Dow 2Q
2021 Results

July 22, 2021

AGENDA

1. Quarterly Highlights
2. Operating Segment Performance
3. Uniquely Positioned to Capture Value
4. Compelling Investment Opportunity

2Q | 2021 HIGHLIGHTS

- Delivered strongest quarterly earnings performance in Company history with substantial **growth in Net Sales and Op. EBIT, both YoY and sequentially**
- Net Sales up **double-digits** with **gains in all operating segments and businesses**
  - Increases led by local price gains, driven by **tight supply and demand dynamics across key value chains**
- **Volume up YoY in all operating segments,** led by polyurethane and silicones applications, reflecting robust demand and recovery from the impact of the pandemic
- Op. EBIT up $2.8B YoY and $1.3B sequentially, with **increases in all operating segments and businesses**
- **Generated $2B of cash flow** from operating activities – continuing operations; up $422MM YoY and $2.2B sequentially
- **Reduced gross debt by $1.1B**; proactive liability management resulting in no substantive long-term debt maturities due until end of 2025

Net Sales up YoY
66%

$2.8B
Op. EBIT

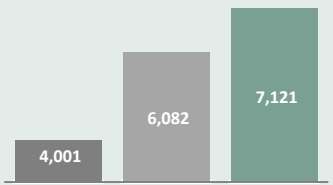
$1.1B
Gross Debt Reduction

$722MM
Returned to shareholders

2Q21 Operating Segment Performance

Packaging & Specialty Plastics

REVENUE ($MM)



Y-o-Y

Sales ↑ 78%; Volume ↑ 4%; Price ↑ 70%

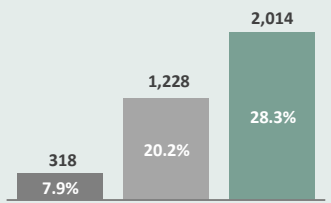
Price gains in packaging applications; volume growth in olefins partially offset by limited supply of polyethylene

Q-o-Q

Sales ↑ 17%; Volume ↓ 1%; Price ↑ 19%

Continued price momentum moderated by supply constraints from lingering effects of weather-related outages and turnarounds

Op. EBIT ($MM) **& Op. EBIT Margin %**



Y-o-Y

Op. EBIT ↑ 533%; Margin ↑ 2,040 bps

Price gains in both businesses and in all regions led to integrated margin improvement and increased equity earnings

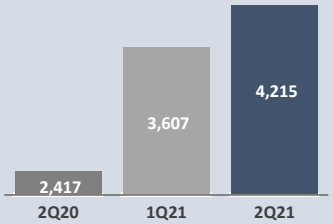
Q-o-Q

Op. EBIT ↑ 64%; Margins ↑ 810 bps

Continued price gains in olefins and packaging applications due to strong underlying supply/demand fundamentals

Ind. Intermediates & Infrastructure

REVENUE ($MM)



Y-o-Y

Sales ↑ 74%; Volume ↑ 15%; Price ↑ 53%

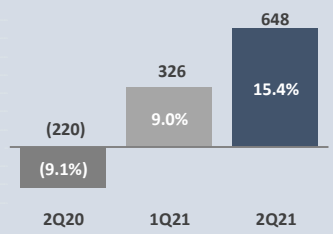
Recovery of consumer demand in durable goods & appliances and construction end markets from pandemic lows

Q-o-Q

Sales ↑ 17%; Volume ↑ 1%; Price ↑ 17%

Strong underlying market dynamics and consumer demand, supporting price gains in both businesses and all regions

Op. EBIT ($MM) **& Op. EBIT Margin %**



Y-o-Y

Op. EBIT ↑ $868MM[1]; Margin ↑ 2,450 bps

Pandemic recovery and strong supply/demand fundamentals in both businesses, including joint ventures

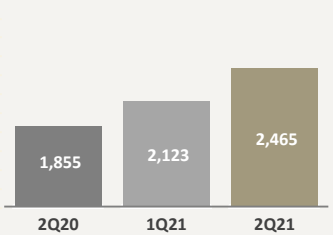
Q-o-Q

Op. EBIT ↑ 99%; Margins ↑ 640 bps

Continuing margin improvement across both businesses despite lingering supply constraints from Winter Storm Uri

Perf. Materials & Coatings

REVENUE ($MM)



Y-o-Y

Sales ↑ 33%; Volume ↑ 13%; Price ↑ 16%

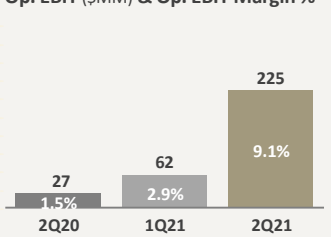
Price gains in both businesses and all regions; demand recovery for mobility, electronics, and building & infrastructure end markets

Q-o-Q

Sales ↑ 16%; Volume ↑ 8%; Price ↑ 9%

Price gains in both businesses and all regions; strong demand for silicones and coatings applications

Op. EBIT ($MM) **& Op. EBIT Margin %**



Y-o-Y

Op. EBIT ↑ 733%; Margin ↑ 760 bps

Price gains and strong consumer and industrial demand recovery

Q-o-Q

Op. EBIT ↑ 263%; Margins ↑ 620 bps

Price momentum and lower planned maintenance costs

(1) Percentage change not relevant due to negative base in 2Q20.

