Dow 3Q
2021 Results

October 21, 2021

AGENDA

1. Quarterly Highlights
2. Operating Segment Performance
3. Outlook
4. Disciplined Value Growth

3Q | 2021 HIGHLIGHTS

- Achieved **top- and bottom-line growth**, both YoY and QoQ
  - Team Dow delivered ***safely*** despite hurricane-driven supply disruptions
- Net Sales up 53% YoY and 7% QoQ, with **gains in all operating segments and regions**
  - Price increased 50% YoY and 5% QoQ with gains in all businesses, segments and regions
  - Volume up 2% YoY and QoQ on continued underlying end-market demand strength
- Op. EBIT of $2.9B, up >$2.1B YoY and $58MM sequentially
- **Generated $2.7B of cash flow** from operating activities – continuing operations; up $958MM YoY and $698MM sequentially
- **Proactive liability management** actions further improved the Company's debt maturity profile and **reduced annual interest expense by >$60MM**
- Returned $518MM to shareholders through **industry-leading dividend** and $400MM in **share repurchases**

Net Sales up YoY
53%

$2.9B
Op. EBIT

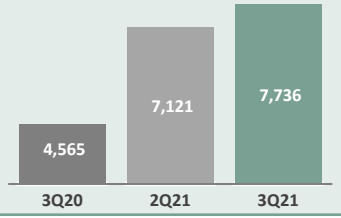
>$1.1B
Gross Debt Reduction

$918MM
Returned to shareholders

3Q21 Operating Segment Performance

Packaging & Specialty Plastics

REVENUE ($MM)



Y-o-Y

Sales ↑ 69%; Volume ↑ 5%; Price ↑ 63%

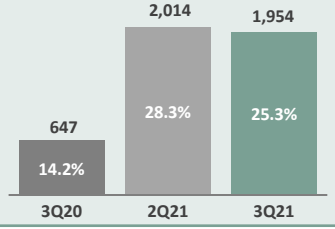
Price gains in both businesses and all regions; volume growth in energy and olefins

Q-o-Q

Sales ↑ 9%; Volume ↑ 3%; Price ↑ 6%

Local price gains and strong demand for packaging materials

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



Y-o-Y

Op. EBIT ↑ 202%; Margin ↑ 1,110 bps

Price gains in both businesses and all regions led to margin improvement in core businesses

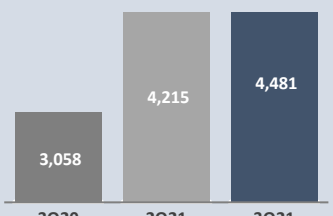
Q-o-Q

Op. EBIT ↓ 3%; Margins ↓ 300 bps

Decline due to higher raw material and energy costs

Ind. Intermediates & Infrastructure

REVENUE ($MM)



Y-o-Y

Sales ↑ 47%; Volume ↓ 4%; Price ↑ 49%

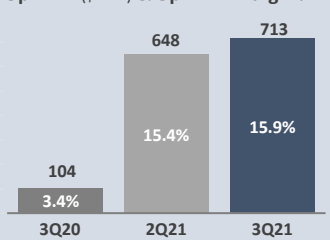
Price gains in both businesses and all regions; volume declines primarily due to the exit of a coproducer contract

Q-o-Q

Sales ↑ 6%; Volume ↑ 4%; Price ↑ 3%

Price and volume gains in both businesses due to strong demand and improved supply availability

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



Y-o-Y

Op. EBIT ↑ 586%; Margin ↑ 1,250 bps

Continued recovery and tight supply/demand dynamics in both businesses

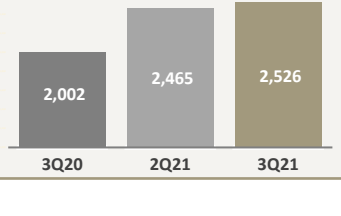
Q-o-Q

Op. EBIT ↑ 10%; Margins ↑ 50 bps

Continuing margin improvement in both businesses and supply recovery in Industrial Solutions

Perf. Materials & Coatings

REVENUE ($MM)



Y-o-Y

Sales ↑ 26%; Volume ↑ 2%; Price ↑ 23%

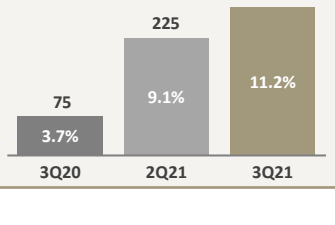
Price gains in both businesses and all regions; demand recovery for mobility, electronics, personal care and industrial applications

