Dow 4Q
2021 Results

January 27, 2022

AGENDA

1. Quarterly & Full Year Highlights
2. Operating Segment Performance
3. Outlook
4. Earnings Growth Drivers & Value Creation Priorities

4Q | 2021 HIGHLIGHTS

- Delivered **top- and bottom-line growth** YoY
- Net Sales up 34% YoY with **gains in every operating segment, business and region**
  - Price increased 39% YoY, with gains across all operating segments, businesses and regions
  - Volume declined 4% YoY driven by supply and global logistic constraints
- Operating EBIT of $2.3B, up $1.2B YoY due to **margin expansion and higher equity earnings**
- **Generated $2.6B of cash flow** from operating activities – continuing operations, up $901MM YoY
  - Cash flow conversion of 88% in the quarter
- Returned $912MM to shareholders, including $512MM in **dividend** and $400MM in **share repurchases**

Net Sales
$14.4B

$2.3B
Operating EBIT

$2.1B
Free Cash Flow

$912MM
Returned to shareholders

2021 | Full-Year Financial & ESG Performance Highlights

Financial Highlights

Delivered record operating EBIT of **$9.5B** and net sales of **$55B**

Decreased gross debt by **$2.4B** and reprofiled Sadara debt, lowering Dow guarantees by **>$2B**

Returned **>$3B** to shareholders in dividends and share repurchases

Generated **$7.1B** of cash flow from operations

CapEx was **$1.5B** and ROIC reached **>22%** as we continue to prioritize higher-return, faster-payback, lower-risk growth projects

Electively contributed **$1B** to our U.S. pension plans

Reduced net interest expense YOY by **>$100MM**

Outlined clear path to decarbonize our footprint and grow earnings by **>$3B**

Announced plan to build **world's first net-zero carbon emissions** ethylene and derivatives complex in Ft. Saskatchewan, Alberta, while tripling the site's ethylene and derivatives capacity

ESG Performance

Clear path to reduce carbon emissions **30%** by 2030[1]

Improved **climate risk disclosures** and **climate and circularity metrics;** continued implementation of ESG disclosures aligned to GRI, TCFD, SASB and WEF

Expanded access to renewable power to **>850 MW**, with ~25% of purchased electricity from renewable sources

All 4 new Directors added to the Board in last 2 years are women or U.S. ethnic minorities

>80% of Dow products now sold into packaging applications are reusable or recyclable

Named to the **Great Place To Work® and Fortune 100 Best Companies to Work For® List** for the first time

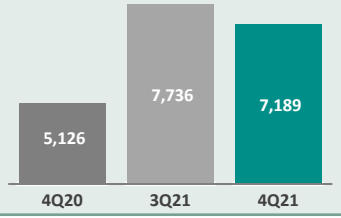
Team Dow delivered record financial and operating performance and advanced our ambition to generate value for all our stakeholders

[1]From 2005 baseline

4Q | 2021 Operating Segment Performance

Packaging & Specialty Plastics

REVENUE ($MM)



Y-o-Y

Sales ↑ 40%; Volume ↓ 3%; Price ↑ 44%

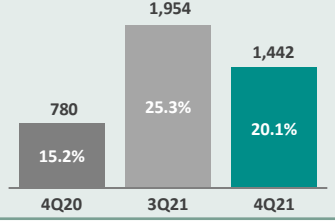
Price gains in both businesses and all regions; growth in energy sales volumes more than offset by lower polyethylene supply

Q-o-Q

Sales ↓ 7%; Volume ↓ 3%; Price ↓ 4%

Results primarily due to lower olefin and co-product prices and decreased polyethylene volumes resulting from supply constraints

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



Y-o-Y

Op. EBIT ↑ 85%; Margin ↑ 490 bps

Improvement in core business and equity earnings on strong industry demand, partly offset by lower supply volumes

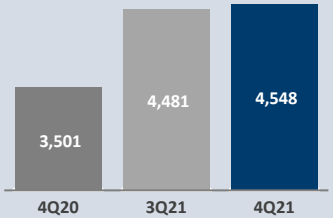
Q-o-Q

Op. EBIT ↓ 26%; Margins ↓ 520 bps

Results primarily due to lower olefin and co-product prices and higher raw material and energy costs

Ind. Intermediates & Infrastructure

REVENUE ($MM)



Y-o-Y

Sales ↑ 30%; Volume ↓ 7%; Price ↑ 38%

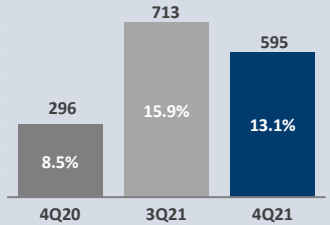
Price gains in both businesses and all regions; volume declines due to exit of a coproducer contract and planned maintenance