3Q21 Modeling Guidance

Demand Strength on Continued Economic Recovery Favors Dow's Consumer-Driven Portfolio

Net Sales	~$13.75 – $14.25B
Quarterly Operational Tax Rate	~20 – 24%
Net Income Attrib. to Non-Controlling Int.	~$25MM

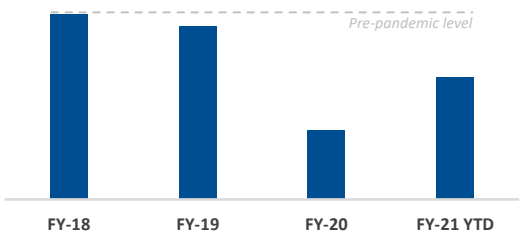
Depreciation & Amortization	~$745MM
Net Interest Expense (Net of Int. Income)	~$165MM
Share Count	~750MM

	Top-Line Ranges (3Q21 vs. 2Q21)		*Base Case Op. EBIT Drivers (3Q21 vs. 2Q21)*
	Sales % Δ QoQ		
	Low	High	
Packaging & Specialty Plastics	*Flat*	+2%	▪ Robust packaging demand expected to continue as industrial and service sectors gradually recover ▪ Downstream converter inventory remains tight; lower supply on heavy turnaround season for industry ▪ Turnaround spending at crackers in Canada and Spain (~$150MM headwind) ▪ Lower sales from non-recurring licensing activity (~$100MM headwind)
Industrial Intermediates & Infrastructure	*Flat*	+3%	▪ Add-back: Impact from third-party outages (~$50MM tailwind) ▪ New home builds and remodeling activity remains elevated, oil & gas and industrial end markets recovering ▪ Continuation of turnarounds in core portfolio; increase at joint ventures impacting equity earnings (~$30MM headwind)
Performance Materials & Coatings	*Flat*	+3%	▪ Demand for electronics, mobility and infrastructure remains robust; continued personal care recovery ▪ Architectural coatings products in continued high demand; contractor and industrial end markets recovering ▪ Turnarounds in Consumer Solutions, including siloxane pillar plant in Barry (~$30MM headwind)
Corporate	*Sales of $50MM*		▪ Op. EBIT of $(75)MM and Op. EBITDA of $(65)MM

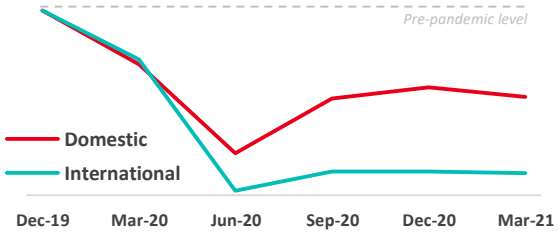
CONTINUING ECONOMIC RECOVERY DRIVES EARNINGS POTENTIAL

Continuing Demand Strength on Improving Indicators

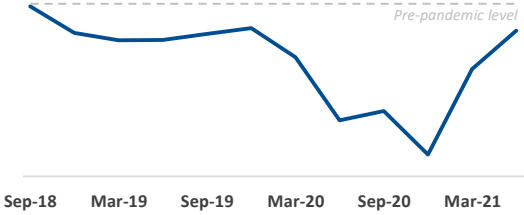
Industrial Production Index[1]



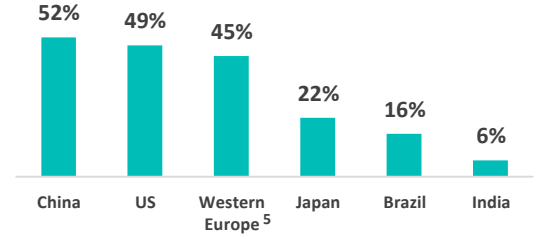
Air Passenger Demand[3]



US Consumer Confidence[2]



Full Vaccination Rates[4]



- **Positive momentum** in leading indicators suggest several sectors and regions offer additional boost
- **Continued recovery** in industrial production, capital spending and international travel
- **GDP growth[6] expectations** as global economies continue to re-open
  - >6% in 2021; ~5% in 2022; >3% 2023
- **Strong supply/demand fundamentals** across key value chains
- **Resilient PE margins** on sustained oil-to-gas ratio and majority of industry capacity additions in higher end of the cost curve

Dow's Consumer-Driven Portfolio Positioned to Capture Strong Demand on Continued Economic Recovery

(1) Source: FRED Economic Data; Avg. of Monthly Observations
(2) Source: The Conference Board
(3) Source: International Air Transport Association, Revenue Passenger Kilometers (RPK) indexed (100=YE2019)
(4) Source: Reuters; % of total population fully vaccinated as of 7/19/2021
(5) Average of Germany/France/Spain
(6) Source: IHS

Capturing Value in Sustainability-Focused Growth Markets

Unique participation in attractive, high-growth market verticals with a **$650 billion addressable market**

