



2Q 2022 RESULTS

July 21, 2022

2 Q 2022 RESULTS

AGENDA

- Quarterly Results
- Operating Segment Performance
- Outlook
- Advancing “Decarbonize & Grow”

2Q 2022 PERFORMANCE HIGHLIGHTS

- **Team Dow delivered top-line growth, both YoY and QoQ**
- Net sales up 13% YoY, with **gains in all operating segments and regions**
 - Local price increased 16% YoY and 6% QoQ
 - Volume was consistent YoY and down 2% QoQ
- Generated **\$1.9B of cash flow** from operating activities – continuing operations, down \$165 million YoY and up \$244 million QoQ
- Returned **\$1.3B to shareholders**, including \$800MM in share repurchases and \$505MM in dividends
- Redeemed **outstanding notes totaling \$750MM**, reducing annual interest expense by \$27MM; no substantive long-term debt maturities are due until 2027
- Published 2nd annual integrated **ESG Report “INtersections”**, building on an 18-year legacy of transparent and voluntary sustainability reporting
 - One of few in the industry to receive limited assurance against formal standards by our external audit firm

\$15.7B
NET SALES

\$2.4B
OPERATING EBIT

\$1.4B
FREE CASH FLOW

\$1.3B
RETURNED TO
SHAREHOLDERS

2Q 2022 OPERATING SEGMENT PERFORMANCE

Segment	REVENUE (\$MM)	Y-o-Y	Q-o-Q	Op. EBIT (\$MM) & Op. EBIT Margin %	Y-o-Y	Q-o-Q
Packaging & Specialty Plastics		Sales ↑ 16%; Volume ↑ 5%; Price ↑ 14% Price gains in both businesses and all regions; volume growth in energy, infrastructure and packaging applications	Sales ↑ 8%; Volume flat; Price ↑ 9% Price gains in both businesses and all regions; volume gains in functional polymers offset by lower PE due to product mix decisions		Op. EBIT ↓ 29%; Margins ↓ 1090 bps Price gains more than offset by rapidly rising raw material and energy costs; prior year margins elevated due to weather	Op. EBIT ↑ 16%; Margins ↑ 120 bps Improved product mix and integrated margins, despite higher raw material and energy costs primarily in the U.S. & Canada
Ind. Intermediates & Infrastructure		Sales ↑ 4%; Volume ↓ 6%; Price ↑ 14% Price gains in both businesses; volume down on lower supply availability, partly offset by growth in pharma, ag, O&G end-markets	Sales ↓ 3%; Volume ↓ 5%; Price ↑ 3% Price gains in both businesses; volume decline due to planned maintenance activity and third-party outages		Op. EBIT ↓ 34%; Margins ↓ 570 bps Price gains more than offset by increased raw material and energy costs as well as planned maintenance turnaround activity	Op. EBIT ↓ 36%; Margins ↓ 490 bps Results primarily due to higher raw material and energy costs and increased planned maintenance turnaround activity
Perf. Materials & Coatings		Sales ↑ 22%; Volume ↓ 3%; Price ↑ 28% Price gains in both businesses and all regions; volume decline primarily due to impact of pandemic-related lockdowns in China	Sales ↓ 2%; Volume ↓ 1%; Price ↑ 1% Strong consumer demand in the U.S. & Canada more than offset by local currency impacts and lower volumes in other regions		Op. EBIT ↑ 149%; Margins ↑ 960 bps Results primarily due to price gains for both silicones and coatings applications, as well as improved supply in monomers	Op. EBIT ↓ 6%; Margins ↓ 80 bps Lower siloxane prices in EMEA and APAC partly offset by margin expansion in Coatings & Performance Monomers



3Q22 MODELING GUIDANCE

Navigating Near-Term Supply Imbalances

Net Sales	~\$14.3 – \$14.8B	Depreciation & Amortization	~\$700MM
Quarterly Operational Tax Rate	~20 – 24%	Net Interest Expense (Net of Int. Income)	~\$125MM
Net Income Attrib. to Non-Controlling Int.	~\$25MM	Average Share Count	~720MM