Q-o-Q

Sales ↑ 1%; Volume ↓ 2%; Price ↑ 4%

Price gains in both businesses and all regions; volume declines due to planned maintenance activity

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



Y-o-Y

Op. EBIT ↑ 101%; Margin ↑ 460 bps

Continued pricing strength in both businesses and margin expansion at the Kuwait joint venture

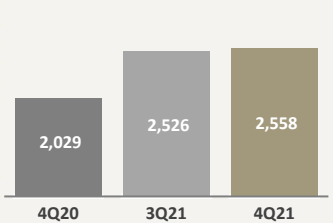
Q-o-Q

Op. EBIT ↓ 17%; Margins ↓ 280 bps

Results primarily driven by energy cost increases in Europe and planned maintenance

Perf. Materials & Coatings

REVENUE ($MM)



Y-o-Y

Sales ↑ 26%; Volume ↓ 4%; Price ↑ 30%

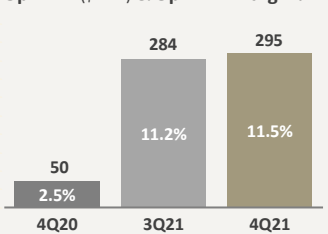
Price gains in both businesses and all regions; strong demand more than offset by pull forward of planned maintenance activity

Q-o-Q

Sales ↑ 1%; Volume ↓ 8%; Price ↑ 10%

Price gains in both businesses and all regions; volume declines due to maintenance activity and lower seasonal demand for coatings

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



Y-o-Y

Op. EBIT ↑ 490%; Margin ↑ 900 bps

Price momentum for silicones and coatings offerings partly offset by lower supply volumes

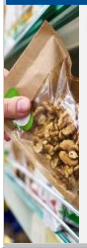
Q-o-Q

Op. EBIT ↑ 4%; Margins ↑ 30 bps

Price gains from strong industry demand partly offset by planned maintenance activity

Dow's Portfolio Advantaged to Capture High-Value, Sustainable Growth

Participation in Attractive Market Verticals Growing with Sustainability Trends



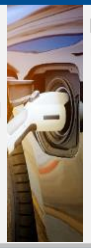
Packaging
- Resilient and growing global demand for polyethylene
- Brand owners demanding lower-carbon solutions & higher recycled content
- Dow's innovative solutions target higher-value applications



Infrastructure
- Robust demand in the Americas & EMEAI; near-term uncertainty from China real estate headwinds
- Government spending on green infrastructure increasing
- Dow's broad suite of offerings & hybrid innovations drive growth

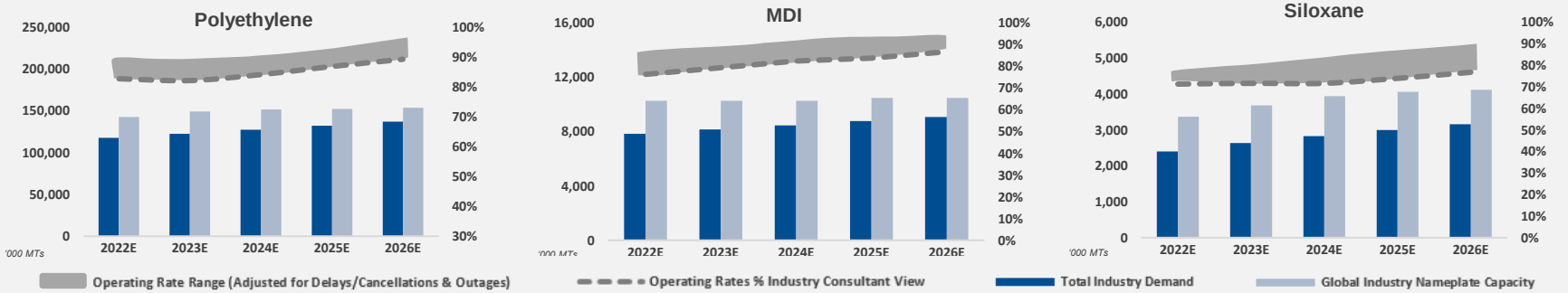


Consumer
- Global demand for appliances & electronics remains elevated
- Personal care recovers with travel and return to workplaces
- Dow is targeting high-growth pharma and home care markets with growth investments



Mobility
- Semiconductor limitations ease & unlock attractive YoY growth
- Sustainability-focused EV/AV demand accelerating
- Dow's mobility platform provides a comprehensive suite of solutions to OEMS