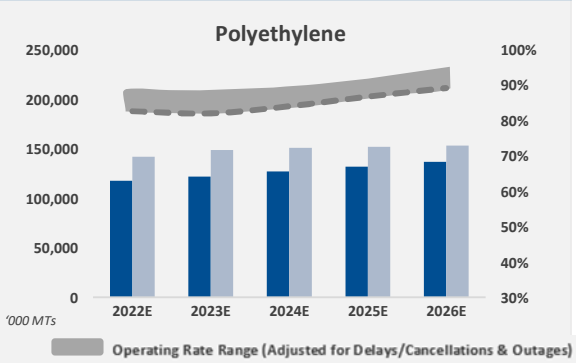
Packaging	Infrastructure	Mobility	Consumer
			
~1.5x GDP	~1.3x GDP	~1.5x GDP	~1.5x GDP

We will share more about our strategic and financial priorities at our upcoming Investor Day on October 6, 2021

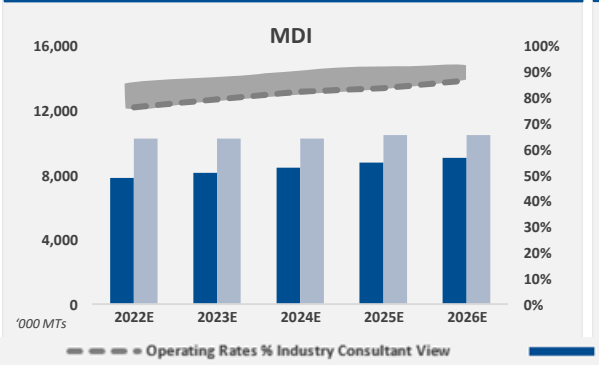
MARKET FUNDAMENTALS, INCREMENTAL INVESTMENTS DRIVE ~$1B EARNINGS GROWTH

Key Product Fundamentals

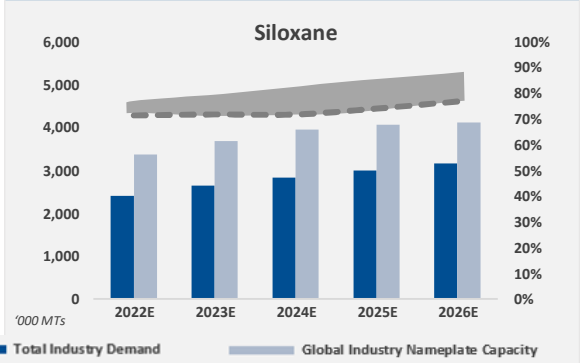
Packaging & Specialty Plastics



Ind. Intermediates & Infrastructure



Perf. Materials & Coatings



Operating Segment Growth

Constructive near-term supply-demand balances. Further tightening with expected capacity delays /cancellations and typical outages.

- **Incremental investments** keep pace with **~1.3-1.5x GDP demand growth**
- Continue **product mix upgrade** to higher return end markets and applications
- Canada cracker expansion and debottlenecking PE capacity; expect **~$400MM/year EBITDA run-rate**
- Functional Polymers for infrastructure, automotive, and photovoltaics **delivers outperformance vs. peers**

- Consumer spending drives **~1-1.5x GDP demand growth** for Industrial Solutions and Polyurethanes
- **Renewables & energy efficiency** are key growth drivers
- Incremental investments in U.S. Gulf Coast, Europe and China; expect **~$200MM/year EBITDA run-rate**
- **Broad participation in industrial and infrastructure** end markets support long-term growth

- **High value end markets growing ~1.5-2x GDP**; upstream capacity availability enables high-value derivative growth
- **Rapid adoption of EV, 5G, Cloud Computing** drives demand for innovation products
- Lower-cost, higher-return expansions expected to enable downstream growth of **>$350MM/year EBITDA run-rate**
- **Infrastructure** plan, **COVID-19 recovery** expansion benefits

Dow is uniquely advantaged by a broad and differentiated portfolio to capture favorable industry supply-demand dynamics

IHS, SAGSI, and other company annual reports and disclosures
Industry consultant views use industry nameplate capacity and include all announced capacity additions
Note: Industry operating rate estimates are based on views as of April 2021 and subject to change

Adjusted Operating Rate %s include typical industry planned outages and delayed/cancelled new capacity additions based on historical averages

Dow Continues to be a Compelling Investment Opportunity

Proven Foundation & Track Record		Earnings & Value Growth Drivers
• Superior **feedstock position** and flexibility • Leading scale with **global reach, differentiated portfolio** and world-class operations	**Differentiated Portfolio and Asset Base**	• Continued **economic recovery** with differentiated product portfolio • Continued shift to **higher margin** functional polymers, silicones and PU systems
• Ethylene and polyethylene **capacity added early** in cycle • **5 Gold Edison Awards in 2021**; more gold awards in last decade than any other company	**Advantaged Growth and Innovation Leadership**	• **Generating accretive earnings** from digitalization (~$300MM) and downstream incremental investments (~$1B) • Innovation focus on **sustainable products** to reduce carbon footprint and drive circularity
• **Top-quartile** cost structure & cash conversion[1] • **Generated ~$900MM in cash proceeds** from completed infrastructure divestitures in 2020 • **Delivered >14% ROIC**[2]	**Operating Discipline**	• Restructuring to **add ~$300MM in accretive earnings** • Continue advancing **best-owner mindset** opportunities
• Completed **high-return & fast-payback projects** • **Demonstrated dividend commitment** • **Best-in-class** ~$5B net debt reduction[3] • **Strong investment-grade credit ratings**	**Balanced Capital Allocation**	• Increase CapEx towards depreciation levels • Committed to **returning ~65% of net income to shareholders** across the economic cycle • Continued focus on **strong balance sheet**

