saskatchewan Path2Zero, at highly competitive spreads
- Construction of Fort Saskatchewan Path2Zero to begin in 2Q24
- Mura and Valoregen on track to reach commercialization of their respective recycling facilities in 2H24
- Expect to reduce Scope 1 and 2 CO_2e emissions by ~5MM MTA or another ~15% by 2030 vs. 2020

Focused to execute growth strategy while maintaining financial and operational discipline

Source: 4Q23 Earnings Presentation. Cash flow conversion and Operating net income are Non-GAAP measures; refer to the Appendix for additional information.
1. First Call, as of March 13, 2024

SAFE HARBOR

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See investors.dow.com for a reconciliation of the most directly comparable GAAP financial measures.

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