	Top-Line Ranges (3Q22 vs. 2Q22)		Base Case Op. EBIT Drivers (3Q22 vs. 2Q22)
	Low	High	
	Sales % Δ QoQ		
Packaging & Specialty Plastics	-8%	-5%	<ul style="list-style-type: none"> Continued end-market demand for food packaging and consumables, plus increased consumer travel Higher European energy costs; near-term regional supply imbalances (~\$125MM headwind) Continuation of turnaround season with cracker planned maintenance in Texas, Argentina and Canada (~\$75MM headwind)
Industrial Intermediates & Infrastructure	-5%	-3%	<ul style="list-style-type: none"> Resilient industrial activity and infrastructure spending; Inflation impacting demand for consumer durables Higher energy costs in Europe; propylene oxide supply recovery in China impacting near-term margins (~\$125MM headwind) Large turnaround completed in Stade; additional activity at Seadrift EO and Germany EDC/VCM (~\$25MM tailwind)
Performance Materials & Coatings	-8%	-5%	<ul style="list-style-type: none"> Sustained consumer spending on home and personal care applications and continuing seasonal construction activity Increased industry siloxane supply in China; higher energy costs in Europe (\$200MM headwind) Completion of planned maintenance in monomers offset by siloxane turnaround in Europe
Corporate	Sales of ~\$50MM		Op. EBIT of \$(75)MM and Op. EBITDA of \$(65)MM



FY 2022 MODELING CONSIDERATIONS & LATEST UPDATES [*POSITIVE* / *NEGATIVE*]

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	~\$525MM
D&A	~\$2.9B
Net Income Attrib. to Non-Controlling Int.	~\$100MM (reduction to reported Net Income)
Year-End Share Count	~700MM
Op. Tax Rate	20% – 24%

Cash Flow Considerations in 2022

Dividends from Equity Companies	~\$900MM (up ~\$600MM YoY)
Pension	~\$250MM (~\$1B lower YoY)
Liability Management	Executed \$750MM make whole call in 2Q22
CapEx	~\$2.1B
2020 Restructuring Program	~\$175MM cash outflow (~\$75MM lower YoY)
Digital Initiative	~\$250MM cash outflow (~\$100MM higher YoY)