(1) 2019 and 2020 total; 2019 Dow data is on a pro forma basis
(2) On a trailing twelve-month basis as of end 2Q21
(3) Since 2018

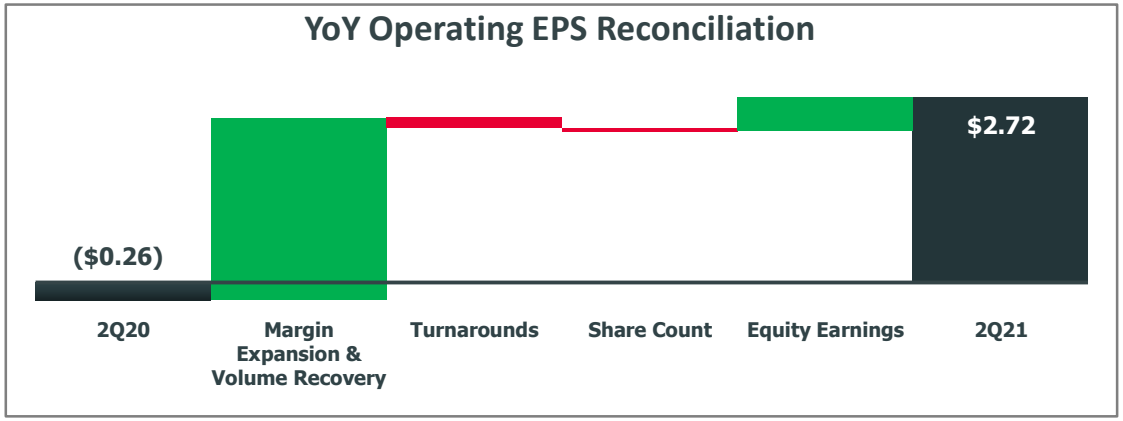


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Appendix

2Q 2021 Financial Highlights



Financial Summary *($ millions, unless otherwise noted)*	2Q21	2Q20	YoY B/(W)	1Q21	QoQ B/(W)
Net Sales	$13,885	$8,354	$5,531	$11,882	$2,003
Equity Earnings	$278	$(95)	$373	$224	$54
Net Income – GAAP	$1,932	$(217)	$2,149	$1,006	$926
Operating EBIT *Op. EBIT Margin (%)*	$2,828 *20.4%*	$57 *0.7%*	$2,711 *1,970 bps*	$1,554 *13.1%*	$1,274 *730 bps*
Operating EBITDA	$3,573	$757	$2,816	$2,271	$1,302
Earnings per share – GAAP	$2.51	$(0.31)	$2.82	$1.32	$1.19
Operating earnings per share	$2.72	$(0.26)	$2.98	$1.36	$1.36
Cash Provided by (Used for) Op. Activities – Cont. Ops.[1] *Op. EBITDA to CFFO (Cash Flow Conversion[1], %)*	$2,021 *57%*	$1,599 *211%*	$422	$(228) *(10)%*	$2,249

Key Drivers in the Quarter YoY

- Pricing gains in all operating segments, businesses and regions
- Demand recovery in polyurethanes and silicones coupled with resilient demand for packaging and coatings applications
- Improved equity earnings at Sadara, Kuwait and Thailand joint ventures
- Lower interest expense due to proactive liability management actions
- Increased turnaround spending on delays from 2020 due to impacts of the pandemic
- Higher share count due to decisive actions at outset of pandemic to pause share repurchase program; resumed share buyback program to cover dilution

(1) Cash Provided by (Used for) Operating Activities – Continuing Operations and Cash Flow Conversion include a $1 billion elective pension contribution in the first quarter of 2021.

PRINCIPAL JOINT VENTURE DETAIL

Dow's Proportional Share of Principal JV Financial Results

$ millions (unaudited)	2Q 2021			2Q 2020			1Q 2021		
	Sadara	**Kuwait JVs**	**Thai JVs**	**Sadara**	**Kuwait JVs**	**Thai JVs**	**Sadara**	**Kuwait JVs**	**Thai JVs**
EBITDA	$208	$207	$87	$ -	$72	$41	$163	$183	$52
EBIT	$92	$166	$81	$(87)	$31	$31	$106	$144	$44
Net Income *Equity Earnings (Losses) to Dow*	**$56**	**$133**	**$75**	**$(127)**	**$17**	**$22**	**$55**	**$119**	**$34**
EBITDA in Excess of Eq. Earnings	$152	$74	$12	$127	$55	$19	$108	$64	$18
Net Debt	$4,565	$1,728	$279	$4,677	$1,805	$298	$4,557	$1,797	$286

Drivers of YoY and PQ Changes

- **Kuwait JVs:** Pricing increases for MEG supporting higher margins
- **Thai JVs:** Price and margin increases in polyethylene
- **Sadara:** Margin expansion for polyurethanes, industrial and polyethylene applications

FY 2021 Modeling Considerations & *Latest Updates* [POSITIVE / NEGATIVE]

