



FY24 Benchmarking Update

April 24, 2025

Benchmarking Peers













Total Dow









P&SP	 Olefins & Polyolefins	 Chemical Products	 Corporate	 Polyolefins	
II&I	 Intermediates & Derivatives	 Corporate	 Corporate	 Corporate	
PM&C	 Silicones	 Acetyl Chain	 Solutions & Specialties	 Corporate	 Functional Materials

Benchmarking conducted against segment level peers if sufficient information disclosed, otherwise corporate level

Total Dow Benchmarking: **Summary of Observations**

Benchmarking: Strengths & Gaps

Total Dow

- ✓ FY24 YoY Adj. Op. EBITDA growth in-line with the peer median driven by resilient demand in key end markets such as packaging, energy, electronics and home & personal care
- ✓ FY24 Adj. Op. EBITDA margin above the peer group median leveraging our cost advantaged footprint, leading feedstock flexibility, low cost-to-serve operating model, and efficient innovation engine
- ✗ Cash Flow Conversion trailed the peer median driven by a working capital use of cash (sales volume increased +3% YoY)
- ✓ Free Cash Flow Yield 3-year average ~+300bps above the peer median
- ✓ SG&A + R&D as a % of Sales remains best in the peer group from continued cost discipline
- ✓ Operating Return on Invested Capital 3-year average ~+100bps above peer median, but below our across the cycle target of >13% driven by a prolonged economic downturn
- ✓ Shareholder yield in-line with the peer median
- ✓ Five-Year debt reduction best-in-class as a result of disciplined and balanced capital allocation approach

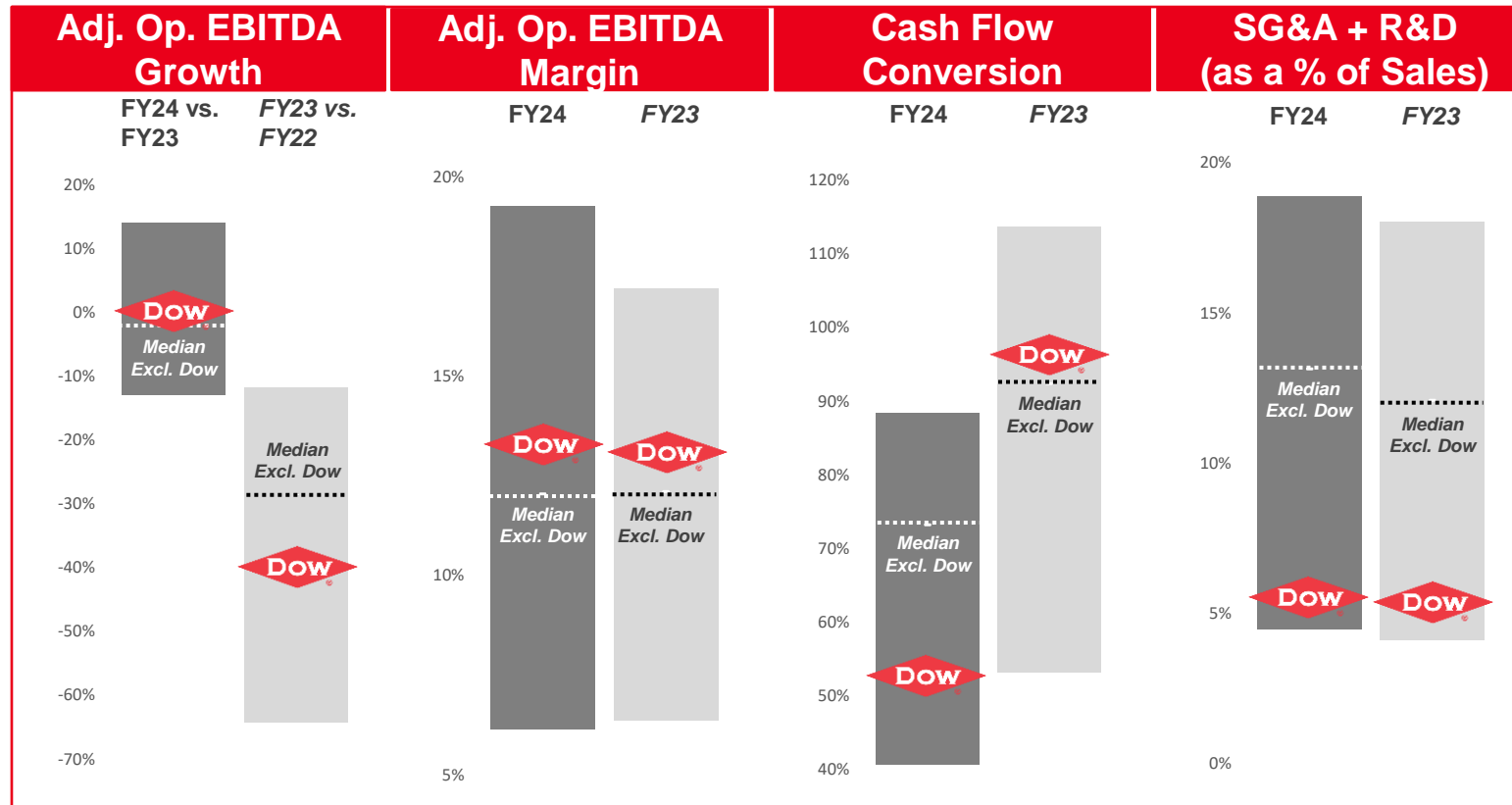
Source: Dow data, FactSet, Company disclosures