Q-o-Q

Sales ↑ 2%; Volume ↓ 5%; Price ↑ 7%

Price gains in both businesses and all regions; strong demand more than offset by third-party supply and global logistics constraints

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



Y-o-Y

Op. EBIT ↑ 279%; Margin ↑ 750 bps

Price momentum and robust demand recovery for silicones and industrial coatings

Q-o-Q

Op. EBIT ↑ 26%; Margins ↑ 210 bps

Price gains from tight supply/demand dynamics leading to margin expansion

4Q21 Modeling Guidance

Capturing Robust Consumer and Industrial Demand Despite Higher Energy Costs and Logistical Constraints

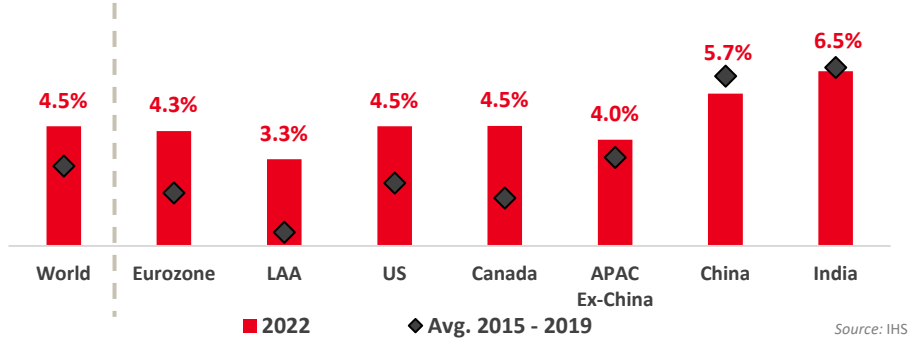
Net Sales	~$14.0 – $14.5B
Quarterly Operational Tax Rate	~20 – 24%
Net Income Attrib. to Non-Controlling Int.	~$25MM

Depreciation & Amortization	~$715MM
Net Interest Expense (Net of Int. Income)	~$165MM
Share Count	~745MM

	Top-Line Ranges (4Q21 vs. 3Q21)		*Base Case Op. EBIT Drivers (4Q21 vs. 3Q21)*
	Sales % Δ QoQ		
	Low	High	
Packaging & Specialty Plastics	*-3%*	Flat	▪ Global demand for packaging applications remains robust and well in excess of constrained industry supply ▪ Higher raw material and energy costs along with continued logistical challenges (~$350MM headwind) ▪ Add-Back: Lower turnaround spend after completion of Canada cracker (~$175MM tailwind)
Industrial Intermediates & Infrastructure	*-3%*	Flat	▪ Continued demand for consumer durables, infrastructure, pharma and energy applications ▪ Impacts of rising energy costs on the U.S. Gulf Coast and in Europe, and logistical constraints (~$100MM headwind) ▪ Delayed turnarounds from 3Q21; additional turnaround at Sadara isocyanates (~$100MM headwind)
Performance Materials & Coatings	*-3%*	Flat	▪ High demand for electronics, mobility and infrastructure; continued personal care recovery ▪ Seasonal peak demand for architectural coatings expected to extend into 4Q21 due to low inventories ▪ Pull forward of turnaround at China Siloxane facility (~$75MM headwind) ▪ Global logistical constraints and increased raw material cost (~$50MM headwind)
Corporate	*Sales of $50MM*		▪ Op. EBIT of $(75)MM and Op. EBITDA of $(65)MM

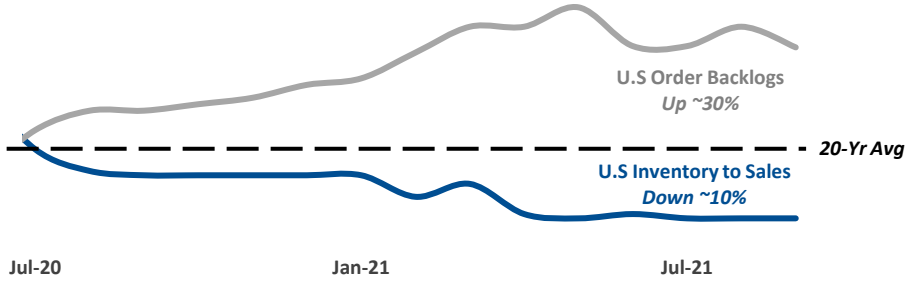
Economic Growth to Remain Strong with Extended Recovery