Broad Value Chain with Downstream-Tilted Portfolio Moderates Commodity Exposure



- PE margins to stabilize as demand absorbs new supply with easing export logistics constraints; majority of supply additions occurring in higher-cost regions
- Increasing prices for high-value Functional Polymers helps offset elevated raw materials and energy
- Dow to capture upside on increasing oil-to-gas spreads

- Higher-value PU Systems, CAV, and MDI help offset the impact of regional supply additions in PO & Polyols
- Tight EO derivatives, PEG, and surfactants offset MEG industry supply/demand imbalances
- Industry high-cost energy headwinds begin to alleviate with supply increasing from seasonal lows

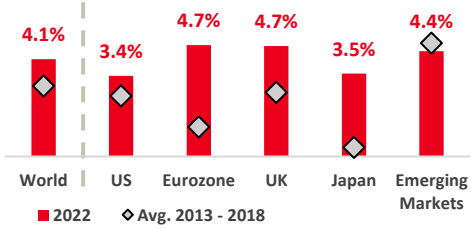
- Resilient Perf. Silicones margins supported by robust consumer, infrastructure & mobility demand globally
- Steady DIY & growing contractor demand support arch. coatings; industrial demand recovery continues
- Near-term raw-material pressures begin to subside as supply constraints ease throughout the year

Strong Demand Growth Expected to Continue in 2022

- Global GDP growth forecasts continue to remain **well above historical averages**
- Pent-up demand as consumers accumulated **>$5 trillion of excess savings** through the pandemic
- Rebuilding aging infrastructure; 5G/EV adoption and lower-carbon footprint **driving increased government spending**
- **Immunization levels increasing globally**; Omicron currently not expected to materially change recovery path
- Global **inflation** and **fiscal policy** response leading to some near-term uncertainty
- Retail inventories remain well below historical averages and backlogs remain elevated; **supply chains continue to improve**

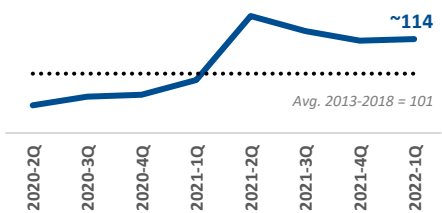
Consumer-Driven Demand Growth Remains Robust

Above Average Consumer Spending Growth Expected in 2022



Real $ Private Consumption; Source: IHS

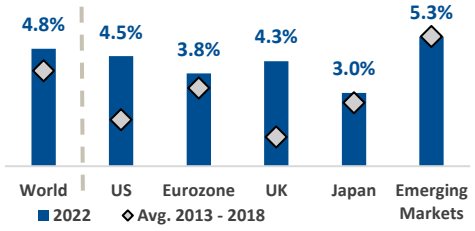
U.S. Consumer Confidence Rebounding on Improving Expectations for 2022



Consumer Confidence Quarterly Average; Source: The Conference Board

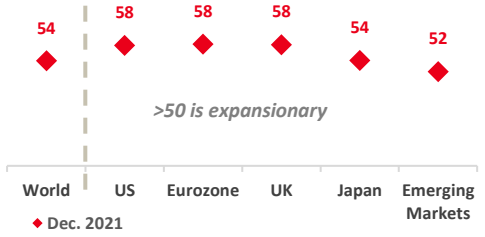
Increasing Global Manufacturing Activity to Meet Consumer Demand

Robust Manufacturing Growth Expected in 2022



Manufacturing Value-Add Output Growth; Source: Oxford Economics

Manufacturing PMIs Continue to Indicate Expansionary Environment



Manufacturing PMI; Source: Markit Economics

1Q22 Modeling Guidance

Dow Remains Well Positioned to Capture Global Demand Strength

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)	~$150MM
Share Count	~745MM

	Top-Line Ranges (1Q22 vs. 4Q21)		***Base Case Op. EBIT Drivers (1Q22 vs. 4Q21)***
	Sales % Δ QoQ		
	Low	**High**	
Packaging & Specialty Plastics	*-3%*	*Flat*	▪ Demand for food and at-home delivery-related packaging applications remains resilient ▪ Domestic balances also supported by comonomer supply constraints and increased exports ▪ Raw material and energy costs remain elevated and Asian olefins margins impacting equity earnings (~$200MM headwind)
Industrial Intermediates & Infrastructure	*-3%*	*Flat*	▪ Appliances, pharmaceuticals, home care and energy demand strength ▪ Industry working to build supply in anticipation of robust construction activity and infrastructure spending ▪ Raw material and energy costs remain elevated and MEG spreads impacting equity earnings (~$75MM headwind) ▪ Add-Back: Isocyanates turnaround completed at Sadara; lower turnaround activity in core portfolio (~$100MM tailwind)
Performance Materials & Coatings	*Flat*	*+5%*	▪ Robust consumer demand for electronics and personal care; increasing industrial activity ▪ Industry working to rebuild inventory ahead of seasonal pick-up in demand for architectural coatings ▪ Add-Back: Completion of turnaround in siloxanes at Zhangjiagang (~$75MM tailwind) ▪ Turnaround at Deer Park Methacrylates facility (~$50MM headwind)
Corporate	*Sales of ~$50MM*		▪ Op. EBIT of $(75)MM and Op. EBITDA of $(65)MM