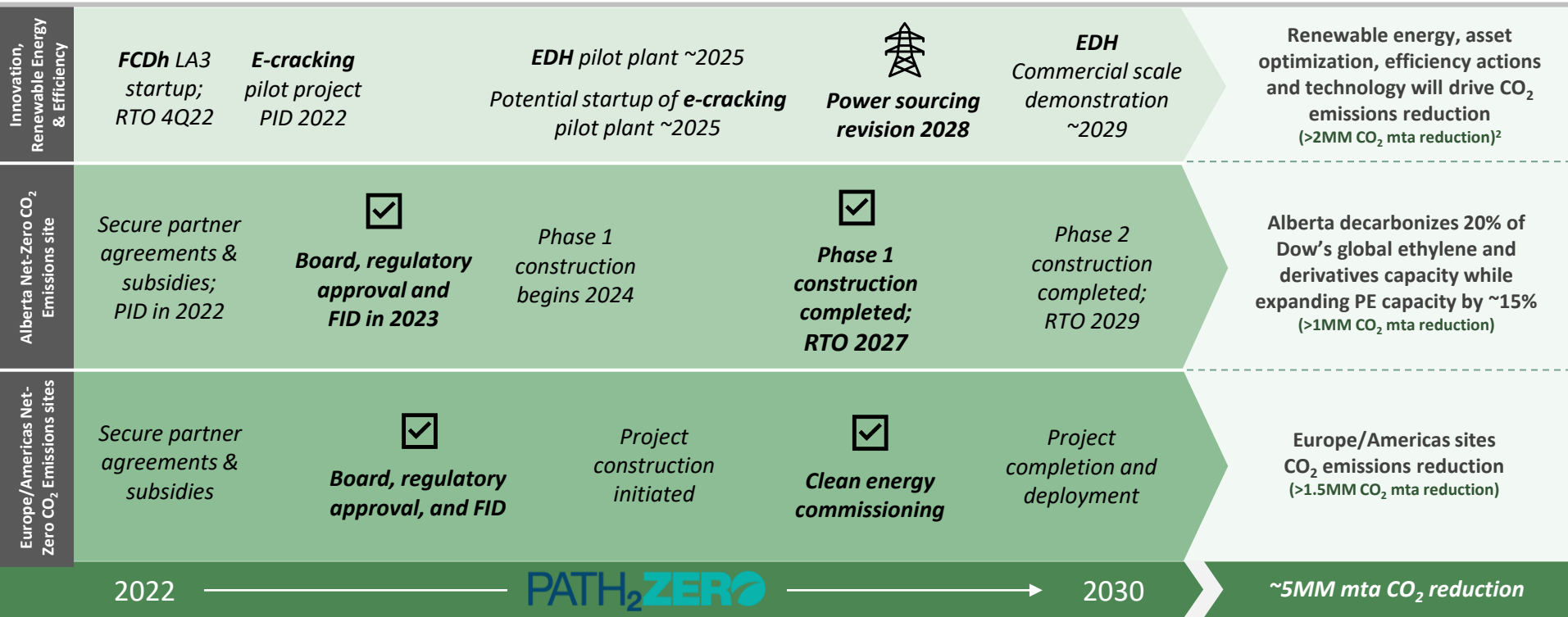
Year-Over-Year Market Drivers

Favorable	Elevated oil price and oil-gas spreads, higher operating rates and customer service levels, and infrastructure spending
What We are Watching	Inflationary pressures on raw materials, supply chain constraints, foreign exchange impact, consumer confidence, COVID lockdowns, geopolitical dynamics



ADVANCING OUR 2030 DECARBONIZE & GROW ROADMAP

Expect to grow capacity and underlying earnings by >\$3B/year while reducing CO₂ emissions by ~30%¹



(1) Using 2005 as a baseline.
 (2) The target presented expected to be achieved by projects currently in progress.

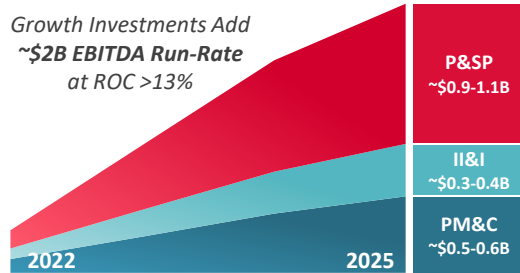
PID: Preliminary Investment Decision
 FID: Final Investment Decision
 RTO: Return to Operations



PROGRESSING ON OUR PATH TO GROW UNDERLYING EARNINGS

Ramping Higher-Return, Faster-Payback Investments

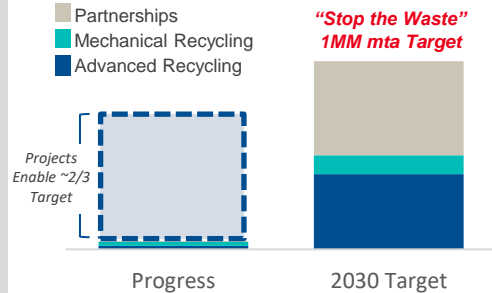
Growth Investments Add
~\$2B EBITDA Run-Rate
at ROC >13%



2022 Run-Rate Growth EBITDA ~\$300MM

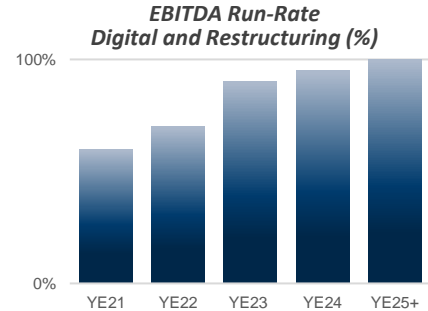
- **Packaging & Specialty Plastics** (\$100-125MM)
 - FCDH on-track for 4Q22 RTO
- **Ind. Intermediates & Infrastructure** (\$75-100MM)
 - Alkoxylation investment in start-up
- **Perf. Materials & Coatings** (\$75-100MM)
 - Multiple debottlenecks across global footprint

Accelerating Circularity Capability



- Global pipeline of >20 strategic partnerships
- Expanding collaboration with Mura Technology to build advanced recycling facilities
 - Expect to add up to 600kta plastic waste recycling capacity by 2030 in U.S. & Europe
 - New circular polymer will serve fast-growing brand-owner demand across market verticals
- Adding mechanical recycling capability through collaboration with Valoregen in France

Delivering on Efficiency Levers



- Expect to deliver \$600MM through efficiency levers by YE25
- 2022 run-rate EBITDA of ~\$50-100MM
- Achieved full run-rate of 2020 Restructuring program as of YE21
- Benefits from Digital investments on-track by YE25, including digital planning, shipment tracking, and inventory management

