

**Dow, Inc.**

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David Begleiter: Good morning, and welcome. My name is Dave Begleiter, with Deutsche Bank's U.S. Chemicals team. And again, welcome to the Deutsche Bank Global Industrials & Materials Conference.

With us today is the team from Dow – Dow, Inc. – led by CEO Jim Fitterling. Jim has been CEO of Dow since 2018 and has spent more than 40 years at Dow creating value and driving successful outcomes.

So, with that, Jim will make a few brief comments, and we'll go into the Q&A portion and the fireside portion of the session. So, Jim, all yours.

Jim Fitterling: Thanks, David. Good morning, everyone. And thanks for having me today.

Before we get into Q&A, I'd like to share some progress and things that we're seeing across key end markets and regions and progress that we're making on the actions that Dow previously announced. These actions include the reduction of costs, adjustment of our supply chains aligned to the tariff mitigation, and the overall protection and improvement of our margins as we navigate the prolonged downturn that our industry is facing.

If you turn to Slide 2, from a macro standpoint, our view shared during our first quarter earnings call remains largely unchanged. We continue to see slower global growth and an increasing macro uncertainty across many markets, largely due to tariffs and the implications on global trade and geopolitics.

In the U.S., trade negotiations with China have been back and forth, obviously heightening concerns about the economic impact on both nations and on the global economy. And as you've seen recently, the imposition of U.S. tariffs on European steel and aluminum, along with potential tariffs on automobiles, has further strained those relations. In both of those cases, though, the two sides are talking and positioning, which is real progress and provides some level of optimism for us.

The data suggests that these uncertainties did have some negative impact on the economy, at least in the month of April. And early May data has shown some improvement in select regions, with many major regions remaining contractionary from a manufacturing index standpoint.

So, for example, global manufacturing PMI in April moved into contractionary territory for the first time this year, led by a decline in new orders. And we see a lot of this pressure in durable goods markets versus services business or discretionary business in the consumer side.

If you look across our four market verticals, we're experiencing some sluggishness in order patterns in the beginning of the second quarter, which was largely attributed to the tariff-induced kind of a wait-and-see attitude that we saw across many markets.

This was notable in the packaging space, where early April orders were impacted by industry balances and customer discussions, which led to a lower industry price settlement in April and then subsequent flat pricing in May. Fundamental underlying demand for packaging remains solid and when combined with elevated feedstock costs provides some support for near-term price increases, as current polyethylene industry margins are at unsustainable levels. So, we have a five-cent-per-pound increase announced for June, which we expect to be fully implemented.

Switching to infrastructure, housing demand continues to be persistently soft globally. In the U.S., mortgage rates remain high and, as a result, building permits declined year over year in April, reaching the lowest level since May of 2024. Additionally, if you look at eurozone construction, that PMI has remained in contractionary territory for three consecutive years. These two areas in infrastructure really have a high impact on the polyurethanes business.

On consumer spending, end markets such as electronics and pharma continue to display stability. On the other hand, building and construction, as I mentioned, including some adjacent markets like durable goods and appliances, have seen a slower-than-normal seasonal build.

And in mobility, we continue to monitor for the impact on sales and production from potential global tariffs. We continue to see demand growth for our products in high-value applications such as silicones that are used in thermal management, which creates more demand because they dissipate heat and ensure stable performance, whether it's in data centers or in chips or in electronic devices themselves.

Additionally, in our industrial solutions business, our DOWFROST fluids for data center cooling and chip cooling reduce power usage by about 30%. And with that being a very topical and high-interest area, I think we're looking for some upside growth there as we continue to see data center build-out.

And our new Diamond Infrastructure Solutions business model offers some leading infrastructure services to meet growing demand for power and utilities for data centers.

On Slide 3, you'll see that given these dynamics, we continue to remain focused on the actions that we need to take, including near-term cash support and cost reductions, in order to help mitigate margin pressures and navigate through this cycle.

First, we finalized a strategic partnership with Macquarie Asset Management for the sale of a minority equity stake in select U.S. Gulf Coast infrastructure assets on May 1. We received approximately \$2.4 billion in initial cash proceeds from a deal that has been several years in the making. And as a reminder, Macquarie has the option to increase their stake from 40% to 49% within six months of closing. Doing so would increase the total cash proceeds for Dow to approximately \$3 billion before the end of this year.