FY 2022 Modeling Considerations

Operating EBIT Drivers vs. FY21	
Equity Earnings	Down ~$300-400MM YoY (net of T/As)
Pension Expense	~$FLAT YoY
Corporate	Op. EBIT of ~$(275)MM and Op. EBITDA of ~$(250)MM
Turnaround Costs	~+$100MM YoY incl. JVs

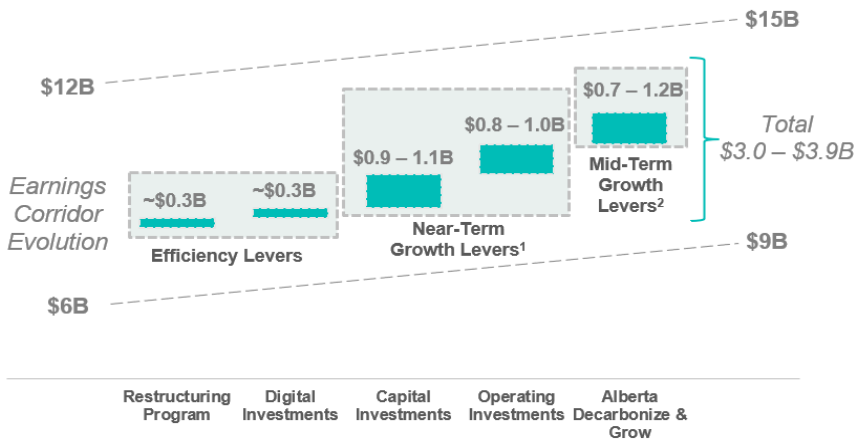
Other Income Statement Considerations	
Net Interest Expense	~$600MM
D&A	~$2.9B
Net Income Attrib. to Non-Controlling Int.	~$100MM (reduction to reported Net Income)
Share Count	~745MM
Op. Tax Rate	20%-24%

Cash Flow Considerations in 2022	
Dividends from Equity Companies	~$550MM (up ~$250MM YoY)
Pension	~$250MM (~$1B lower YoY)
Liability Management	Additional ~$0.5-1B in gross debt reduction
CapEx	~$2.2B
2020 Restructuring Program	~$175MM cash outflow (~$75MM lower YoY)
Digital Initiative	~$250MM cash outflow (~$100MM higher YoY)

Year-over-Year Market Drivers	
Favorable	Elevated oil price and oil-to-gas spreads, higher operating rates and customer service levels, inflationary impact on pricing in longer term
What We are Watching	Near-term inflationary pressures on raw materials, COVID recovery, supply chain and logistics constraints, tax reform

Growth and Efficiency Programs Drive Earnings

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



Earnings Growth Enables Increased Participation in Attractive Downstream End Markets

Near-Term Growth Levers

P&SP: Fort Saskatchewan cracker expansion and FCDh pilot plant	Supporting lower-carbon and circular packaging solutions
II&I: Number of alkoxylates and polyurethanes expansions	Serving agriculture, home & consumer, and infrastructure end markets
PM&C: Several coatings and silicones debottlenecks	Targeting mobility, consumer and infrastructure end markets

Efficiency Levers

- **Restructuring**: $300MM full run-rate in 2022
- **Digitalization**: $300MM at full run-rate YE25

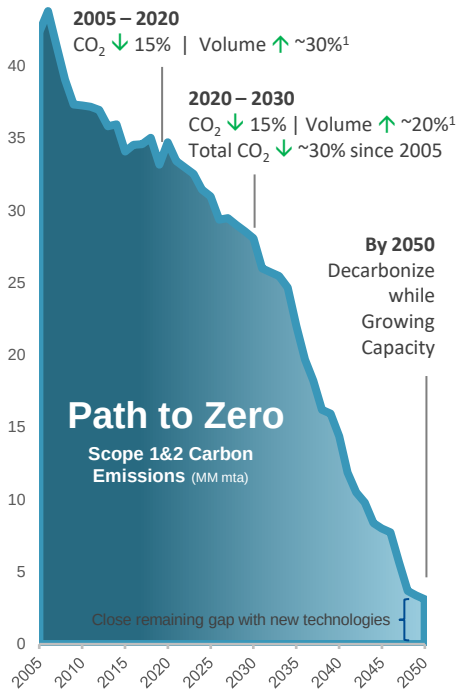


Our higher-return, lower-risk, faster-payback growth and efficiency programs target fast-growing and sustainable end markets