Growth and efficiency to deliver additional \$300-400MM run-rate EBITDA in 2022

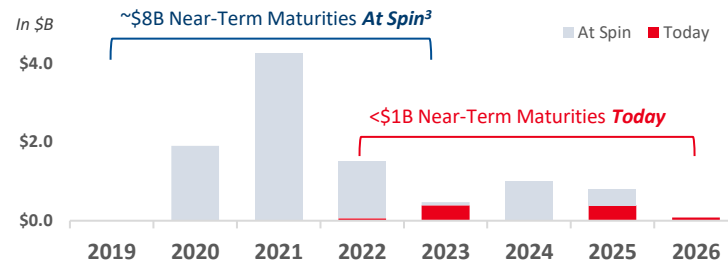


DISCIPLINED EXECUTION ENABLES RESILIENCY ACROSS DYNAMIC ENVIRONMENTS

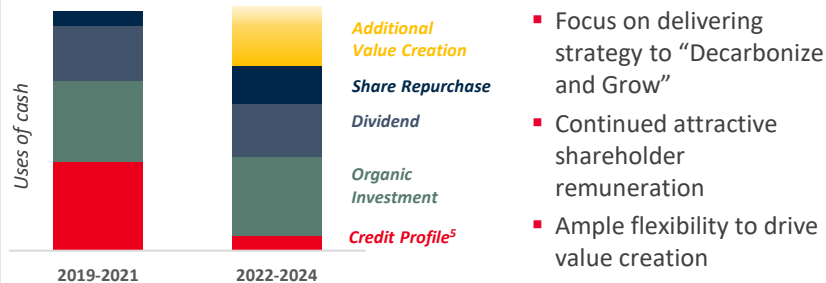
Enhanced Financial Performance and Capital Structure

	Key Metrics	At Spin	2Q22
EARNINGS/ CASH FLOW	EBITDA (3-Year Avg.) ¹	\$8.2B	\$9.3B
	Free Cash Flow (3-Year Cumulative) ¹	\$5.6B	\$15.9B
	Free Cash Flow (TTM)	\$1.5B	\$7.1B
	Free Cash Flow Yield (TTM)	4%	19%
CAPITAL STRUCTURE	Available Liquidity	\$10.6B	\$12.2B
	Gross Debt	\$19.8B	\$13.7B
	Underfunded Pension	~\$8B	~\$3B ²
	Diluted Shares Outstanding	752MM ³	724MM
	RA Adj. Leverage (3-Year Avg.) ⁴	~3.6x	~2.5x
	Targeted RA Adj. Leverage	2.5 – 3.0x	2.0 – 2.5x
	Credit Ratings (Moody's/Fitch/S&P)	Baa2 (Stable) BBB+ (Stable) BBB (Stable)	Baa1 (Stable) BBB+ (Positive) BBB (Positive)

Near-Term Debt Maturities Reduced by ~\$7B



Increased Flexibility and Optionality



Continued commitment to our balanced and disciplined playbook

1) At Spin: 2017-2019; 2Q22: 2Q20-2Q22 TTM's
2) Estimated as of 6/30/2022
3) As of April 5, 2019

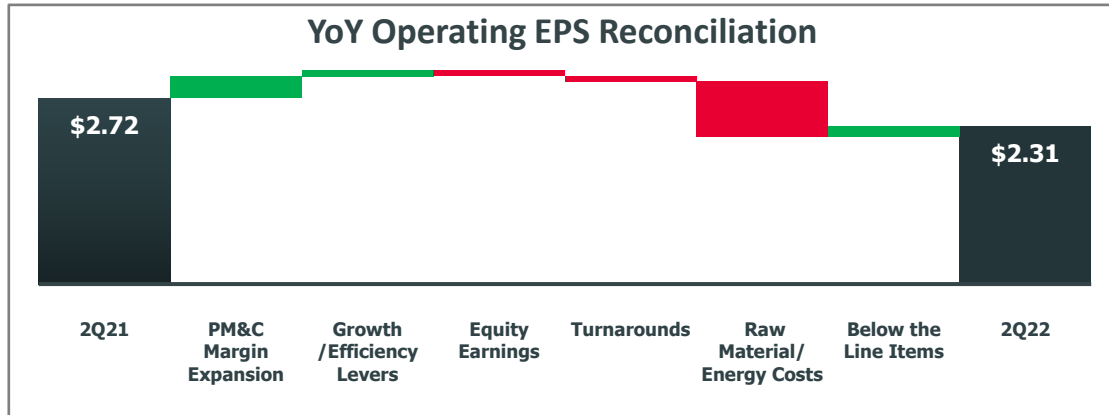


4) Based on latest reported data from Moody's; At Spin: 2017-2019; 2Q22: 2020,2021, 1Q22 TTM
5) Credit profile includes repayment of financial instruments, voluntary pension contributions and interest cost on financial instruments