Total Dow

CORE STRENGTHS

- Hallmark safety performance and operational excellence
- Global asset footprint with integrated value chains providing a low-cost to serve model with in-region presence
- Differentiated portfolio delivers a broad suite of offerings to attractive end markets growing faster than GDP
- Innovative product and technology pipeline to provide sustainable solutions to address world challenges

BENCHMARKING SNAPSHOT FY24 UPDATE & FY23

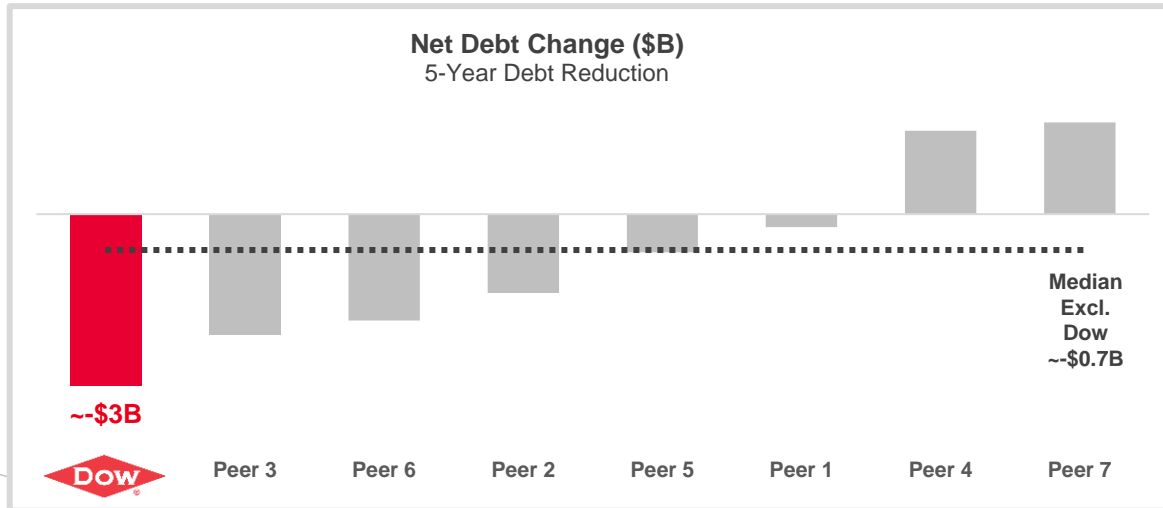
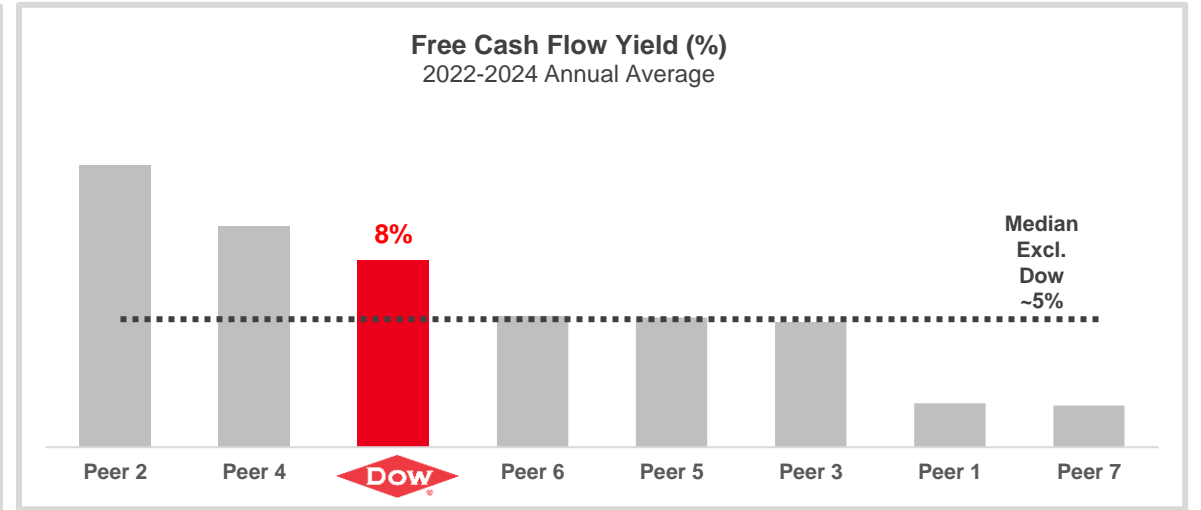
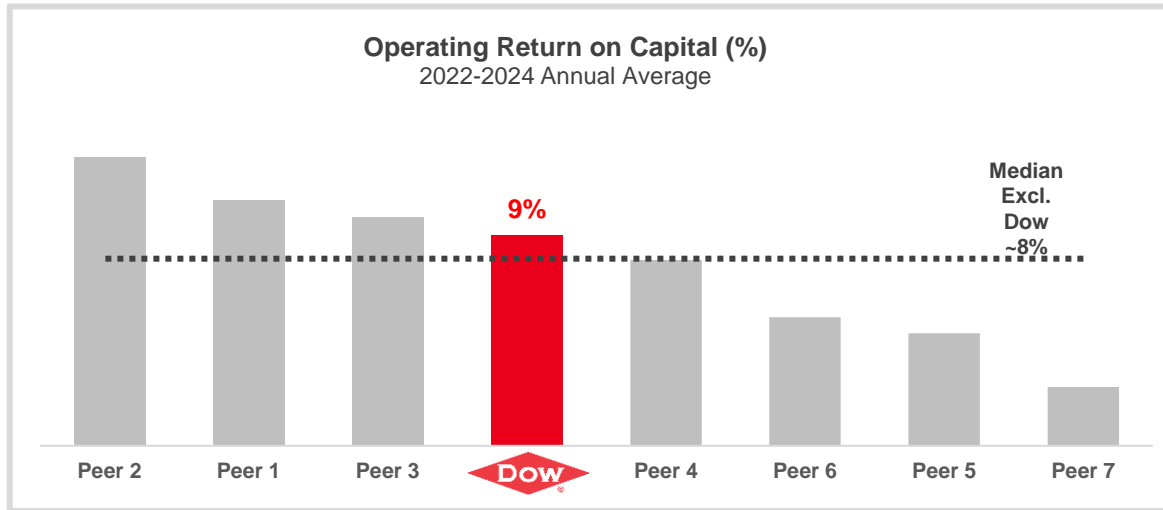