Robust GDP Growth Expected as Economic Recovery Continues



Source: IHS

Historically Low Inventory Levels and High Order Backlogs

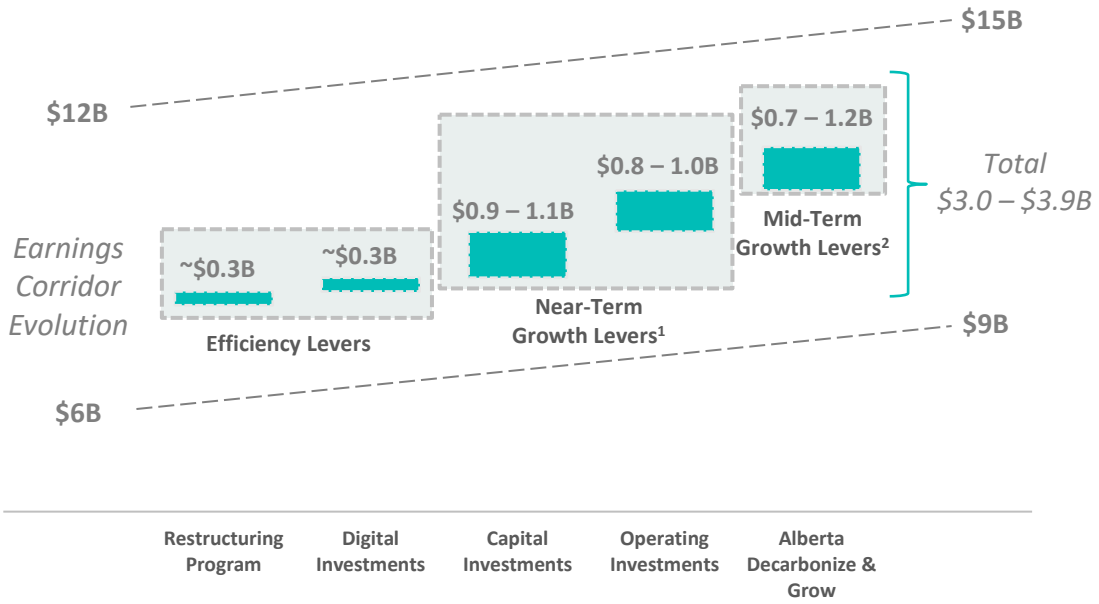


Sources: Federal Reserve, ISM

- **Economic recovery expected to extend into 2022** with prolonged reopening due to Delta variant and supply chain constraints
- **2022 GDP growth forecasts well-above historical averages** in many areas of the world
- **Continued recovery in industrial production** expected to meet robust consumer demand
- G-7 has **not fully recovered** to pre-pandemic GDP levels
- **Low inventory levels and high order backlogs** as robust demand is outpacing supply chains ramp-up

GROWTH AND EFFICIENCY LEVERS DRIVE EARNINGS

In-Flight Actions Increase Underlying EBITDA by >$3B



Additional Opportunities Supporting Earnings Trajectory

- Faster economic recovery led by post-pandemic consumer and industrial demand
- Tighter near-term supply and demand balances
- Differentiated pricing and margin uplift from low-carbon footprint and sustainable products
- High-margin licensing opportunities for low-CO_2 emitting process technologies

1. Based on cycle EBITDA % Revenue margin averages from 2016-2Q21 using publicly reported data
2. Plan includes 1650 kta C2 and derivatives capacity from new low/zero-carbon emissions brownfield assets; estimated peak-to-trough EBITDA range based on Dow and IHS historical margins in Americas and operating rate of 90%

LOWER-RISK GROWTH INVESTMENTS ENHANCE NEAR-TERM EARNINGS PROFILE



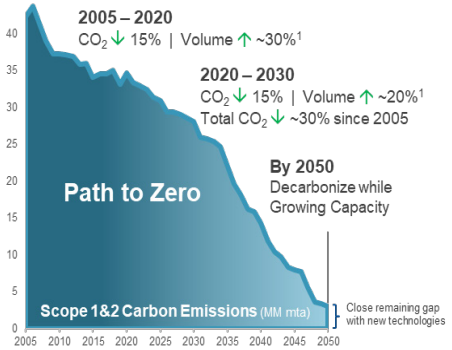
EBITDA Run-Rate	Segment	Growth from Capital Investments ~$0.9 – 1.1B EBITDA[1]	Growth from Operating Investments ~$0.8 – 1.0B EBITDA[1]
	Packaging & Specialty Plastics ~$0.9 – 1.1B	C2/PE and Functional Polymers capacity	Capabilities to enhance mix
		Enhancing feedstock flexibility	Innovative process improvements
		RTO FCDh new capacity	Circular & low- to zero-CO_2 solutions
	Industrial Intermediates & Infrastructure ~$0.3 – 0.4B	High-margin polyurethanes systems capacity	Activities to advance solutions next-generation infrastructure
		Alkoxylates & specialty amines capacity	Sustainable pharma, textile and energy solutions
		South China and formulation capacity	Higher-margin mix capabilities
	Performance Materials & Coatings ~$0.5 – 0.6B	Expand silicone polymers, sealants capacity	Product/process to enhance mix
		Additional silicone adhesives capacity	Tools to expand offering to support rapid middle-class growth
		Capacity for coatings binders & acrylates	Capabilities to advance low-VOC & waterborne solutions