The background of the slide is a photograph of blue water with white foam from waves. A large, solid red diamond shape is overlaid on the water, pointing to the left and right. The word "APPENDIX" is written in white, uppercase letters across the center of this red diamond.

APPENDIX

2Q 2022 FINANCIAL HIGHLIGHTS



Financial Summary (\$ millions, unless otherwise noted)	2Q22	2Q21	YoY B/(W)	1Q22	QoQ B/(W)
Net Sales	\$15,664	\$13,885	\$1,779	\$15,264	\$400
Equity Earnings	\$195	\$278	\$(83)	\$174	\$21
Net Income – GAAP	\$1,681	\$1,932	\$(251)	\$1,552	\$129
Operating EBIT	\$2,375	\$2,828	\$(453)	\$2,419	\$(44)
<i>Op. EBIT Margin (%)</i>	15.2%	20.4%	(520) bps	15.9%	(70) bps
Operating EBITDA	\$3,059	\$3,573	\$(514)	\$3,171	\$(112)
Earnings per share – GAAP	\$2.26	\$2.51	\$(0.25)	\$2.11	\$0.15
Operating earnings per share ¹	\$2.31	\$2.72	\$(0.41)	\$2.34	\$(0.03)
Cash Provided by Op. Activities – Cont. Ops.	\$1,856	\$2,021	\$(165)	\$1,612	\$244

Key Drivers in the Quarter YoY

- Margin expansion due to pricing gains for silicones and coatings applications
- Growth and efficiency levers improving underlying earnings
- Lower D&A expense, share count and interest expense
- Decreased equity earnings due to pandemic-related lockdowns in China
- Turnaround expense up due to increased planned maintenance activity
- Inflationary pressures on raw material and energy costs impacting margins

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



PRINCIPAL JOINT VENTURE DETAIL

Dow's Proportional Share of Principal JV Financial Results									
	2Q 2022			2Q 2021			1Q 2022		
	Sadara	Kuwait JVs	Thai JVs	Sadara	Kuwait JVs	Thai JVs	Sadara	Kuwait JVs	Thai JVs
<i>\$ millions (unaudited)</i>									
EBITDA	\$156	\$178	\$41	\$208	\$207	\$87	\$119	\$192	\$35
EBIT	\$64	\$136	\$36	\$92	\$166	\$81	\$29	\$150	\$29
Net Income <i>Equity Earnings to Dow</i>	\$28	\$113	\$29	\$56	\$133	\$75	\$2	\$122	\$23
EBITDA in Excess of Eq. Earnings	\$128	\$65	\$12	\$152	\$74	\$12	\$117	\$70	\$12
Net Debt	\$4,198	\$1,876	\$271	\$4,565	\$1,728	\$279	\$4,198	\$1,889	\$276

Drivers of JV Performance

- **All YoY and QoQ:** Impacted by pandemic-related lockdowns in China; higher raw material costs
- **Sadara:** QoQ price strength in packaging and industrial solvents
- **Kuwait JVs:** YoY and QoQ lower MEG pricing
- **Thai JVs:** QoQ higher ethylene and propylene derivative pricing



OPERATING EARNINGS PER SHARE (EPS) RECONCILIATION

Significant Items Impacting Results for the Three Months Ended Jun 30, 2022			
In millions, except per share amounts (Unaudited)	<i>Pretax</i> ¹	<i>Net Income</i> ²	<i>EPS</i> ³
Reported results	\$ 2,169	\$ 1,661	\$ 2.26
Less: Significant items			
Digitalization program costs	(51)	(40)	(0.05)
Restructuring, implementation costs and asset related charges - net	(10)	(8)	(0.01)
Loss on early extinguishment of debt	(8)	(6)	(0.01)
Indemnification and other transaction related costs	(8)	(8)	(0.01)
Income tax related items	-	25	0.03
Total significant items	\$ (77)	\$ (37)	\$ (0.05)
Operating results (non-GAAP)	\$ 2,246	\$ 1,698	\$ 2.31

Significant Items Impacting Results for the Three Months Ended Jun 30, 2021			
In millions, except per share amounts (Unaudited)	<i>Pretax</i> ¹	<i>Net Income</i> ²	<i>EPS</i> 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.