Source: Dow data, FactSet, Company disclosures

FOCUS AREAS

- Execute on Decarbonize & Grow and Transform the Waste strategies to deliver >\$3B of underlying earnings growth
- Maintain and grow leadership positions in key markets and advantaged regions with a top-quartile cost structure
- Drive operational excellence and preserve a strong financial foundation
- Optimize our portfolio for growth by advancing our Fort Saskatchewan Path2Zero project and higher-return organic growth investments

Delivering on Disciplined and Balanced Capital Allocation Approach



Source: Dow data, FactSet, Company disclosures

- Peers are Total Dow peers as defined earlier in this presentation
- See appendix for definition of Non-GAAP Measures



Culture of Benchmarking: **Summary of Observations**

Segment

Benchmarking: Strengths & Gaps

P&SP

- ✗ YoY Adj. Op. EBITDA growth trailed the peer median driven by an unplanned outage at our Texas-8 cracker in the USGC and a moderation of Functional Polymers margins to historical spreads over polyethylene (PE)
- ✓ Adj. Op. EBITDA margin delivered best-in-class performance driven by a differentiated portfolio and 1st quartile cost positions
- ✓ Op. EBITDA per pound of polyolefin capacity ahead of peers driven by differentiated Functional Polymers applications
- ✓ Free Cash Conversion performance in-line with peer median while advancing our Fort Saskatchewan Path2Zero project
- ✓ SG&A + R&D as a % of Sales continue to be top quartile

II&I

- ✗ YoY Adj. Op. EBITDA growth was below the peer median driven by continued weakness in the building & construction and durables end markets. Dow's higher relative exposure to long market fundamentals in PO & Derivatives will improve with our 4Q25 USGC PO shutdown
- ✗ Adj. Op. EBITDA margin trailed the peer median driven by limited supply of higher-value purified ethylene oxide derivatives in the first half of 2024 (Glycol-2 in Louisiana started back up mid-2024 and was fully ramped up as of year end)
- ✗ Free Cash Conversion performance below the peer median driven by higher-value alkoxylation investments, which will enable Op. EBITDA growth beginning in 2025
- ✓ SG&A + R&D as a % of Sales remained top quartile, highlighting a continuous focus on cost discipline