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%*

PROGRESSING TARGETS TO CAPTURE GROWTH & IMPROVE EARNINGS QUALITY

A Clear Path to Decarbonize & Grow



Announced world's 1st **net-zero carbon emissions site** in Alberta

- ▼ >1 MM mta — CO_2 emissions reduced on existing ethylene & derivatives capacity
- ▲ ~2 MM mta — Additional ethylene derivatives capacity at zero-carbon emissions

Collaborated with >150 suppliers to **reduce Dow's scope 3 emissions; adopted 3rd party frameworks** to help drive improvement along the value chain

TOGETHER FOR SUSTAINABILITY
CDP DISCLOSURE INSIGHT ACTION
ecovadis

Advancing Plastics Circularity

Close the loop

Enable 100% Dow products in packaging to be reusable or recyclable by 2035

Six of Dow's largest sites received **ISCC Plus recognition** related to tracking sustainable feedstocks use

ISCC International Sustainability & Carbon Certification

Progressing **strategic partnership with Mura** to scale advanced recycling solutions for plastics; broke ground on new plant with expected startup ~YE2022

MURA TECHNOLOGY

Stop the waste

Enable 1MM MT of plastic to be collected, reused or recycled by 2030

Invested in **Mr. Green Africa** to enable 90kt plastic waste to be recovered & recycled; serves as model to scale to other regions

MR. GREEN AFRICA

Continue to grow our recyclable offerings, doubling sales with **Chinese laundry brand Liby** and increasing our addressable market opportunities



Low-carbon and sustainable products command premium prices and margins, driving long-term, higher-quality growth

1. *Volume growth represents ethylene capacity, excludes JVs*

CONSISTENT STRATEGIC PRIORITIES FOR LONG-TERM VALUE CREATION

DISCIPLINED CAPITAL ALLOCATION	PROFITABLE GROWTH	LOW-COST OPERATING MODEL	BEST-OWNER MINDSET	ESG LEADERSHIP
Prioritize lower-risk, faster-payback projects, capex ≤ D&A over cycle	Maintain and grow leadership positions in key markets	Maintain top-quartile cost structure	Maintain culture of benchmarking	Decarbonize assets to zero-carbon emissions while expanding capacity
Maintain strong credit profile while improving financial flexibility	Advance incremental higher-growth, faster-payback investments	Delivered restructuring program run-rate of ~$300MM	Enhanced transparency and disclosure	Capitalize on growth from high-margin, sustainability-driven applications
Higher ROIC, cash flow & returns to shareholders	Deliver ~$300MM of EBITDA benefit from digitalization	Disciplined execution to deliver projects on-time and on-budget	Evaluate and execute non-core asset transactions	Management incentives aligned with shareholders and ESG goals

Across the economic cycle:

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

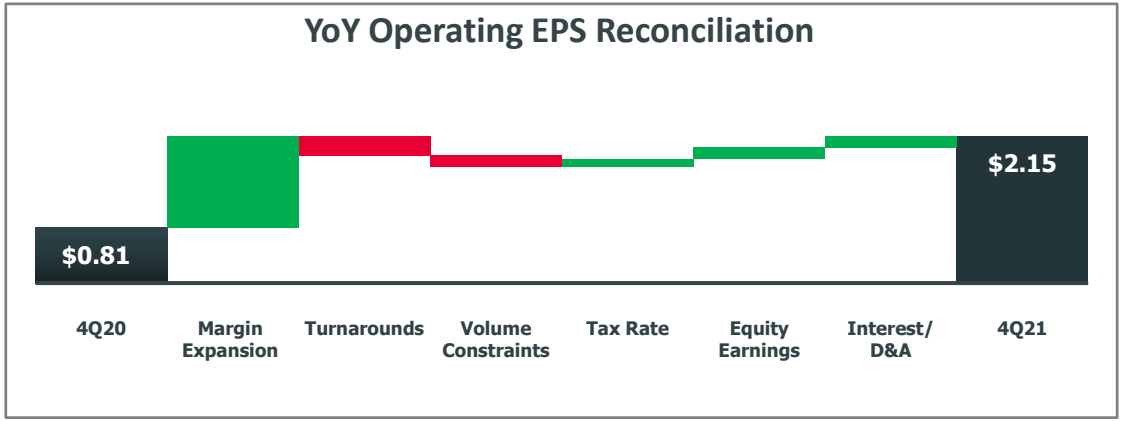


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Appendix

4Q 2021 Financial Highlights



Financial Summary ($ millions, unless otherwise noted)	4Q21	4Q20	YoY B/(W)	3Q21	QoQ B/(W)
Net Sales	$14,364	$10,706	$3,658	$14,837	$(473)
Equity Earnings	$224	$106	$118	$249	$(25)
Net Income – GAAP (Loss)	$1,761	$1,254	$507	$1,706	$55
Operating EBIT	$2,265	$1,054	$1,211	$2,886	$(621)
Op. EBIT Margin (%)	*15.8%*	*9.8%*	*600 bps*	*19.5%*	*(370) bps*
Operating EBITDA	$2,920	$1,780	$1,140	$3,611	$(691)
Earnings per share – GAAP (Loss)	$2.32	$1.65	$0.67	$2.23	$0.09
Operating earnings per share[1]	$2.15	$0.81	$1.34	$2.75	$(0.60)
Cash Provided by Op. Activities – Cont. Ops.	$2,557	$1,656	$901	$2,719	$(162)

Key Drivers in the Quarter YoY

- Price gains in all operating segments, businesses and regions
- Improved margins at Kuwait, Thailand and Sadara joint ventures
- Lower interest expense due to proactive liability management actions
- Lower tax rate on earnings recovery and geographic mix
- Supply and global logistical constraints across key value chains
- Increased turnaround spending and associated volume declines

(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)	4Q 2021			4Q 2020			3Q 2021		
	Sadara	Kuwait JVs	Thai JVs	Sadara	Kuwait JVs	Thai JVs	Sadara	Kuwait JVs	Thai JVs
EBITDA	$142	$206	$54	$137	$152	$28	$186	$187	$54
EBIT	$45	$162	$49	$34	$104	$19	$99	$146	$47
Net Income *Equity Earnings (Losses) to Dow*	**$20**	**$145**	**$41**	**$3**	**$86**	**$15**	**$67**	**$123**	**$41**
EBITDA in Excess of Eq. Earnings	$122	$61	$13	$134	$66	$13	$119	$64	$13
Net Debt	$4,309	$1,480	$268	$4,658	$1,667	$273	$4,512	$1,600	$252

Drivers of JV Performance

- **Sadara:** Margin expansion in key value chains offset by impacts of a planned turnaround in 4Q21
- **Kuwait JVs:** Higher MEG margins; planned turnaround in 3Q21
- **Thai JVs:** Margins for higher-value applications up year on year; planned turnaround in 4Q20

OPERATING EARNINGS PER SHARE (EPS) RECONCILIATION

Significant Items Impacting Results for the Three Months Ended Dec 31, 2021			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 2,118	$ 1,736	$ 2.32
Less: Significant items			
Digitalization program costs	(48)	(38)	(0.05)
Restructuring, implementation costs and asset related charges - net	-	-	-
Net gain on divestitures and asset sale	16	16	0.02
Indemnifications and other transaction related costs	35	35	0.05
Income tax related items	-	111	0.15
Total significant items	$ 3	$ 124	$ 0.17
Operating results (non-GAAP)	$ 2,115	$ 1,612	$ 2.15

Significant Items Impacting Results for the Three Months Ended Dec 31, 2020			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 1,816	$ 1,236	$ 1.65
Less: Significant items			
Integration and separation costs	(65)	(50)	(0.07)
Restructuring, implementation costs and asset related charges - net	1	2	-
Warranty accrual adjustment of exited business	11	8	0.01
Net gain on divestiture and asset sale	497	469	0.63
Litigation related charges, awards and adjustments	538	481	0.65
Indemnification and other transaction related costs	(21)	(21)	(0.03)
Income tax related items	-	(260)	(0.35)
Total significant items	$ 961	$ 629	$ 0.84
Operating results (non-GAAP)	$ 855	$ 607	$ 0.81

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.

OPERATING (EPS) RECONCILIATION (CONTINUED)

Significant Items Impacting Results for the Twelve Months Ended Dec 31, 2021			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 8,145	$ 6,311	$ 8.38
Less: Significant items			
Digitalization program costs	(169)	(132)	(0.17)
Restructuring, implementation costs and asset related charges - net	(68)	(55)	(0.07)
Loss on early extinguishment of debt	(574)	(471)	(0.63)
Net gain on divestitures and asset sale	16	16	0.02
Litigation related charges, awards and adjustments	54	42	0.06
Indemnification and other transaction related costs	30	30	0.04
Income tax related items	-	111	0.15
Total significant items	$ (712)	$ (459)	$ (0.60)
Operating results (non-GAAP)	$ 8,857	$ 6,770	$ 8.98