Operating EBIT Drivers vs. FY20	
Equity Earnings	Up ~$700-800MM YoY (net of T/As)
Pension Expense	~$200MM tailwind YoY
Corporate	Op. EBIT of ~$(275)MM and Op. EBITDA of ~$(250)MM
Turnaround Costs	Up ~$500MM YoY incl. JVs
Restructuring	~$300MM expected to be substantially complete by YE21; ~50% completed at the end of 2Q21

Other Income Statement Considerations	
Net Interest Expense	~$700MM
D&A	~$2.9B
Net Income Attrib. to Non-Controlling Int.	~$85MM (reduction to reported Net Income) *[~$10MM increase on higher earnings at non-consolidated affiliates]*
Share Count	~750MM
Op. Tax Rate	20%-24%

Cash Flow Considerations in 2021	
Dividends from Equity Companies	~$200MM (down ~$200MM YoY)
Sadara	No cash outflow (~$350MM tailwind YoY) ~$50MM inflow
DWDP Integration, Separation and Synergy Costs	No cash outflow ($350MM tailwind YoY)
Pension Contributions	~$1.2B total cash outflow ($1.0B elective contribution completed in 1Q21)
Liability Management	~$1.0B elective contribution to pension reduces rating agency adjusted leverage; Additional $1B in gross debt reduction from 2Q21 actions
CapEx	~$1.6B (~350MM higher YoY)
2020 Restructuring Program	~$350MM cash outflow
Digital Initiative	~$150MM cash outflow

OPERATING EARNINGS (LOSS) PER SHARE (EPS) RECONCILIATION

Significant Items Impacting Results for the Three Months Ended Jun 30, 2021			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 2,456	$ 1,901	$ 2.51
Less: Significant items			
Digitalization program costs	(48)	(37)	(0.05)
Restructuring, implementation costs and asset related charges - net	(43)	(34)	(0.04)
Loss on early extinguishment of debt	(102)	(84)	(0.11)
Indemnification and other transaction related costs	(5)	(5)	(0.01)
Total significant items	$ (198)	$ (160)	$ (0.21)
Operating results (non-GAAP)	$ 2,654	$ 2,061	$ 2.72

Significant Items Impacting Results for the Three Months Ended Jun 30, 2020			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ (183)	$ (225)	$ (0.31)
Less: Significant items			
Integration and separation costs	(46)	(36)	(0.05)
Restructuring, implementation costs and asset related charges - net	(6)	(6)	(0.01)
Litigation related charges, awards and adjustments	6	6	0.01
Total significant items	$ (46)	$ (36)	$ (0.05)
Operating results (non-GAAP)	$ (137)	$ (189)	$ (0.26)

1. "Income (loss) before income taxes."

2. "Net income (loss) available for Dow Inc. common stockholders." The income tax effect on significant items was calculated based upon the enacted tax laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.

3. "Earnings (loss) per common share - diluted."

OPERATING (EPS) RECONCILIATION (CONTINUED)

Significant Items Impacting Results for the Six Months Ended Jun 30, 2021			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 3,779	$ 2,892	$ 3.83
Less: Significant items			
Digitalization program costs	(81)	(62)	(0.08)
Restructuring, implementation costs and asset related charges - net	(53)	(42)	(0.05)
Loss on early extinguishment of debt	(102)	(84)	(0.11)
Indemnification and other transaction related costs	(5)	(5)	(0.01)
Total significant items	$ (241)	$ (193)	$ (0.25)
Operating results (non-GAAP)	$ 4,020	$ 3,085	$ 4.08

Significant Items Impacting Results for the Six Months Ended Jun 30, 2020			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 213	$ 14	$ 0.01
Less: Significant items			
Integration and separation costs	(111)	(87)	(0.12)
Restructuring, implementation costs and asset related charges - net	(102)	(85)	(0.12)
Loss on early extinguishment of debt	(86)	(70)	(0.09)
Litigation related charges, awards and adjustments	6	6	0.01
Total significant items	$ (293)	$ (236)	$ (0.32)
Operating results (non-GAAP)	$ 506	$ 250	$ 0.33

1. "Income before income taxes."
2. "Net income available for Dow Inc. common stockholders." The income tax effect on significant items was calculated based upon the enacted tax laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.
3. "Earnings per common share - diluted."

OPERATING (EPS) RECONCILIATION (CONTINUED)

Significant Items Impacting Results for the Three Months Ended Mar 31, 2021			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 1,323	$ 991	$ 1.32
Less: Significant items			
Restructuring, implementation costs and asset related charges - net	(10)	(8)	(0.01)
Digitalization program costs	(33)	(25)	(0.03)
Total significant items	$ (43)	$ (33)	$ (0.04)
Operating results (non-GAAP)	$ 1,366	$ 1,024	$ 1.36

1. "Income before income taxes."

2. "Net income available for Dow Inc. common stockholders." The income tax effect on significant items was calculated based upon the enacted tax laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.

3. "Earnings per common share - diluted."