PM&C

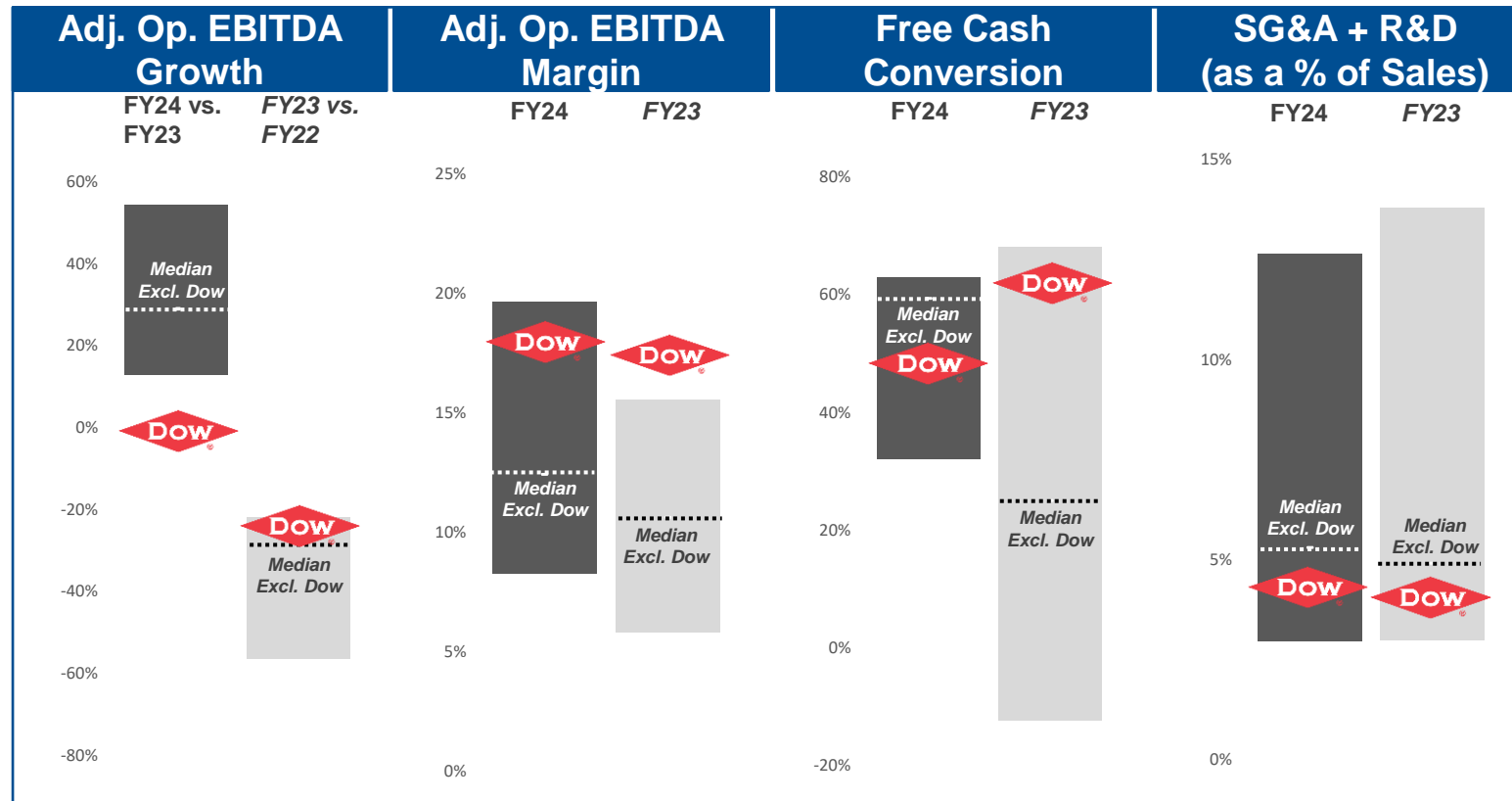
- ✓ YoY Adj. Op. EBITDA growth outperformed the peer median driven by downstream silicones growth across all end markets and share gain activities in architectural coatings and road pavement markings applications
- ✗ Adj. Op. EBITDA margin trailed the peer median driven by margin pressure in upstream siloxanes
- ✓ Free Cash Conversion performance above the peer median
- ✓ SG&A + R&D as a % of Sales remained best-in-class, well below next peer, driven by scale, cost discipline and digital capabilities

Packaging & Specialty Plastics

CORE STRENGTHS

- World-class packaging franchise with leading market positions in Ethylene & PE, Ethylene Copolymers, Elastomers & Plastomers and Licensing
- Leading purpose-built feedstock flexibility and geographically advantaged assets delivering low costs at scale
- Flexible derivative assets with differentiated comonomer capability
- Proprietary catalyst and process technology