The new company is called Diamond Infrastructure Solutions. They just recently announced a partnership with a company named Again. That company will build a first-of-its-kind plant that will recycle waste CO<sub>2</sub> emissions from an on-site tenant in the Texas City Industrial Park. This agreement is just one of many growth opportunities that the Diamond Infrastructure Solutions business model is set up to capture with new and existing customers.

In addition, we expect cash proceeds of greater than \$1 billion this year from the final resolution for damages related to the jointly owned ethylene asset with Nova Chemicals in Joffre, Alberta, Canada.

And on the spending side, we announced in January that Dow would deliver at least \$1 billion in targeted cost savings on an annual run rate basis by 2026 in response to the ongoing macroeconomic challenges. All together, these cost savings are expected to deliver \$50 million tailwind in the second quarter and a minimum of \$300 million by the end of this year.

In addition, we now expect our enterprise CapEx for 2025 to be \$2.5 billion, which is a \$1 billion reduction compared to our original plan of \$3.5 billion. This is largely attributed to our decision to delay our Path2Zero project in Fort Saskatchewan, Alberta, until market conditions improve.

So, all total, our collective actions to navigate the realities of the current environment will deliver \$6 billion in cash support over the next two years and enable Dow to maintain our financial flexibility.

We do remain focused on delivering on our balanced capital allocation approach over the cycle, while also positioning the company well to generate shareholder value. And as our industry weathers the current challenging conditions, we intend to pull all the levers we can to improve margins, support near-term cash flow, and optimize our global portfolio. This includes the \$6 billion in near-term action cash support items that I just outlined.

At the same time, we continue to upgrade our footprint in our cost-advantaged U.S. Gulf Coast, with the completion of two of our incremental growth projects. They'll come online at the end of this quarter and begin to show benefit in the third quarter and beyond.

The first of the two projects is in Packaging & Specialty Plastics, which will allow Dow to grow in high-value segments, such as food packaging and health and hygiene products. This new world-scale unit will be the largest solution polyethylene train in Dow's fleet. It's designed for lower-cost conversion, increased production capacity, as well as improved efficiency and flexibility across multiple product grades, making it adaptable to changing market demands. This asset also absorbs our remaining ethylene length in the U.S. Gulf Coast and allows Dow to produce higher-value functional polymers and other assets in the regions.

The completion of our other growth project this quarter delivers new alkoxylation capacity in Seadrift, Texas, that will support growth in our Industrial Solutions business, which serves attractive end markets such as home care, pharma, and energy production. After completing this project, Dow will also exit its last remaining wholly owned capacity from MEG. Moving in this direction has been part of our strategy with Industrial Solutions for some time, to move into higher-value ethylene oxide derivatives that deliver margins in excess of 1,000 basis points higher than MEG and increasing our production capacity for products that provide the highest return to the ethylene molecule in the company.

Since our last earnings call, we also completed two small divestitures totaling an additional approximately \$200 million in, at very attractive EBITDA multiples of about 10x. Consistent with our best-owner mindset, we announced that Dow completed the sale of our Telone soil fumigation product line in May to a strategic buyer. This enables them greater integration for their future operation. And earlier this week, we announced that Dow would sell our 50% ownership in the successful DowAksa joint venture, which is a leader in carbon fiber for the wind energy space. These actions provide additional near-term support for our balanced capital allocation approach.

At the same time, we continue to optimize our global footprint, particularly in the higher-cost regions like Europe. In April, we shared that we've expanded our European asset review beyond our previously announced plans to determine the best strategic option for our polyurethanes business in the region. We identified three upstream assets across each of our operating segments where we expect to either idle or shut down capacity to address the ongoing demand challenges and regulatory environment in Europe. Each of these assets represents a meaningful portion of our regional capacity, which is either not fully integrated, resulting in excess merchant sale exposure, or is high on the cost curve where we have better options to supply derivative demand and optimize margins. We'll have more details to share as it relates to several of these asset decisions in the coming weeks. Certainly, I expect that to be a big topic on our earnings call in July.

And lastly, our purpose-built asset footprint and our low feedstock cost positions, primarily in the Americas, in the Middle East, create a meaningful cost advantage for Dow and provide industry-leading flexibility to navigate the global trade dynamics.

We remain committed to closely monitoring the current macro environment, and as you've seen with our already announced actions, we'll take the necessary steps to improve our competitive position as we move forward.

And with that, I'm happy to take your questions. Thanks, David.

David Begleiter: Just a little bit more on the near-term macro. In terms of the seasonality you mentioned, where are you seeing normal seasonality? Where are you seeing below-normal seasonality? Where are you seeing above-normal seasonality?