Significant Items Impacting Results for the Twelve Months Ended Dec 31, 2020			
In millions, except per share amounts (Unaudited)	*Pretax* [1]	*Net Income* [2]	*EPS* [3]
Reported results	$ 2,071	$ 1,225	$ 1.64
Less: Significant items			
Integration and separation costs	(239)	(186)	(0.25)
Restructuring, implementation costs and asset related charges - net	(718)	(578)	(0.79)
Warranty accrual adjustment of exited business	11	8	0.01
Net gain on divestitures and asset sale	717	664	0.89
Litigation related charges, awards and adjustments	544	487	0.66
Loss on early extinguishment of debt	(149)	(122)	(0.16)
Indemnification and other transaction related costs	(21)	(21)	(0.03)
Income tax related items	-	(260)	(0.35)
Total significant items	$ 145	$ (8)	$ (0.02)
Operating results (non-GAAP)	$ 1,926	$ 1,233	$ 1.66

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.

OPERATING (EPS) RECONCILIATION (CONTINUED)

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

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 TO OPERATING EBIT & OPERATING EBITDA

Reconciliation of "Net income" to "Operating EBIT" and "Operating EBITDA"	*Three Months Ended*					*Twelve Months Ended*	
In millions (Unaudited)	*Dec 31, 2020*	*Mar 31, 2021*	*Jun 30, 2021*	*Sep 30, 2021*	*Dec 31, 2021*	*Dec 31, 2021*	*Dec 31, 2020*
Net income	$ 1,254	$ 1,006	$ 1,932	$ 1,706	$ 1,761	$ 6,405	$ 1,294
+ Provision for income taxes	562	317	524	542	357	1,740	777
Income before income taxes	$ 1,816	$ 1,323	$ 2,456	$ 2,248	$ 2,118	$ 8,145	$ 2,071
- Interest income	11	8	13	14	20	55	38
+ Interest expense and amortization of debt discount	210	196	187	178	170	731	827
- Significant items	961	(43)	(198)	(474)	3	(712)	145
Operating EBIT [1]	$ 1,054	$ 1,554	$ 2,828	$ 2,886	$ 2,265	$ 9,533	$ 2,715
+ Depreciation and amortization	726	717	745	725	655	2,842	2,874
Operating EBITDA [2]	$ 1,780	$ 2,271	$ 3,573	$ 3,611	$ 2,920	$ 12,375	$ 5,589
Operating EBITDA - Trailing Twelve Months ("TTM") basis	$ 5,589	$ 6,293	$ 9,109	$ 11,235	$ 12,375		

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 In millions (Unaudited)	*Three Months Ended* *Sep 30, 2021*	*Three Months Ended* *Dec 31, 2021*	*Three Months Ended* *Dec 31, 2020*	*Twelve Months Ended* *Dec 31, 2021*	*Twelve Months Ended* *Dec 31, 2020*
Packaging & Specialty Plastics	$ 7,736	$ 7,189	$ 5,126	$ 28,128	$ 18,301
Industrial Intermediates & Infrastructure	4,481	4,548	3,501	16,851	12,021
Performance Materials & Coatings	2,526	2,558	2,029	9,672	7,951
Corporate	94	69	50	317	269
Total	$ 14,837	$ 14,364	$ 10,706	$ 54,968	$ 38,542

Operating EBIT by Segment In millions (Unaudited)	*Three Months Ended* *Sep 30, 2021*	*Three Months Ended* *Dec 31, 2021*	*Three Months Ended* *Dec 31, 2020*	*Twelve Months Ended* *Dec 31, 2021*	*Twelve Months Ended* *Dec 31, 2020*
Packaging & Specialty Plastics	$ 1,954	$ 1,442	$ 780	$ 6,638	$ 2,325
Industrial Intermediates & Infrastructure	713	595	296	2,282	355
Performance Materials & Coatings	284	295	50	866	314
Corporate	(65)	(67)	(72)	(253)	(279)
Total	$ 2,886	$ 2,265	$ 1,054	$ 9,533	$ 2,715

Equity in Earnings (Losses) of Nonconsolidated Affiliates by Segment In millions (Unaudited)	*Three Months Ended* *Sep 30, 2021*	*Three Months Ended* *Dec 31, 2021*	*Three Months Ended* *Dec 31, 2020*	*Twelve Months Ended* *Dec 31, 2021*	*Twelve Months Ended* *Dec 31, 2020*
Packaging & Specialty Plastics	$ 124	$ 130	$ 77	$ 490	$ 173
Industrial Intermediates & Infrastructure	122	90	36	471	(166)
Performance Materials & Coatings	3	2	2	7	6
Corporate	-	2	(9)	7	(31)
Total	$ 249	$ 224	$ 106	$ 975	$ (18)