In-Flight Investments Enable Near-Term Earnings Growth of $1.7 – 2.1B EBITDA[1]

1. *Based on cycle EBITDA % Revenue margin averages from 2016-2Q21 using publicly reported data*

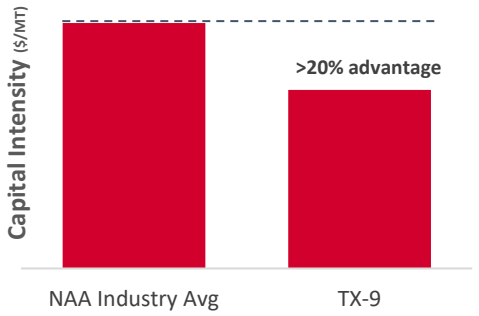
Clear Path to Decarbonize our Footprint and Grow Earnings

Reducing CO_2 Emissions by 30% by 2030 while Growing the Enterprise



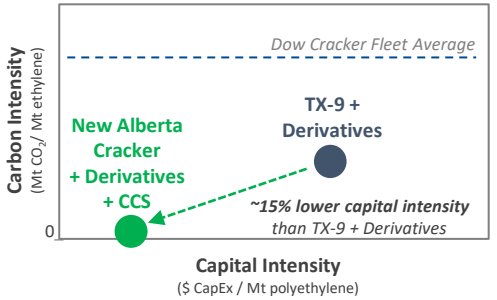
- **Phased-strategy** to decarbonize our footprint & grow our capacity at ROIC >13%
- Timing based-on **affordability, macro, regulatory drivers** and incentives
- Leveraging **existing and new CO_2-efficient technologies**: TX-9, FCDh, EDH & e-cracking

Best-in-Class TX-9 is Solid Foundation for Footprint Decarbonization



- Delivered **~20% lower capital cost** per ton[2]
- **>65% lower conversion cost** than Dow fleet
- Consistently running **>110% of expanded nameplate capacity**
- Emits **60% less CO_2/lb** than average cracker in the fleet without H_2 or CCS capability

Alberta Project Delivers ~$1B Lower-Risk Earnings Growth



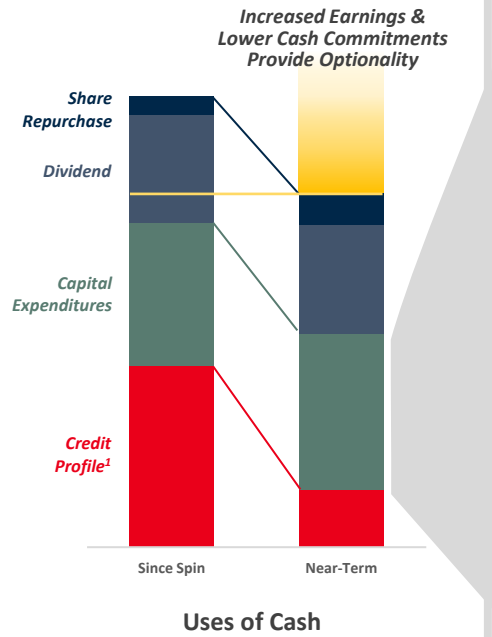
- **Adds ~3MM mta capacity** of certifiable net-zero CO_2 emissions C2 & derivatives
- Leverages TX-9's **best-in-class capital-intensity, CO_2-intensity, & conversion cost**
- Utilizes **on-site circular-H_2 & adjacent existing CCS infrastructure**

Lower-Risk Investments Capture Demand from Sustainability Drivers, Enable Differentiated Prices & Earnings Growth

1. *Volume Growth represents ethylene capacity, excludes JVs.*
2. *IPA 2020 benchmarking results and other 3rd-party consultants.*