RECONCILIATION OF NET INCOME (LOSS) TO OPERATING EBIT & OPERATING EBITDA

Reconciliation of "Net income (loss)" to "Operating EBIT" and "Operating EBITDA"	*Three Months Ended*					*Six Months Ended*	
In millions (Unaudited)	*Jun 30, 2020*	*Sep 30, 2020*	*Dec 31, 2020*	*Mar 31, 2020*	*Jun 30, 2021*	*Jun 30, 2021*	*Jun 30, 2020*
Net income (loss)	$ (217)	$ (1)	$ 1,254	$ 1,006	$ 1,932	$ 2,938	$ 41
+ Provision for income taxes	34	43	562	317	524	841	172
Income (loss) before income taxes	$ (183)	$ 42	$ 1,816	$ 1,323	$ 2,456	$ 3,779	$ 213
- Interest income	6	6	11	8	13	21	21
+ Interest expense and amortization of debt discount	200	202	210	196	187	383	415
- Significant items	(46)	(523)	961	(43)	(198)	(241)	(293)
Operating EBIT [1]	$ 57	$ 761	$ 1,054	$ 1,554	$ 2,828	$ 4,382	$ 900
+ Depreciation and amortization	700	724	726	717	745	1,462	1,424
Operating EBITDA [2]	$ 757	$ 1,485	$ 1,780	$ 2,271	$ 3,573	$ 5,844	$ 2,324
Operating EBITDA - Trailing Twelve Months ("TTM") basis	$ 5,926	$ 5,555	$ 5,589	$ 6,293	$ 9,109		

1. Operating EBIT is defined as earnings (i.e., "Income (loss) before income taxes") before interest, excluding the impact of significant items.

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

SEGMENT INFORMATION

Net Sales by Segment In millions (Unaudited)	*Three Months Ended Mar 31, 2021*	*Three Months Ended*		*Six Months Ended*	
		Jun 30, 2021	*Jun 30, 2020*	*Jun 30, 2021*	*Jun 30, 2020*
Packaging & Specialty Plastics	$ 6,082	$ 7,121	$ 4,001	$ 13,203	$ 8,610
Industrial Intermediates & Infrastructure	3,607	4,215	2,417	7,822	5,462
Performance Materials & Coatings	2,123	2,465	1,855	4,588	3,920
Corporate	70	84	81	154	132
Total	$ 11,882	$ 13,885	$ 8,354	$ 25,767	$ 18,124

Operating EBIT by Segment In millions (Unaudited)	*Three Months Ended Mar 31, 2021*	*Three Months Ended*		*Six Months Ended*	
		Jun 30, 2021	*Jun 30, 2020*	*Jun 30, 2021*	*Jun 30, 2020*
Packaging & Specialty Plastics	$ 1,228	$ 2,014	$ 318	$ 3,242	$ 898
Industrial Intermediates & Infrastructure	326	648	(220)	974	(45)
Performance Materials & Coatings	62	225	27	287	189
Corporate	(62)	(59)	(68)	(121)	(142)
Total	$ 1,554	$ 2,828	$ 57	$ 4,382	$ 900

Equity in Earnings (Losses) of Nonconsolidated Affiliates by Segment In millions (Unaudited)	*Three Months Ended Mar 31, 2021*	*Three Months Ended*		*Six Months Ended*	
		Jun 30, 2021	*Jun 30, 2020*	*Jun 30, 2021*	*Jun 30, 2020*
Packaging & Specialty Plastics	$ 106	$ 130	$ 20	$ 236	$ 25
Industrial Intermediates & Infrastructure	115	144	(113)	259	(189)
Performance Materials & Coatings	2	-	2	2	3
Corporate	1	4	(4)	5	(23)
Total	$ 224	$ 278	$ (95)	$ 502	$ (184)

SEGMENT INFORMATION (CONTINUED)

Adjusted Operating EBIT by Segment In millions (Unaudited)	Three Months Ended Mar 31, 2021	Three Months Ended		Six Months Ended	
		Jun 30, 2021	Jun 30, 2020	Jun 30, 2021	Jun 30, 2020
Packaging & Specialty Plastics	$ 1,122	$ 1,884	$ 298	$ 3,006	$ 873
Industrial Intermediates & Infrastructure	211	504	(107)	715	144
Performance Materials & Coatings	60	225	25	285	186
Corporate	(63)	(63)	(64)	(126)	(119)
Total	$ 1,330	$ 2,550	$ 152	$ 3,880	$ 1,084

Operating Margin by Segment In millions (Unaudited)	Three Months Ended Mar 31, 2021	Three Months Ended		Six Months Ended	
		Jun 30, 2021	Jun 30, 2020	Jun 30, 2021	Jun 30, 2020
Packaging & Specialty Plastics	20.2 %	28.3 %	7.9 %	24.6 %	10.4 %
Industrial Intermediates & Infrastructure	9.0 %	15.4 %	(9.1)%	12.5 %	(0.8)%
Performance Materials & Coatings	2.9 %	9.1 %	1.5 %	6.3 %	4.8 %
Total	13.1 %	20.4 %	0.7 %	17.0 %	5.0 %

Adjusted Operating EBIT Margin by Segment In millions (Unaudited)	Three Months Ended Mar 31, 2021	Three Months Ended		Six Months Ended	
		Jun 30, 2021	Jun 30, 2020	Jun 30, 2021	Jun 30, 2020
Packaging & Specialty Plastics	18.4 %	26.5 %	7.4 %	22.8 %	10.1 %
Industrial Intermediates & Infrastructure	5.8 %	12.0 %	(4.4)%	9.1 %	2.6 %
Performance Materials & Coatings	2.8 %	9.1 %	1.3 %	6.2 %	4.7 %
Total	11.2 %	18.4 %	1.8 %	15.1 %	6.0 %