BENCHMARKING SNAPSHOT FY24 UPDATE & FY23



Source: Dow data, FactSet, Company disclosures

FOCUS AREAS

- Execute on Decarbonize & Grow and Transform the Waste strategies to deliver earnings growth
- Capitalize on first mover advantage with first net-zero CO₂e emissions integrated ethylene and derivatives complex (Fort Saskatchewan Path2Zero)
- Advance low-carbon emission footprint and circular and renewable offerings to capture growing demand and differentiated pricing
- Develop low-carbon and circular solutions and capitalize on licensing opportunities

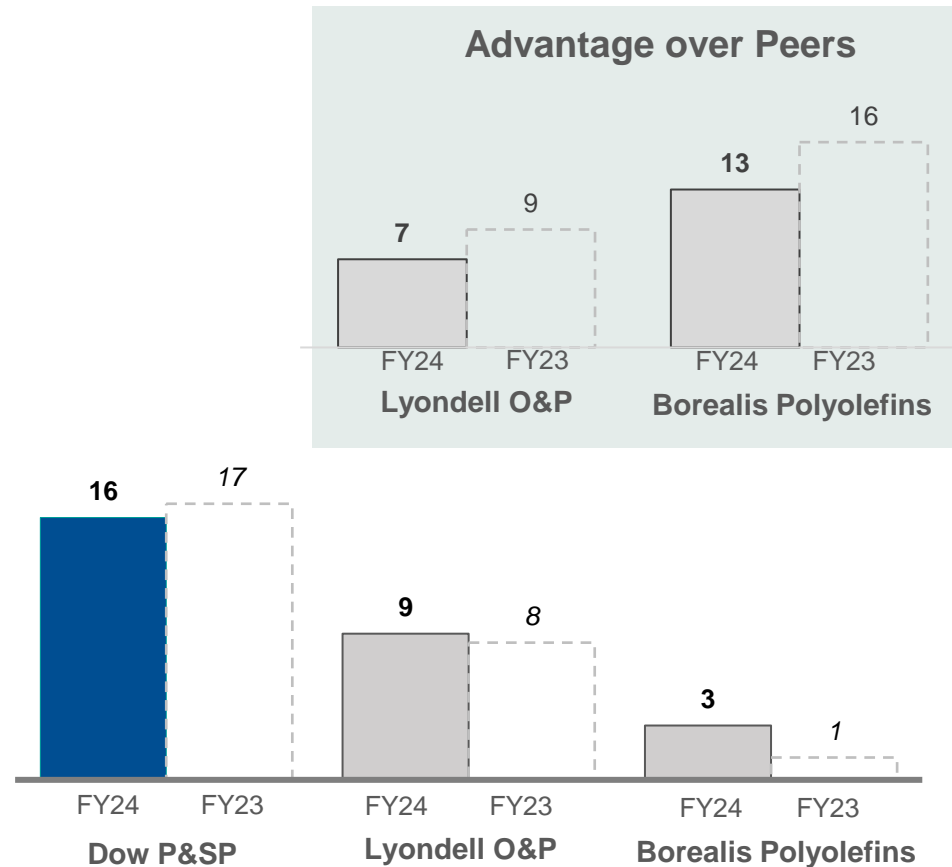
• SG&A + R&D reflects corporate level for peers where segment level data is unavailable
 • Peers are P&SP peers as defined earlier in this presentation
 • See appendix for definition of Non-GAAP Measures



Dow's Differentiated P&SP Portfolio

Dow's P&SP Delivers Superior Returns vs. Peers

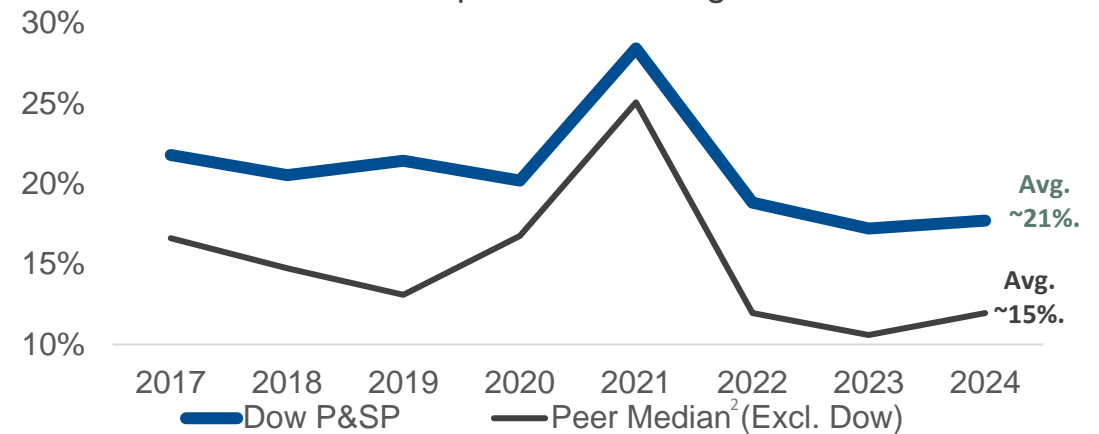
Op. EBITDA Per Pound of Polyolefins Capacity¹ (cpp)