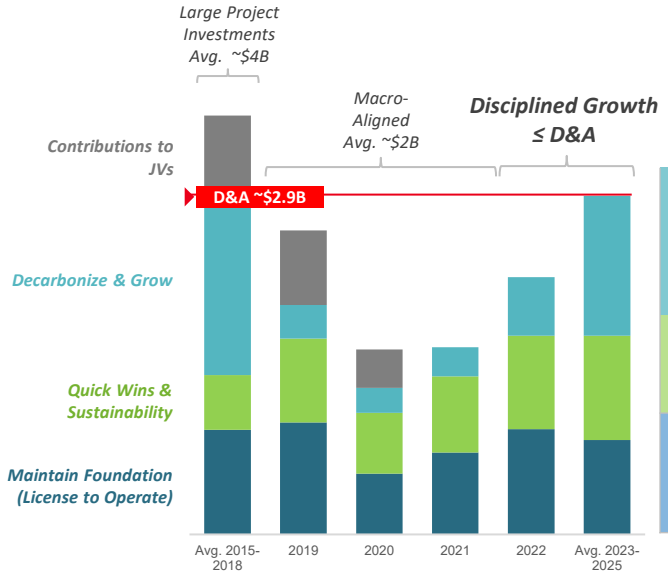
ATTRACTIVE GROWTH WHILE MAINTAINING DISCIPLINE & CAPEX AT ≤ D&A

Lower Cash Commitments Increase Optionality Going Forward



Uses of Cash

Disciplined CapEx ≤ D&A Delivers Near-Term Growth at ROIC >13%



CapEx Evolution ($B) (2)

Brownfield Growth with Spending Discipline

- Phased, end-of-life replacement
- Increase low-CO_2 emissions & circular capacity
- ~$1B/year CapEx with target ROIC ≥ 13%
- Higher-return, faster-payback, lower-risk incremental growth; target ROIC ≥ 15%
- Safety & reliability as #1 priority
- Reduce CapEx for end-of-life assets
- Continue best-owner approach

Increased Earnings and Cash Commitments Enable Additional Shareholder Value Creation

(1) Credit profile includes repayment of financial instruments, voluntary pension contributions and interest cost on financial instruments
(2) 2015-2016 data based on historical TDCC Financial Statements; 2017-2020 based on Dow Inc. Financial Statements

A Compelling Investment Opportunity

Growing enterprise value while driving to zero-carbon emissions

- **Attractive end-market participation** with industry-leading portfolio and cost positions
- Growth from **sustainability-driven solutions and circularity**
- Earnings upside from **high-return, low-risk investments** with capex at or below D&A

Leading **cash flow generation**

Balanced capital allocation and financial discipline

Attractive shareholder remuneration

OUR FINANCIAL TARGETS

Across the economic cycle:

- Increase underlying EBITDA by **another >$3B**
- Maintain **industry-leading** cash generation
- **>13%** ROIC
- **2.0 – 2.5x** adjusted debt-to-EBITDA
- Return **65%** of net income to shareholders