OPERATING (EPS) RECONCILIATION (CONTINUED)

Significant Items Impacting Results for the Six Months Ended Jun 30, 2022			
In millions, except per share amounts (Unaudited)	<i>Pretax</i> ¹	<i>Net Income</i> ²	<i>EPS</i> ³
Reported results	\$ 4,224	\$ 3,230	\$ 4.37
Less: Significant items			
Digitalization program costs	(92)	(72)	(0.09)
Restructuring, implementation costs and asset related charges - net	(20)	(16)	(0.02)
Russia / Ukraine conflict charges	(186)	(142)	(0.19)
Loss on early extinguishment of debt	(8)	(6)	(0.01)
Indemnification and other transaction related costs	4	4	-
Income tax related items	-	25	0.03
Total significant items	\$ (302)	\$ (207)	\$ (0.28)
Operating results (non-GAAP)	\$ 4,526	\$ 3,437	\$ 4.65

Significant Items Impacting Results for the Six Months Ended Jun 30, 2021			
In millions, except per share amounts (Unaudited)	<i>Pretax</i> ¹	<i>Net Income</i> ²	<i>EPS</i> 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

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 Mar 31, 2022			
In millions, except per share amounts (Unaudited)	<i>Pretax</i> ¹	<i>Net Income</i> ²	<i>EPS</i> ³
Reported results	\$ 2,055	\$ 1,569	\$ 2.11
Less: Significant items			
Digitalization program costs	(41)	(32)	(0.04)
Restructuring, implementation costs and asset related charges - net	(10)	(8)	(0.01)
Russia / Ukraine conflict charges	(186)	(142)	(0.19)
Indemnification and other transaction related costs	12	12	0.01
Total significant items	\$ (225)	\$ (170)	\$ (0.23)
Operating results (non-GAAP)	\$ 2,280	\$ 1,739	\$ 2.34

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 (loss)" to "Operating EBIT" and "Operating EBITDA"	Three Months Ended						Six Months Ended	
	Jun 30, 2020	Jun 30, 2021	Sep 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022	Jun 30, 2022	Jun 30, 2021
In millions (Unaudited)								
Net income (loss)	\$ (217)	\$ 1,932	\$ 1,706	\$ 1,761	\$ 1,552	\$ 1,681	\$ 3,233	\$ 2,938
+ Provision for income taxes	34	524	542	357	503	488	991	841
Income before income taxes	\$ (183)	\$ 2,456	\$ 2,248	\$ 2,118	\$ 2,055	\$ 2,169	\$ 4,224	\$ 3,779
- Interest income	6	13	14	20	28	36	64	21
+ Interest expense and amortization of debt discount	200	187	178	170	167	165	332	383
- Significant items	(46)	(198)	(474)	3	(225)	(77)	(302)	(241)
Operating EBIT ¹	\$ 57	\$ 2,828	\$ 2,886	\$ 2,265	\$ 2,419	\$ 2,375	\$ 4,794	\$ 4,382
+ Depreciation and amortization	700	745	725	655	752	684	1,436	1,462
Operating EBITDA ²	\$ 757	\$ 3,573	\$ 3,611	\$ 2,920	\$ 3,171	\$ 3,059	\$ 6,230	\$ 5,844
Operating EBITDA - trailing twelve months ("TTM") basis	\$ 5,926	\$ 9,109	\$ 11,235	\$ 12,375	\$ 13,275	\$ 12,761		

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.