Jim Fitterling: Packaging is showing good demand resilience. And so, we see normal order patterns there and consistent demand, like you would expect. It typically does through the down cycles consistently out deliver because of the discretionary nature.

Silicones is seeing normal seasonality. I'd say normal seasonality plus a little bit of the bump up that you see with electronics and chips and data centers.

Coatings is good, but it's a little bit softer than same time last year. Last year was a pretty strong year for coatings when you think about the backdrop of what's going on in housing and construction, and there was a lot of DIY business last year, and that favors us. We see good growth this year, but not as robust as we saw last year.

Downside, I'd say automotive has been slower to start. We see production rates here and that really drives the near-term demand for us, is the production rates, down about 6%, 7%. Sales, I mean, the OEMs are selling products, so that's good, but most of it was produced last year. We do see China continue to have some growth in EVs. It's not as robust as it was in previous years, but it's still there.

And then I would say the other part of the business is just building and construction, below normal seasonality. And the knock-on effect for building and construction is all the other materials that would go in, any fit-out materials like products that go into carpets, products that go into remodeling materials that are used in kitchens, bathrooms, flooring. Insulation, obviously, is a big driver for polyurethanes. And so, we see that slowdown. And appliances have been relatively slow. Inflationary pressure on big-ticket items really is pushing some of that away.

David Begleiter: Okay. By month, it sounds like April was a bit of a slow start. Things came back in May, maybe post the 9-day pause. How are your order books looking for June?

Jim Fitterling: Good. Consistent, I'd say, with May and the way we started there. We don't see any massive negative aberrations. Export product is flowing. Despite my comments about U.S.-China, our ability to export out of the U.S. Gulf Coast is not restricted right now. So, we're able to move that. We watch closely, obviously, on China and their ability to export and get product in here, and you'll see most of that plays out with the retailers when the retailers talk about what are they doing in terms of sourcing and what are they doing with prices, are they going to have to pass some of that on to consumers. But so far, product is moving well. A few disruptions that the supply chain and the trading team has to deal with, but I'd say it's all on the margin.

David Begleiter: Good. On polyethylene, prices fell 3-cents-per-pound in April, I think due to more tariff knock-on impacts. They were flat in May. You've announced, it appears, a five-cent-per-pound price increase for June. What gives you confidence that will go through in this environment?

Jim Fitterling: I think the demand is there. The inventory levels are low. We've got some cost pressures. I mean, there's cost pressures on both sides. You're starting to see oil climb back up; that usually helps on the pricing side. You're seeing ethane costs, the structural costs, not the spot costs, continue to keep high, because U.S. natural gas and the demand for natural gas for electricity is driving some higher costs there. Those things are going to help push some of that through as well.

David Begleiter: You mentioned ethane. Ethane was below 19 cents a gallon last night. It's down 25% in a week, really post the Trump administration putting in place requiring licenses to export ethane to China (inaudible) retaliation for rare earths, et cetera. What do you make of the ethane move? And how has this changed your outlook for integrated polyethylene margins this quarter and perhaps next?

Jim Fitterling: I think – well, obviously it's spot market move, right? So, most of our ethane is bought on contract arrangements based on a frack spread and based on natural gas price. So, we'll watch it and we'll see whether it has any impact on the forward curve on ethane and gas. And if it does, that might move into something more substantial. In the short term, we'll try to take advantage of as much of the spot as we can and bring it in and convert that over for our own ethylene use.

I think it's logical – you heard my comments about our ability to move polyethylene to China. When tariffs were announced on China, there were also a lot of exceptions on the Chinese end, as you can imagine. They want access to all the materials they need to make the products that they make to, in turn, export them. So, ethane and all the polyethylene materials were excluded from those lists and most of the other materials that we sell over there. That's logical. The real question is what happens to the downstream demand and does that ever back anything up.

I think ethane, in particular, because it's low cost is funding Chinese competitiveness, gets a little bit different scrutiny, but I just don't know how long that will last. I don't know what policy was used to restrict that. And I don't know if that's something we're going to see last for the duration of this negotiation. But certainly, if I were an ethane exporter, I'd be putting some pressure on.

David Begleiter: Right. On tariffs – we'll go there – how are you navigating this current environment in terms of yourself, your customers, and your forecasts and planning?

Jim Fitterling: We have a great international trade operations and supply chain team that's been doing this for decades. And so, they've got great relationships in every country where we do trade and business. They work hard, but we're also trying to make sure they don't burn themselves out, because tomorrow could be a totally different day in the tariff negotiations. So, they're making "no regrets" moves, good structural moves to make sure that we maintain that.