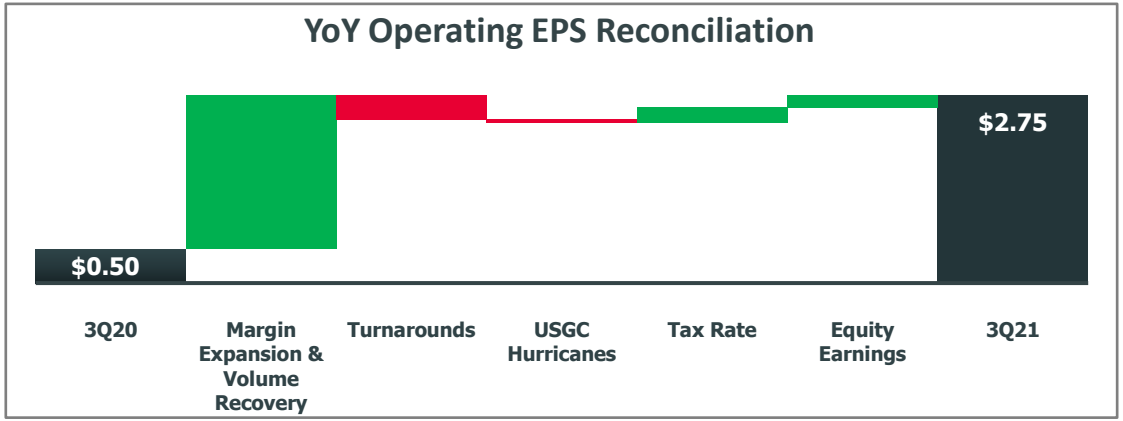


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Appendix

3Q 2021 Financial Highlights



Financial Summary ($ millions, unless otherwise noted)	3Q21	3Q20	YoY B/(W)	2Q21	QoQ B/(W)
Net Sales	$14,837	$9,712	$5,125	$13,885	$952
Equity Earnings	$249	$60	$189	$278	$(29)
Net Income – GAAP (Loss)	$1,706	$(1)	$1,707	$1,932	$(226)
Operating EBIT	$2,886	$761	$2,125	$2,828	$58
Op. EBIT Margin (%)	*19.5%*	*7.8%*	*1,170 bps*	*20.4%*	*(90) bps*
Operating EBITDA	$3,611	$1,485	$2,126	$3,573	$38
Earnings per share – GAAP (Loss)	$2.23	$(0.04)	$2.27	$2.51	$(0.28)
Operating earnings per share[1]	$2.75	$0.50	$2.25	$2.72	$0.03
Cash Provided by Op. Activities – Cont. Ops.	$2,719	$1,761	$958	$2,021	$698

Key Drivers in the Quarter YoY

- Price gains in all operating segments, businesses and regions
- Improved equity earnings at Sadara and Kuwait joint ventures
- Lower tax rate on earnings recovery and geographic mix
- Lower interest expense due to proactive liability management actions
- Operational and supply constraints from Hurricanes Ida and Nicholas
- Increased turnaround spending and associated volume declines due to low inventory levels

(1) Op. Earnings Per Share, Op. EBIT, Op. EBIT Margin, Op. EBITDA, Free Cash Flow and Cash Flow Conversion are non-GAAP measures. See page 6 for further discussion.

PRINCIPAL JOINT VENTURE DETAIL

Dow's Proportional Share of Principal JV Financial Results

$ millions (unaudited)	3Q 2021			3Q 2020			2Q 2021		
	Sadara	Kuwait JVs	Thai JVs	Sadara	Kuwait JVs	Thai JVs	Sadara	Kuwait JVs	Thai JVs
EBITDA	$186	$187	$54	$75	$105	$59	$208	$207	$87
EBIT	$99	$146	$47	$(10)	$65	$48	$92	$166	$81
Net Income *Equity Earnings (Losses) to Dow*	**$67**	**$123**	**$41**	**$(43)**	**$44**	**$46**	**$56**	**$133**	**$75**
EBITDA in Excess of Eq. Earnings	$119	$64	$13	$118	$61	$13	$152	$74	$12
Net Debt	$4,512	$1,600	$252	$4,643	$1,839	$285	$4,565	$1,728	$279

Drivers of JV Performance

- **Sadara:** Margin expansion in Polyurethanes, Industrial Solutions and Packaging & Specialty Plastics
- **Kuwait JVs:** Price increases for MEG support higher margins; increased turnaround expense
- **Thai JVs:** Higher naphtha costs and supply chain constraints

OPERATING EARNINGS (LOSS) PER SHARE (EPS) RECONCILIATION

Significant Items Impacting Results for the Three Months Ended Sep 30, 2021			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 2,248	$ 1,683	$ 2.23
Less: Significant items			
Digitalization program costs	(40)	(32)	(0.04)
Restructuring, implementation costs and asset related charges - net	(16)	(13)	(0.02)
Loss on early extinguishment of debt	(472)	(387)	(0.52)
Litigation related charges, awards and adjustments	54	42	0.06
Total significant items	$ (474)	$ (390)	$ (0.52)
Operating results (non-GAAP)	$ 2,722	$ 2,073	$ 2.75

Significant Items Impacting Results for the Three Months Ended Sep 30, 2020			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 42	$ (25)	$ (0.04)
Less: Significant items			
Integration and separation costs	(63)	(49)	(0.06)
Restructuring, implementation costs and asset related charges - net	(617)	(495)	(0.67)
Net gain on divestitures	220	195	0.26
Loss on early extinguishment of debt	(63)	(52)	(0.07)
Total significant items	$ (523)	$ (401)	$ (0.54)
Operating results (non-GAAP)	$ 565	$ 376	$ 0.50

1. "Income 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," which includes the impact of participating securities in accordance with the two-class method.