RECONCILIATION OF "INCOME (LOSS) FROM CONTINUING OPERATIONS, NET OF TAX" TO "PRO FORMA OPERATING EBIT" AND "PRO FORMA OPERATING EBITDA"

Reconciliation of "Income (Loss) from Continuing Operations, net of tax" to "Pro Forma Operating EBIT" and "Pro Forma Operating EBITDA"	Twelve Months Ended		
	Dec 31, 2017	Dec 31, 2018	Dec 31, 2019
In millions (Unaudited)			
Income (Loss) from continuing operations, net of tax	\$ (1,287)	\$ 2,940	\$ (1,717)
+ Provision for income taxes on continuing operations	1,524	809	470
Income (Loss) from continuing operations before income taxes	\$ 237	\$ 3,749	\$ (1,247)
- Interest income	66	82	81
+ Interest expense and amortization of debt discount	914	1,063	933
+ Pro forma adjustments	1,120	180	65
- Significant items	(3,372)	(1,326)	(4,682)
Pro forma Operating EBIT ¹	\$ 5,577	\$ 6,236	\$ 4,352
+ Pro forma depreciation and amortization	2,684	2,909	2,938
Pro forma Operating EBITDA ²	\$ 8,261	\$ 9,145	\$ 7,290

1. Pro forma Operating EBIT is defined as earnings (i.e., "Income (Loss) from continuing operations before income taxes") before interest, plus pro forma adjustments, excluding the impact of significant items.

2. Pro forma Operating EBITDA is defined as earnings (i.e., "Income (Loss) from continuing operations before income taxes") before interest, depreciation and amortization, plus pro forma adjustments, excluding the impact of significant items.

SEGMENT INFORMATION

Net Sales by Segment	Three Months Ended Mar 31, 2022	Three Months Ended		Six Months Ended	
		Jun 30, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021
In millions (Unaudited)					
Packaging & Specialty Plastics	\$ 7,627	\$ 8,233	\$ 7,121	\$ 15,860	\$ 13,203
Industrial Intermediates & Infrastructure	4,524	4,370	4,215	8,894	7,822
Performance Materials & Coatings	3,049	3,003	2,465	6,052	4,588
Corporate	64	58	84	122	154
Total	\$ 15,264	\$ 15,664	\$ 13,885	\$ 30,928	\$ 25,767

Operating EBIT by Segment	Three Months Ended Mar 31, 2022	Three Months Ended		Six Months Ended	
		Jun 30, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021
In millions (Unaudited)					
Packaging & Specialty Plastics	\$ 1,234	\$ 1,436	\$ 2,014	\$ 2,670	\$ 3,242
Industrial Intermediates & Infrastructure	661	426	648	1,087	974
Performance Materials & Coatings	595	561	225	1,156	287
Corporate	(71)	(48)	(59)	(119)	(121)
Total	\$ 2,419	\$ 2,375	\$ 2,828	\$ 4,794	\$ 4,382

Equity in Earnings (Losses) of Nonconsolidated Affiliates by Segment	Three Months Ended Mar 31, 2022	Three Months Ended		Six Months Ended	
		Jun 30, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021
In millions (Unaudited)					
Packaging & Specialty Plastics	\$ 110	\$ 138	\$ 130	\$ 248	\$ 236
Industrial Intermediates & Infrastructure	62	57	144	119	259
Performance Materials & Coatings	3	2	-	5	2
Corporate	(1)	(2)	4	(3)	5
Total	\$ 174	\$ 195	\$ 278	\$ 369	\$ 502



SEGMENT INFORMATION (CONTINUED)

Adjusted Operating EBIT by Segment In millions (Unaudited)	Three Months Ended Mar 31, 2022	Three Months Ended		Six Months Ended	
		Jun 30, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021
Packaging & Specialty Plastics	\$ 1,124	\$ 1,298	\$ 1,884	\$ 2,422	\$ 3,006
Industrial Intermediates & Infrastructure	599	369	504	968	715
Performance Materials & Coatings	592	559	225	1,151	285
Corporate	(70)	(46)	(63)	(116)	(126)
Total	\$ 2,245	\$ 2,180	\$ 2,550	\$ 4,425	\$ 3,880

Operating EBIT Margin by Segment In millions (Unaudited)	Three Months Ended Mar 31, 2022	Three Months Ended		Six Months Ended	
		Jun 30, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021
Packaging & Specialty Plastics	16.2 %	17.4 %	28.3 %	16.8 %	24.6 %
Industrial Intermediates & Infrastructure	14.6 %	9.7 %	15.4 %	12.2 %	12.5 %
Performance Materials & Coatings	19.5 %	18.7 %	9.1 %	19.1 %	6.3 %
Total	15.9 %	15.2 %	20.4 %	15.5 %	17.0 %