We're really doing everything we can to mitigate, take advantage of our global footprint. So, having the Canadian footprint, the U.S. footprint, Argentina, the Middle East, being in most of the markets that we sell into allows us to flex the supply chain. And that allows us to mitigate any direct tariff impact. USMCA is a great example in Canada. When the negotiations started there, anything that was USMCA-compliant was exempted. That's greater than 95% of what we trade back and forth between Canada.

So, there will be – in the trade negotiations, there will be agreements and there will be rules of the road, like USMCA compliance. There will be exceptions that are made along that process. Our working team works at that level with the U.S. government, U.S. trade representative, as well as MOFCOM, for example, in China.

And then at my level, my government affairs staff, we spend a fair amount of time talking to the administration about the impact that our products have on value chains. We sell into almost every value chain in manufacturing. So, just talking about what's the value chain for automotive, what happens with tariffs, depending on where you put the tariffs. Try to be a resource for them of information so that as they're getting into negotiations they can ask questions about what would the impact of this be, how might we see, what would we see happen with demand, how would this work vis-à-vis trying to get more manufacturing investments back into the U.S.

David Begleiter: So, for Q2, given there's all these crosscurrents, headwinds, tailwinds, your EBITDA guidance is roughly \$950 million. Are we still tracking towards that number?

Jim Fitterling: There's pressure. I mean, there's more headwinds than tailwinds in that number. Most of the tailwinds are things that we're going to have to do ourselves. But like you said, on spot ethane, you see a little bit of positive move. We're seeing some lower input costs as we move through the quarter. We're seeing – if we get some price support in June, that'll be a positive to help things out. But it's heavy lifting. It's really day-to-day and week-to-week bookmaking, sausage making.

David Begleiter: So, still within the range, is that the best way to phrase it?

Jim Fitterling: It's within the range. If we do that, it would be a good quarter if we can deliver that.

David Begleiter: Okay. Excellent. On to dividend. Parsing your comment to the Q1 call, I noticed a potential opening for some more perhaps flexibility on the dividend if current conditions

hold. Again discuss your thinking on the dividend if the current conditions do hold persistent to next year.

Jim Fitterling:

We have a healthy dividend. We came out of spin with a healthy dividend. We pay out in the neighborhood of \$1.9 billion to \$2 billion dollars a year on dividend.

It is not unusual at the bottom of the cycle for a dividend yield on a stock price basis to get to 9-plus percent. We've seen that before. The question is really how long is the cycle going to last. We've been the third year in to it. There's views that it could be another year or two years.

I don't know what that time frame is. I think the first real data point we need is to get some certainty around where the tariffs land and kind of get an endgame to that so that everybody can say, "Okay, we've got – we know where they're going to land. Now let's move forward from here and see how demand takes off, see what impact it has on the economy.

So, that's the reason we generated the \$6 billion dollars of interventions, to say how can we make it through this year and next year and try to be secure in capital allocation.

Our capital allocation policy was to deliver 45% of net income through that dividend through the cycle. Well, we've done well in excess of that. And if you look at since spin, we've paid down a tremendous amount of debt, we've returned more than we intended to through the dividend, we did share buybacks – we retired about 10% of the shares during that time frame.

So, our track record on capital allocation has been good. I think this one is just looking forward structurally with some of the changes that have happened. How long can you support it? And will there be pressure that becomes overwhelming to take a different look?

David Begleiter:

Right. Longer term, when the cycle turns, things get better, does M&A play a role in your growth strategy, again, longer term?

Jim Fitterling:

Sure. I think we're always looking for M&A. We've looked for smaller M&A, more bolt-on M&A, in certain sectors. Our growth businesses still are packaging, especially plastics; our downstream silicones business, and we have a great cost position and application footprint there; our Industrial Solutions business.

And then the other area where M&A is going to play an important role is as we look at the European assets, what's a better strategic model for Europe, going forward? In our Polyurethanes business especially, we've got some very strategic locations. There's Stade, Germany, is a great example of one. But are we the right long-term owner? Is there a better strategic partnership with another strategic that would be stronger in that market?