OPERATING (EPS) RECONCILIATION (CONTINUED)

Significant Items Impacting Results for the Nine Months Ended Sep 30, 2021			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 6,027	$ 4,575	$ 6.06
Less: Significant items			
Digitalization program costs	(121)	(94)	(0.12)
Restructuring, implementation costs and asset related charges - net	(69)	(55)	(0.07)
Loss on early extinguishment of debt	(574)	(471)	(0.63)
Litigation related charges, awards and adjustments	54	42	0.06
Indemnification and other transaction related costs	(5)	(5)	(0.01)
Total significant items	$ (715)	$ (583)	$ (0.77)
Operating results (non-GAAP)	$ 6,742	$ 5,158	$ 6.83

Significant Items Impacting Results for the Nine Months Ended Sep 30, 2020			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 255	$ (11)	$ (0.02)
Less: Significant items			
Integration and separation costs	(174)	(136)	(0.18)
Restructuring, implementation costs and asset related charges - net	(719)	(580)	(0.79)
Net gain on divestitures	220	195	0.26
Loss on early extinguishment of debt	(149)	(122)	(0.16)
Litigation related charges, awards and adjustments	6	6	0.01
Total significant items	$ (816)	$ (637)	$ (0.86)
Operating results (non-GAAP)	$ 1,071	$ 626	$ 0.84

1. "Income 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," which includes the impact of participating securities in accordance with the two-class method.

OPERATING (EPS) RECONCILIATION (CONTINUED)

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

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," which includes the impact of participating securities in accordance with the two-class method.

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

Reconciliation of "Net income (loss)" to "Operating EBIT" and "Operating EBITDA"	Three Months Ended					Nine Months Ended	
In millions (Unaudited)	*Sep 30, 2020*	*Dec 31, 2020*	*Mar 31, 2021*	*Jun 30, 2021*	*Sep 30, 2021*	*Sep 30, 2021*	*Sep 30, 2020*
Net income (loss)	$ (1)	$ 1,254	$ 1,006	$ 1,932	$ 1,706	$ 4,644	$ 40
+ Provision for income taxes	43	562	317	524	542	1,383	215
Income before income taxes	$ 42	$ 1,816	$ 1,323	$ 2,456	$ 2,248	$ 6,027	$ 255
- Interest income	6	11	8	13	14	35	27
+ Interest expense and amortization of debt discount	202	210	196	187	178	561	617
- Significant items	(523)	961	(43)	(198)	(474)	(715)	(816)
Operating EBIT [1]	$ 761	$ 1,054	$ 1,554	$ 2,828	$ 2,886	$ 7,268	$ 1,661
+ Depreciation and amortization	724	726	717	745	725	2,187	2,148
Operating EBITDA [2]	$ 1,485	$ 1,780	$ 2,271	$ 3,573	$ 3,611	$ 9,455	$ 3,809
Operating EBITDA - Trailing Twelve Months ("TTM") basis	$ 5,555	$ 5,589	$ 6,293	$ 9,109	$ 11,235		

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

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

SEGMENT INFORMATION

Net Sales by Segment	*Three Months Ended*	*Three Months Ended*		*Nine Months Ended*	
In millions (Unaudited)	*Jun 30, 2021*	*Sep 30, 2021*	*Sep 30, 2020*	*Sep 30, 2021*	*Sep 30, 2020*
Packaging & Specialty Plastics	$ 7,121	$ 7,736	$ 4,565	$ 20,939	$ 13,175
Industrial Intermediates & Infrastructure	4,215	4,481	3,058	12,303	8,520
Performance Materials & Coatings	2,465	2,526	2,002	7,114	5,922
Corporate	84	94	87	248	219
Total	$ 13,885	$ 14,837	$ 9,712	$ 40,604	$ 27,836

Operating EBIT by Segment	*Three Months Ended*	*Three Months Ended*		*Nine Months Ended*	
In millions (Unaudited)	*Jun 30, 2021*	*Sep 30, 2021*	*Sep 30, 2020*	*Sep 30, 2021*	*Sep 30, 2020*
Packaging & Specialty Plastics	$ 2,014	$ 1,954	$ 647	$ 5,196	$ 1,545
Industrial Intermediates & Infrastructure	648	713	104	1,687	59
Performance Materials & Coatings	225	284	75	571	264
Corporate	(59)	(65)	(65)	(186)	(207)
Total	$ 2,828	$ 2,886	$ 761	$ 7,268	$ 1,661

Equity in Earnings (Losses) of Nonconsolidated Affiliates by Segment	*Three Months Ended*	*Three Months Ended*		*Nine Months Ended*	
In millions (Unaudited)	*Jun 30, 2021*	*Sep 30, 2021*	*Sep 30, 2020*	*Sep 30, 2021*	*Sep 30, 2020*
Packaging & Specialty Plastics	$ 130	$ 124	$ 71	$ 360	$ 96
Industrial Intermediates & Infrastructure	144	122	(13)	381	(202)
Performance Materials & Coatings	-	3	1	5	4
Corporate	4	-	1	5	(22)

SEGMENT INFORMATION (CONTINUED)