CASH CONVERSION AND FREE CASH FLOW RECONCILIATION

Reconciliation of Cash Flow Conversion	*Three Months Ended*				
In millions	*Jun 30, 2020*	*Sep 30, 2020*	*Dec 31, 2020*	*Mar 31, 2021*	*Jun 30, 2021*
Cash provided by (used for) operating activities - continuing operations (GAAP)	$ 1,599	$ 1,761	$ 1,656	$ (228)	$ 2,021
Operating EBITDA (non-GAAP)	$ 757	$ 1,485	$ 1,780	$ 2,271	$ 3,573
Cash flow conversion (non-GAAP) [1, 2]	211.2 %	118.6 %	93.0 %	(10.0)%	56.6 %
Cash flow conversion - trailing twelve months ("TTM") (non-GAAP)	110.4 %	76.1 %	110.4 %	76.1 %	57.2 %

1. Cash flow conversion is defined as "Cash provided by (used for) operating activities - continuing operations" divided by Operating EBITDA.

2. Cash flow conversion in the first quarter of 2021 reflects a $1 billion elective pension contribution.

Reconciliation of Free Cash Flow	*Three Months Ended*					*Six Months Ended*	
In millions	*Jun 30, 2020*	*Sep 30, 2020*	*Dec 31, 2020*	*Mar 31, 2021*	*Jun 30, 2021*	*Jun 30, 2021*	*Jun 30, 2020*
Cash provided by (used for) operating activities - continuing operations (GAAP)	$ 1,599	$ 1,761	$ 1,656	$ (228)	$ 2,021	$ 1,793	$ 2,835
Capital expenditures	(273)	$ (287)	(297)	(289)	(333)	(622)	(668)
Free cash flow (non-GAAP) [1, 2]	$ 1,326	$ 1,474	$ 1,359	$ (517)	$ 1,688	$ 1,171	$ 2,167
Free cash flow - trailing twelve months ("TTM") basis (non-GAAP)	$ 4,828	$ 4,984	$ 5,000	$ 3,642	$ 4,004		

1. Free cash flow 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.

2. Free cash flow in the first quarter of 2021 reflects a $1 billion elective pension contribution.

RECONCILIATION OF NET DEBT

Reconciliation of Net Debt In millions (Unaudited)	*Dec 31, 2018*	*Dec 31, 2019*	*Dec 31, 2020*	*Jun 30, 2021*
Notes payable	$ 298	$ 586	$ 156	$ 203
Long-term debt due within one year	338	435	460	445
Long-term debt	19,253	15,975	16,491	15,093
Gross debt (GAAP)	$ 19,889	$ 16,996	$ 17,107	$ 15,741
- Cash and cash equivalents	2,724	2,367	5,104	3,491
- Marketable securities	100	21	45	105
Net debt (non-GAAP)	$ 17,065	$ 14,608	$ 11,958	$ 12,145

General Comments

Background
On April 1, 2019, DowDuPont completed the separation of its materials science business and Dow Inc. became the direct parent company of TDCC, owning all of the outstanding common shares of TDCC. For filings related to the period commencing April 1, 2019 and thereafter, TDCC was deemed the predecessor to Dow Inc., and the historical results of TDCC are deemed the historical results of Dow Inc. for periods prior to and including March 31, 2019.

The separation was contemplated by the merger of equals transaction effective August 31, 2017, under the Agreement and Plan of Merger, dated as of December 11, 2015, as amended on March 31, 2017. TDCC and Historical DuPont each merged with subsidiaries of DowDuPont and, as a result, TDCC and Historical DuPont became subsidiaries of DowDuPont (the "Merger"). Subsequent to the Merger, TDCC and Historical DuPont engaged in a series of internal reorganization and realignment steps to realign their businesses into three subgroups: agriculture, materials science and specialty products. Dow Inc. was formed as a wholly owned subsidiary of DowDuPont to serve as the holding company for the materials science business.

Unaudited Pro Forma Financial Information
In order to provide the most meaningful comparison of results of operations and results by segment, supplemental unaudited pro forma financial information has been included in the following financial schedules. The unaudited pro forma financial information is based on the consolidated financial statements of TDCC, adjusted to give effect to the separation from DowDuPont as if it had been consummated on January 1, 2017. For the twelve months ended December 31, 2019 and 2018, pro forma adjustments have been made for (1) the margin impact of various manufacturing, supply and service related agreements entered into with DuPont and Corteva in connection with the separation which provide for different pricing than the historical intercompany and intracompany pricing practices of TDCC and Historical DuPont, and (2) the elimination of the impact of events directly attributable to the Merger, internal reorganization and business realignment, separation, distribution and other related transactions (e.g., one-time transaction costs).

The unaudited pro forma financial information has been presented for informational purposes only and is not necessarily indicative of what Dow's results of operations actually would have been had the separation from DowDuPont been completed as of January 1, 2017, nor is it indicative of the future operating results of Dow. The unaudited pro forma information does not reflect restructuring or integration activities or other costs following the separation from DowDuPont that may be incurred to achieve cost or growth synergies of Dow. For further information on the unaudited pro forma financial information, please refer to the Company's Current Report on Form 8-K dated June 3, 2019.