Source: Peer company reported capacities, CMA

Generating Higher Margins vs. Peers Across the Cycle

Annual Op. EBITDA Margins



Dow P&SP maintains leading position in Op. EBITDA per pound:

- Enhanced value driven by feedstock-to-polymer integration
- 1st Quartile cost positions and purpose-built feedstock flexibility
- Flexible downstream assets and superior mix vs. peers with a focus on higher-value grades of PE and specialty resins such as elastomers and wire & cable

Dow P&SP has delivered higher annual Op. EBITDA margins:

- >+500bps Op. EBITDA Margin advantage through the economic cycle
- Consistently outperforming the peer median and growing our advantaged Functional Polymers business over this period

(1) Segment Op. EBITDA based on reported figures including equity income from affiliates/JVs. Dow Capacity based on latest company reported nameplate for PE and Functional Polymers (2024 Investor Day including proportionate share of JVs); Lyondell and Borealis based on CMA reported capacity including proportionate share of JVs

(2) Peers are P&SP peers as defined earlier in this presentation

• See appendix for definition of Non-GAAP Measures

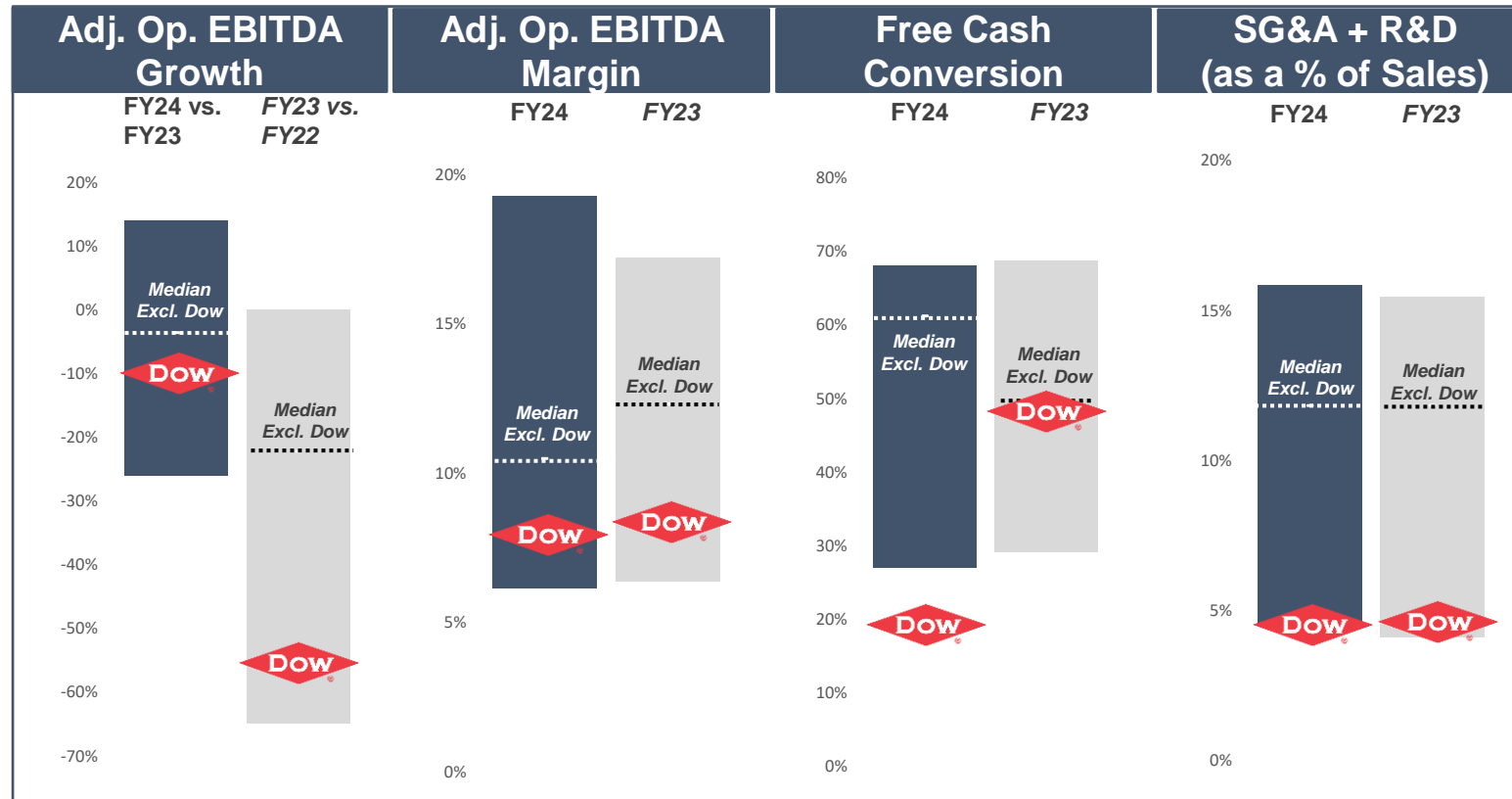