Polyurethanes business historically is one that makes all of its profitability in a couple-of-year time period. Its peak is a very pronounced peak, and then you navigate through a slower cycle. So, if you look at COVID and that big spike in peak that we had, you were making about \$2 billion a year in polyurethanes EBITDA. So, that's a big drop to where we are today. But if construction starts to take off, you get construction, insulation products, building materials, all the components, durable goods, and all of that takes off and you can ride the operating rates up pretty dramatically and the market moves up pretty fast.

So, I think we want to look long term, make sure that what we do in Europe positions those assets to be the best in class as they come through it. I think in Polyurethanes, the best value-creating opportunity is going to be a better deal structure and a partnership structure than it is shutting down.

In a few other areas, we announced some asset shutdowns, smaller-scale, higher-cost assets.

Europe, as I've mentioned before, volume-wise, from a demand standpoint, is still about 20% below pre-COVID levels. And that's just an effect of some de-industrialization that's gone on in Europe. I think with some of the moves that the EU is making, they probably can arrest de-industrialization, but I don't think the 20% is coming back. So, I think it's prudent to make a right-size adjustment in some areas and then look for a different owner structure in others.

David Begleiter: Very good. Just on Alberta, quickly. Again, what went into the decision to delay the \$7 million project? And is a one-year delay kind of base case for this pause?

Jim Fitterling: It was really looking at timing. Our original timing was to start-up Phase One toward the end of third quarter in 2027. Our feeling when we engineered the project – and so, this goes back a ways – was that that would be moving into mid-cycle on plastics. I think with all the uncertainties and things that have happened, that's kind of moved that mid-cycle out maybe a year, maybe two years. I think in the year to two is kind of the maximum range you would think about.

So, in the near term, it was before we get into a big summertime ramp-up on construction spend, let's just pause. Let's not ramp that construction up this year. Let's finish our engineering work. We've got our long-lead-time equipment ordered. Let's talk to our partners, Linde and others, make sure that we can navigate that. And then come back the end of the year, see how we're doing on the tariff discussions and negotiation, see how the market's responding, and make a call whether a year is enough or we need to take a look at another year.

David Begleiter: Should we assume every delay adds some costs to the project? Is that's fair?

Jim Fitterling: In the one-year term, it doesn't add much cost. Actually, you get some benefit. When you have all your engineering done and all of your long-lead-time equipment, that helps actually in construction. So, when you do ramp up construction, you'll get some efficiencies out of that.

When you get longer than that, then you start to pile up some other issues. I don't want to create too many issues on a project.

David Begleiter: Okay. Good segue into last May, at your Investor Day, you reaffirmed targets of delivering more than \$3 billion of underlying EBITDA by 2030, and a 2030 EBITDA range of \$9 billion to \$15 billion. Given the number of headwinds since last May, are these still targets – are these still items tracking the target levels?

Jim Fitterling: I'd say the only thing that I would see differently in terms of – \$9 billion would be mid-cycle and \$15 billion would be next peak. The only thing I see tracking differently would be what's the impact on polyurethane that's going to be through that. So, will polyurethanes get back to \$2 billion a year? Or will we achieve what we need to with the deal to get it into a better space? That would probably be the biggest weight on that \$9 billion number. And then the question is just timing, timing of the mid-cycle.

I think Packaging & Specialty Plastics, our product mix, the investments that we're making. Canada will be a low-cost investment. It will be equal or better than what we did on Texas-9 in the Gulf Coast, and it's got a more advantaged feedstock cost position through the whole cycle, and we locked that in for 20-plus years under contract. So, that project needs to be built. I mean, it'll be a low-cost asset regardless. And that's what you want for the footprint, going forward. And then we make adjustments on the other side.

David Begleiter: So, I think consensus is about \$4 billion today. Can you bridge us to that \$9 billion in mid-cycle? Is it \$1 billion polyurethanes. We have Alberta, obviously. How would you bridge that \$4 billion to \$9 billion number?

Jim Fitterling: Last peak for plastics was \$8 billion, and that's before you add on any growth like the Poly 7 plant that's coming up or Path2Zero. So, that takes plastics up to the next peak, which is a big step up to get to that number. So, plastics mid-cycle would then come up as well.

If you get Path2Zero up before mid-cycle, you get that benefit.

Polyurethanes, we don't have any big capacity additions, but I would say there's also not been a lot of capacity adds in isocyanates, which is a big driver of value there.

And there's been reductions in footprint on propylene oxide. So, I think you'll see the price margin benefit, we may not be as big in propylene oxide as we move forward. So, I think you look at how much propylene oxide capacity do we have to ride up that curve.

And that's really kind of a good – and Silicones will be there, and Coatings will be there. I'm not worried about those.