SEGMENT INFORMATION (CONTINUED)

Adjusted Operating EBIT by Segment In millions (Unaudited)	Three Months Ended Sep 30, 2021	Three Months Ended Dec 31, 2021	Three Months Ended Dec 31, 2020	Twelve Months Ended Dec 31, 2021	Twelve Months Ended Dec 31, 2020
Packaging & Specialty Plastics	$ 1,830	$ 1,312	$ 703	$ 6,148	$ 2,152
Industrial Intermediates & Infrastructure	591	505	260	1,811	521
Performance Materials & Coatings	281	293	48	859	308
Corporate	(65)	(69)	(63)	(260)	(248)
Total	$ 2,637	$ 2,041	$ 948	$ 8,558	$ 2,733

Operating EBIT Margin by Segment In millions (Unaudited)	Three Months Ended Sep 30, 2021	Three Months Ended Dec 31, 2021	Three Months Ended Dec 31, 2020	Twelve Months Ended Dec 31, 2021	Twelve Months Ended Dec 31, 2020
Packaging & Specialty Plastics	25.3 %	20.1 %	15.2 %	23.6 %	12.7 %
Industrial Intermediates & Infrastructure	15.9 %	13.1 %	8.5 %	13.5 %	3.0 %
Performance Materials & Coatings	11.2 %	11.5 %	2.5 %	9.0 %	3.9 %
Total	19.5 %	15.8 %	9.8 %	17.3 %	7.0 %

Adjusted Operating EBIT Margin by Segment In millions (Unaudited)	Three Months Ended Sep 30, 2021	Three Months Ended Dec 31, 2021	Three Months Ended Dec 31, 2020	Twelve Months Ended Dec 31, 2021	Twelve Months Ended Dec 31, 2020
Packaging & Specialty Plastics	23.7 %	18.3 %	13.7 %	21.9 %	11.8 %
Industrial Intermediates & Infrastructure	13.2 %	11.1 %	7.4 %	10.7 %	4.3 %
Performance Materials & Coatings	11.1 %	11.5 %	2.4 %	8.9 %	3.9 %
Total	17.8 %	14.2 %	8.9 %	15.6 %	7.1 %

CASH CONVERSION AND FREE CASH FLOW RECONCILIATION

Reconciliation of Cash Flow Conversion	*Three Months Ended*				
In millions	*Dec 31, 2020*	*Mar 31, 2021*	*Jun 30, 2021*	*Sep 30, 2021*	*Dec 31, 2021*
Cash provided by (used for) operating activities - continuing operations (GAAP)	$ 1,656	$ (228)	$ 2,021	$ 2,719	$ 2,557
Operating EBITDA (non-GAAP)	$ 1,780	$ 2,271	$ 3,573	$ 3,611	$ 2,920
Cash flow conversion (non-GAAP) [1, 2]	93.0 %	(10.0)%	56.6 %	75.3 %	87.6 %
Cash flow conversion - trailing twelve months ("TTM") (non-GAAP)	111.9 %	76.1 %	57.2 %	54.9 %	57.1 %

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*					*Twelve Months Ended*	
In millions	*Dec 31, 2020*	*Mar 31, 2021*	*Jun 30, 2021*	*Sep 30, 2021*	*Dec 31, 2021*	*Dec 31, 2021*	*Dec 31, 2020*
Cash provided by (used for) operating activities - continuing operations (GAAP)	$ 1,656	$ (228)	$ 2,021	$ 2,719	$ 2,557	$ 7,069	$ 6,252
Capital expenditures	(297)	$ (289)	(333)	(413)	(466)	(1,501)	(1,252)
Free cash flow (non-GAAP) [1, 2]	$ 1,359	$ (517)	$ 1,688	$ 2,306	$ 2,091	$ 5,568	$ 5,000
Free cash flow - trailing twelve months ("TTM") basis (non-GAAP)	$ 5,000	$ 3,642	$ 4,004	$ 4,836	$ 5,568		

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, 2021*	*Dec 31, 2020*
Notes payable	$ 161	$ 156
Long-term debt due within one year	231	460
Long-term debt	14,280	16,491
Gross debt (GAAP)	$ 14,672	$ 17,107
- Cash and cash equivalents	2,988	5,104
- Marketable securities	245	45
Net debt (non-GAAP)	$ 11,439	$ 11,958

SAFE HARBOR & GENERAL COMMENTS

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; 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 failure to achieve in full the anticipated benefits 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) 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 (v) 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.

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.

General Comments

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

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