Industrial Intermediates & Infrastructure

CORE STRENGTHS

- Leading producer of Purified Ethylene Oxide, Amines, Solvents, Glycol Ethers, Propylene Oxide, Propylene Glycol and Polyols
- Broad portfolio of solutions for key end markets and applications such as energy, consumer health, automotive, appliances, furniture, bedding, agriculture, cleaning, fluids for heat transfer & aircraft deicing
- Industrial Solutions contains products with some of the highest returns to ethylene
- Innovation pipeline driven through customer collaboration and in-region presence

BENCHMARKING SNAPSHOT FY24 UPDATE & FY23



Source: Dow data, FactSet, Company disclosures

FOCUS AREAS

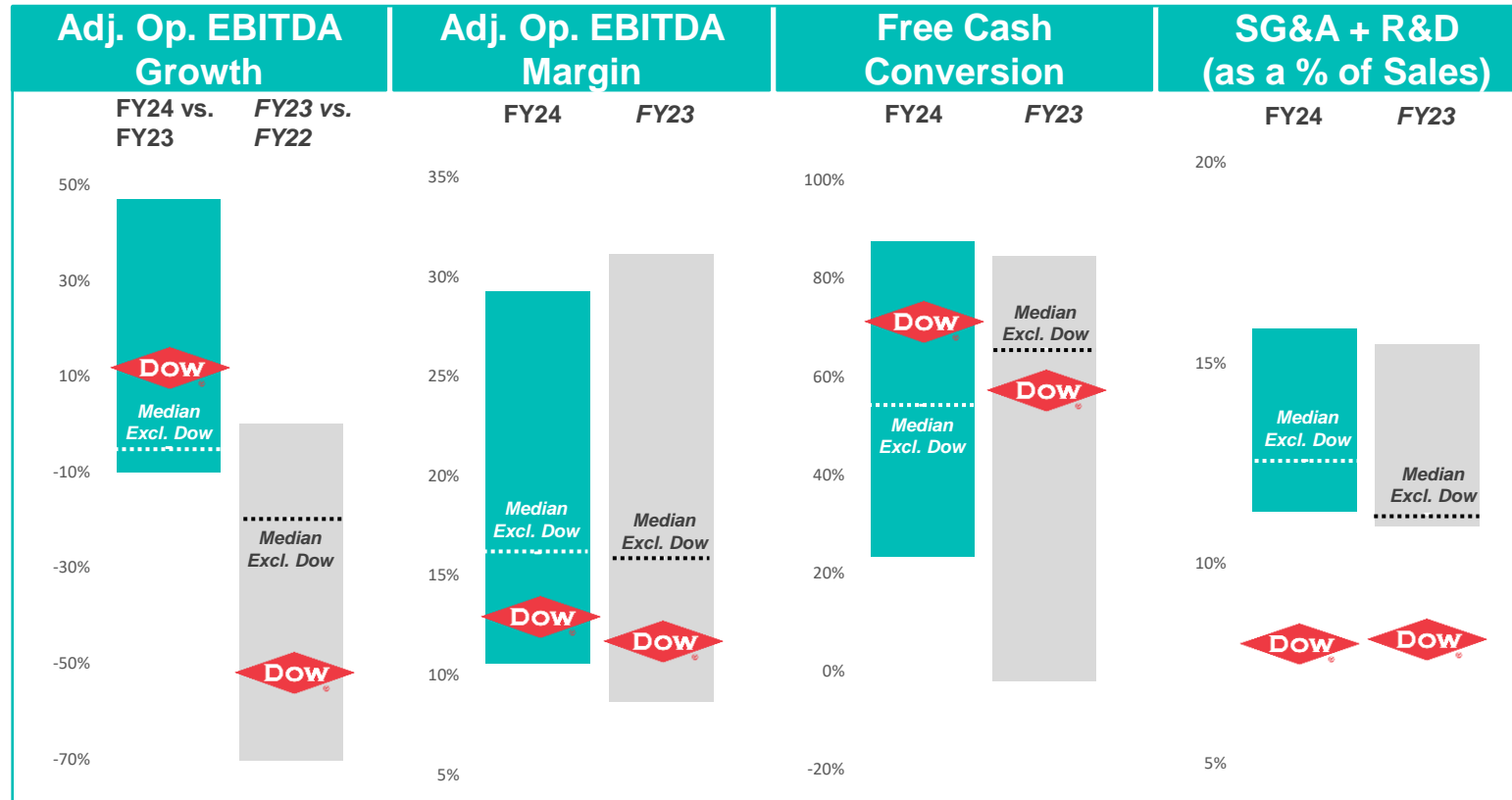
- Execute on Decarbonize & Grow strategy and deliver growth investments
- Investing in purified EO and downstream derivatives supporting growth in consumer, pharma and energy applications
- Targeted investments in high-value downstream polyurethanes applications to improve margin resiliency, while reducing our footprint in PO & Derivatives
- Capitalize on circular and low carbon solutions in key end markets such as mobility, building & construction and energy