Industrial Solutions should be an add-on layer to mid-cycle.

So, I don't know how we're going to land the deal on Polyurethanes, but if we got the Polyurethanes deal into a better space, that would mitigate the downside pressure on mid-cycle. But in that \$8 billion to \$9 billion range makes sense.

David Begleiter: Is that Polyurethanes just European assets? Or other assets as well?

Jim Fitterling: I think it's primarily European. We're taking out some PO capacity here in the Gulf Coast at the end of the year. That's timed together with Olin taking out some chlorine capacity. So, that, I think, is a good adjustment and a right-sizing of the footprint. That actually will help tighten up things a little bit in the PO market.

And then Asia is going to be – really, the big driver there is going to be construction. China is no different than the market here. Whether it's residential construction or other construction, it's slow. In fact, in all construction today, the bright spot is data centers and technology. So, everything else has been moving kind of sideways.

David Begleiter: Okay. Switching back to ethane, the U.S. is on track to double its ethane export capacity over the next 18 months. Are you concerned the U.S. is going to export away its cost advantage to other regions?

Jim Fitterling: I don't think so. And the reason I say that is the demand for natural gas is going to be strong. Electricity is going to drive that. Tech and AI is going to drive that. So, that comes in and competes, obviously, for natural gas.

When you look at the United States, you add on Canada, we're blessed in this part of the world to have the majority of the available ethane in the world. So, there's some amount of this that wouldn't find a home in this market. There's not going to be as much capacity added to consume all that ethane. So, you either leave it in the natural gas and ship it out as natural gas with higher BTU value, or you strip it out.

In the case of it being stripped out, actually it's beneficial for us. Because if you strip it out here, it's available in the market. So, the net-back price on ethane will continue to be the lowest, just like LNG. Net-back price here will continue to be the lowest.

David Begleiter: And how do you think about ethane prices long term, either absolute or relative to natural gas?

Jim Fitterling: They typically move on frack spread, is what we talk about. This is a spread business, at the end of the day. So, on frack spread, we typically see kind of, on average, \$1 a million BTU kind of a frack spread number. And when market is down and there's pressure there, you'll see maybe \$0.50, in that range. So, I think if you look over history at the frack spread, you can kind of get an idea for how ethane will move relative to nat gas.

David Begleiter: I was curious on your nuclear ambitions. You signed a construction permit back in May – in March, sorry. And in May, President Trump signed an executive order to speed the process of building nuclear power plants. Could that EO accelerate your efforts to build a small module nuclear facility in Texas?

Jim Fitterling: I don't – the short answer is I don't know yet. We're in the permitting part of the process. So, the construction permit is in. The good news is NRC has docketed it, which is a big step after you file, within 45 days. If you get docketed, that's a very positive step. Now we go through the detailed parts of the construction permit.

And then when you get through kind of – you're well through that part of it, you start talking about long-lead-time materials and placing orders and things. We're not at that stage yet.

We've made great progress. X-Energy is making great progress. That project in particular and that technology in particular has attracted a lot of hyperscaler interest. And so, Amazon came in as a big investor in X-Energy, which I think is a big positive move forward.

So, it partly is a bet on us for future energy use, it's partly a bet on the future of nuclear power in the United States, in being a partner with X-Energy as well as an owner/operator. And long-term, like once we would get it up and built, obviously, I don't need to be the owner/operator of it. So, I think we would look at different business models for that.

David Begleiter: Great. And last question, you're Transform the Waste plastics recycling initiative, are you seeing any pushback from customers delaying new projects, given the overall macro? And is your three million metric tons target for 2030 still achievable?

Jim Fitterling: Still high demand pool for the recycled materials. Always at the bottom of the cycle when virgin plastic is cheap, there's always that trade-off on price. The biggest issue right now is the ability to get enough high-quality waste material collected and in. But we made the acquisition of Circulus at the end of last year, beginning of this year. That asset is running full and flat out.

So, the brand owners' demand interest is there. And you probably go to the stores and see more recycled packaging and products out there.

I think when it comes to – whether you're talking about the demand for low emissions, low carbon emissions, the demand for recycled materials, anything that has less of an environmental impact, that demand is there. It's always down to the trade-off at what cost, and that's also the debate that's going on in the U.S. right now. Which projects get supported and don't get supported is really what's the relative cost (inaudible).

David Begleiter: Great. We'll stop there. Jim, thank you very much.

Jim Fitterling: Thank you.

David Begleiter: Thank you all.