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

SAFE HARBOR

Cautionary Statement about Forward-Looking Statements

Certain statements in this presentation are "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements often address expected future business and financial performance, financial condition, and other matters, and often contain words or phrases such as "anticipate," "believe," "estimate," "expect," "intend," "may," "opportunity," "outlook," "plan," "project," "seek," "should," "strategy," "target," "will," "will be," "will continue," "will likely result," "would" and similar expressions, and variations or negatives of these words or phrases.

Forward-looking statements are based on current assumptions and expectations of future events that are subject to risks, uncertainties and other factors that are beyond Dow's control, which may cause actual results to differ materially from those projected, anticipated or implied in the forward-looking statements and speak only as of the date the statements were made. These factors include, but are not limited to: sales of Dow's products; Dow's expenses, future revenues and profitability; the continuing global and regional economic impacts of the coronavirus disease 2019 ("COVID-19") pandemic and other public health-related risks and events on Dow's business; capital requirements and need for and availability of financing; size of the markets for Dow's products and services and ability to compete in such markets; failure to develop and market new products and optimally manage product life cycles; the rate and degree of market acceptance of Dow's products; significant litigation and environmental matters and related contingencies and unexpected expenses; the success of competing technologies that are or may become available; the ability to protect Dow's intellectual property in the United States and abroad; developments related to contemplated restructuring activities and proposed divestitures or acquisitions such as workforce reduction, manufacturing facility and/or asset closure and related exit and disposal activities, and the benefits and costs associated with each of the foregoing; fluctuations in energy and raw material prices; management of process safety and product stewardship; changes in relationships with Dow's significant customers and suppliers; changes in consumer preferences and demand; changes in laws and regulations, political conditions or industry development; global economic and capital markets conditions, such as inflation, market uncertainty, interest and currency exchange rates, and equity and commodity prices; business or supply disruptions; security threats, such as acts of sabotage, terrorism or war; weather events and natural disasters; and disruptions in Dow's information technology networks and systems.

Risks related to Dow's separation from DowDuPont Inc. include, but are not limited to: (i) Dow's inability to achieve some or all of the benefits that it expects to receive from the separation from DowDuPont Inc.; (ii) certain tax risks associated with the separation; (iii) the failure of Dow's pro forma financial information to be a reliable indicator of Dow's future results; (iv) non-compete restrictions under the separation agreement; (v) receipt of less favorable terms in the commercial agreements Dow entered into with DuPont de Nemours, Inc. ("DuPont") and Corteva, Inc. ("Corteva"), including restrictions under intellectual property cross-license agreements, than Dow would have received from an unaffiliated third party; and (vi) Dow's obligation to indemnify DuPont and/or Corteva for certain liabilities.

Where, in any forward-looking statement, an expectation or belief as to future results or events is expressed, such expectation or belief is based on the current plans and expectations of management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. A detailed discussion of principal risks and uncertainties which may cause actual results and events to differ materially from such forward-looking statements is included in the section titled "Risk Factors" contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2020. These are not the only risks and uncertainties that Dow faces. There may be other risks and uncertainties that Dow is unable to identify at this time or that Dow does not currently expect to have a material impact on its business. If any of those risks or uncertainties develops into an actual event, it could have a material adverse effect on Dow's business. Dow assumes no obligation to update or revise publicly any forward-looking statements whether because of new information, future events, or otherwise, except as required by securities and other applicable laws.

NON-GAAP & DEFINITIONS

Non-GAAP Financial Measures

This presentation includes information that does not conform to U.S. 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 U.S. GAAP disclosures and should not be viewed as alternatives to U.S. 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 U.S. GAAP financial measures or a reconciliation of forward-looking non-GAAP financial measures to the most comparable U.S. 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 U.S. GAAP results for the guidance period.

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Definitions

Operating EBIT is defined as earnings (i.e. "Income (loss) before taxes") before interest, excluding the impact of significant items.
Operating EBITDA is defined as earnings (i.e. "Income (loss) before taxes") before interest, depreciation and amortization, excluding the impact of significant items.
Operating EBIT Margin is defined as Operating EBIT, divided by net sales.
Adjusted Operating EBIT is defined as Operating EBIT less equity earnings (losses).
Adjusted Operating EBIT Margin is defined as Operating EBIT less equity earnings (losses), divided by net sales.
Adjusted Operating EBITDA is defined as Operating EBITDA less equity earnings (losses).
Adjusted Operating EBITDA Margin is defined as Adjusted Operating EBITDA divided by net sales.
Operating earnings per share is defined as "Earnings (loss) per common share - diluted", excluding the after-tax impact of significant items.
Operational Tax Rate is defined as the effective tax rate (i.e., GAAP "Provision for income taxes" divided by "Income (loss) before income taxes"), excluding the impact of significant items.
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.
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 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."
Kuwait Joint Ventures (JVs) refers to EQUATE Petrochemical Company K.S.C.C., The Kuwait Olefins Company K.S.C.C., and The Kuwait Styrene Company K.S.C.C.
Thai Joint Ventures (JVs) refers to Map Ta Phut Olefins Company Limited and The SCG-Dow Group (Siam Polyethylene Company Limited, Siam Polystyrene Company Limited, Siam Styrene Monomer Co., Ltd., Siam Synthetic Latex Company Limited).