Performance Materials & Coatings

CORE STRENGTHS

- Leading producer of Silicones and Acrylic Binders
- Low cost global siloxanes producer with backward integration capabilities
- World-scale acrylic monomers and leading coatings solution provider
- Industry leadership enabled by in-depth application expertise and innovative digital platforms

BENCHMARKING SNAPSHOT FY24 UPDATE & FY23



Source: Dow data, FactSet, Company disclosures

FOCUS AREAS

- Execute on Decarbonize & Grow strategy and deliver growth investments
- Continue to expand downstream capacity in silicones with higher-return, faster-payback projects tailored to higher-growth end markets
- Targeted investments in coatings to deliver next generation of sustainable solutions
- Optimizing our upstream Siloxanes footprint to improve margins

General Comments

General Comments

Unless otherwise specified, all financial measures in this presentation, where applicable, exclude significant items.

Benchmarking Groups

Segment level financial benchmarking group as per November 2018 Investor Day and adjusted for a) Changes in ownership/reporting precluding sufficient data to continue utilizing peer or b) Changes in peer external reporting structure

Total Dow financial benchmarking group as per 2020 Annual Benchmarking enhancement to provide additional transparency on relative financial performance of entire enterprise

S&P 500 Chemicals; S&P 500 Materials; S&P 500 aggregates as defined per FactSet

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Non-GAAP Financial Measures & Definitions

Non-GAAP Financial Measures

This presentation includes information that does not conform to GAAP and are considered non-GAAP measures. Management uses these measures internally for planning, forecasting and evaluating the performance of the Company's segments, including allocating resources. Dow's management believes that these non-GAAP measures best reflect the ongoing performance of the Company during the periods presented and provide more relevant and meaningful information to investors as they provide insight with respect to ongoing operating results of the Company and a more useful comparison of year-over-year results. These non-GAAP measures supplement the Company's GAAP disclosures and should not be viewed as alternatives to GAAP measures of performance. Furthermore, such non-GAAP measures may not be consistent with similar measures provided or used by other companies. Dow does not provide forward-looking GAAP financial measures or a reconciliation of forward-looking non-GAAP financial measures to the most comparable GAAP financial measures on a forward-looking basis because the Company is unable to predict with reasonable certainty the ultimate outcome of pending litigation, unusual gains and losses, foreign currency exchange gains or losses and potential future asset impairments, as well as discrete taxable events, without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on GAAP results for the guidance period.

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

Definitions

Operating EBITDA is defined as earnings (i.e. "Income (loss) from continuing operations before taxes") before interest, depreciation and amortization, excluding the impact of significant items.

Adjusted Operating EBITDA is defined as Operating EBITDA less equity earnings.

Adjusted Operating EBITDA Margin is defined as Adjusted Operating EBITDA divided by net sales, excluding certain transactions with nonconsolidated affiliates.

Free Cash Flow (FCF) is defined as "Cash provided by (used for) operating activities - continuing operations", less capital expenditures. Under this definition, free cash flow represents the cash generated by the Company from operations after investing in its asset base. Free cash flow, combined with cash balances and other sources of liquidity, represent the cash available to fund obligations and provide returns to shareholders. Free cash flow is an integral financial measure used in the Company's financial planning process.

Free Cash Flow Yield is defined as Free cash flow divided by market capitalization.

Shareholder Remuneration is defined as Dividends paid to stockholders plus Purchases of treasury stock.

Shareholder Yield is defined as Shareholder Remuneration divided by market capitalization.

Operating Return of Capital (ROC) is defined as Operating net operating profit after tax, excluding the impact of significant items, divided by total average capital, also referred to as ROIC.

Cash Flow Conversion is defined as "Cash provided by (used for) operating activities – continuing operations" divided by Operating EBITDA. Management believes cash flow conversion is an important financial metric as it helps the Company determine how efficiently it is converting its earnings to cash flow.

Free Cash Conversion at on operating segment level is defined as Adjusted Operating EBITDA less capital expenditures divided by Adjusted Operating EBITDA.

Net Debt is defined as "Notes payable" plus "Long-term debt due within one year" plus "Long-term debt" less "Cash and cash equivalents" and "Marketable securities."



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