Adjusted Operating EBIT by Segment In millions (Unaudited)	*Three Months Ended Jun 30, 2021*	*Three Months Ended*		*Nine Months Ended*	
		Sep 30, 2021	*Sep 30, 2020*	*Sep 30, 2021*	*Sep 30, 2020*
Packaging & Specialty Plastics	$ 1,884	$ 1,830	$ 576	$ 4,836	$ 1,449
Industrial Intermediates & Infrastructure	504	591	117	1,306	261
Performance Materials & Coatings	225	281	74	566	260
Corporate	(63)	(65)	(66)	(191)	(185)
Total	$ 2,550	$ 2,637	$ 701	$ 6,517	$ 1,785

Operating Margin by Segment In millions (Unaudited)	*Three Months Ended Jun 30, 2021*	*Three Months Ended*		*Nine Months Ended*	
		Sep 30, 2021	*Sep 30, 2020*	*Sep 30, 2021*	*Sep 30, 2020*
Packaging & Specialty Plastics	28.3 %	25.3 %	14.2 %	24.8 %	11.7 %
Industrial Intermediates & Infrastructure	15.4 %	15.9 %	3.4 %	13.7 %	0.7 %
Performance Materials & Coatings	9.1 %	11.2 %	3.7 %	8.0 %	4.5 %
Total	20.4 %	19.5 %	7.8 %	17.9 %	6.0 %

Adjusted Operating EBIT Margin by Segment In millions (Unaudited)	*Three Months Ended Jun 30, 2021*	*Three Months Ended*		*Nine Months Ended*	
		Sep 30, 2021	*Sep 30, 2020*	*Sep 30, 2021*	*Sep 30, 2020*
Packaging & Specialty Plastics	26.5 %	23.7 %	12.6 %	23.1 %	11.0 %
Industrial Intermediates & Infrastructure	12.0 %	13.2 %	3.8 %	10.6 %	3.1 %
Performance Materials & Coatings	9.1 %	11.1 %	3.7 %	8.0 %	4.4 %
Total	18.4 %	17.8 %	7.2 %	16.1 %	6.4 %

CASH CONVERSION AND FREE CASH FLOW RECONCILIATION

Reconciliation of Cash Flow Conversion	*Three Months Ended*				
In millions	*Sep 30, 2020*	*Dec 31, 2020*	*Mar 31, 2021*	*Jun 30, 2021*	*Sep 30, 2021*
Cash provided by (used for) operating activities - continuing operations (GAAP)	$ 1,761	$ 1,656	$ (228)	$ 2,021	$ 2,719
Operating EBITDA (non-GAAP)	$ 1,485	$ 1,780	$ 2,271	$ 3,573	$ 3,611
Cash flow conversion (non-GAAP) [1, 2]	118.6 %	93.0 %	(10.0)%	56.6 %	75.3 %
Cash flow conversion - trailing twelve months ("TTM") (non-GAAP)	117.3 %	111.9 %	76.1 %	57.2 %	54.9 %

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*					*Nine Months Ended*	
In millions	*Sep 30, 2020*	*Dec 31, 2020*	*Mar 31, 2021*	*Jun 30, 2021*	*Sep 30, 2021*	*Sep 30, 2021*	*Sep 30, 2020*
Cash provided by (used for) operating activities - continuing operations (GAAP)	$ 1,761	$ 1,656	$ (228)	$ 2,021	$ 2,719	$ 4,512	$ 4,596
Capital expenditures	(287)	$ (297)	(289)	(333)	(413)	(1,035)	(955)
Free cash flow (non-GAAP) [1, 2]	$ 1,474	$ 1,359	$ (517)	$ 1,688	$ 2,306	$ 3,477	$ 3,641
Free cash flow - trailing twelve months ("TTM") basis (non-GAAP)	$ 4,984	$ 5,000	$ 3,642	$ 4,004	$ 4,836		

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*	*Sep 30, 2021*
Notes payable	$ 298	$ 586	$ 156	$ 270
Long-term debt due within one year	338	435	460	291
Long-term debt	19,253	15,975	16,491	14,027
Gross debt (GAAP)	$ 19,889	$ 16,996	$ 17,107	$ 14,588
- Cash and cash equivalents	2,724	2,367	5,104	2,911
- Marketable securities	100	21	45	141
Net debt (non-GAAP)	$ 17,065	$ 14,608	$ 11,958	$ 11,536

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 report 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; unexpected barriers in the development of technology, including with respect to Dow's contemplated capital and operating projects; Dow's ability to realize its commitment to carbon neutrality on the contemplated timeframe; 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).