Adjusted Operating EBIT Margin by Segment In millions (Unaudited)	Three Months Ended Mar 31, 2022	Three Months Ended		Six Months Ended	
		Jun 30, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021
Packaging & Specialty Plastics	14.7 %	15.8 %	26.5 %	15.3 %	22.8 %
Industrial Intermediates & Infrastructure	13.2 %	8.4 %	12.0 %	10.9 %	9.1 %
Performance Materials & Coatings	19.4 %	18.6 %	9.1 %	19.0 %	6.2 %
Total	14.7 %	13.9 %	18.4 %	14.3 %	15.1 %



CASH CONVERSION AND FREE CASH FLOW RECONCILIATION

Reconciliation of Cash Flow Conversion	Three Months Ended					
	Mar 31, 2019	Jun 30, 2021	Sep 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022
In millions (Unaudited)						
Cash provided by operating activities - continuing operations (GAAP)	\$ 1,043	\$ 2,021	\$ 2,719	\$ 2,557	\$ 1,612	\$ 1,856
Operating EBITDA (non-GAAP)	\$ 1,886	\$ 3,573	\$ 3,611	\$ 2,920	\$ 3,171	\$ 3,059
Cash Flow Conversion (non-GAAP) ¹	55.3 %	56.6 %	75.3 %	87.6 %	50.8 %	60.7 %
Cash Flow Conversion - trailing twelve months ("TTM") basis (non-GAAP)	41.9 %	57.2 %	54.9 %	57.1 %	67.1 %	68.5 %

1. Cash Flow Conversion is defined as "Cash provided by operating activities - continuing operations" divided by Operating EBITDA.

Reconciliation of Free Cash Flow	Three Months Ended						Six Months Ended		
	Mar 31, 2019	Jun 30, 2020	Jun 30, 2021	Sep 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022	Jun 30, 2022	Jun 30, 2021
In millions (Unaudited)									
Cash provided by (used for) operating activities - continuing operations (GAAP)	\$ 1,043	\$ 1,599	\$ 2,021	\$ 2,719	\$ 2,557	\$ 1,612	\$ 1,856	\$ 3,468	\$ 1,793
Capital expenditures	(442)	(273)	(333)	(413)	(466)	(315)	(457)	(772)	(622)
Free Cash Flow (non-GAAP) ¹	\$ 601	\$ 1,326	\$ 1,688	\$ 2,306	\$ 2,091	\$ 1,297	\$ 1,399	\$ 2,696	\$ 1,171
Free Cash Flow - trailing twelve months ("TTM") basis (non-GAAP)	\$ 1,453	\$ 4,828	\$ 4,004	\$ 4,836	\$ 5,568	\$ 7,382	\$ 7,093		
End of period market capitalization ²	\$ 38,580	\$ 30,208	\$ 47,192	\$ 42,572	\$ 41,701	\$ 46,395	\$ 37,065		
Free Cash Flow Yield (non-GAAP) ³	3.8%	16.0%	8.5%	11.4%	13.4%	15.9%	19.1%		

1. Free Cash Flow is defined as "Cash provided by 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. Calculated as the period-end share price of Dow Inc. times the period-end shares outstanding of Dow Inc.

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



FREE CASH FLOW RECONCILIATION (CONTINUED)

Reconciliation of Free Cash Flow	Twelve Months Ended		
	Dec 31, 2017	Dec 31, 2018	Dec 31, 2019
In millions (Unaudited)			
Cash provided by (used for) operating activities - continuing operations (GAAP)	\$ (6,443)	\$ 3,096	\$ 5,713
Impact of ASU 2016-15 and additional interpretive guidance	9,462	657	-
Cash flows from operating activities - continuing operations - excluding impact of ASU 2016-15 (non-GAAP) ¹	\$ 3,019	\$ 3,753	\$ 5,713
Capital expenditures	(2,807)	(2,091)	(1,961)
Free Cash Flow (non-GAAP) ²	\$ 212	\$ 1,662	\$ 3,752

1. Dow calculates cash flows from operating activities - excluding the impact of ASU 2016-15 as cash provided by (used for) operating activities - continuing operations, excluding the impact of Accounting Standards Update ("ASU") 2016-15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments" and related interpretive guidance. Management believes this non-GAAP financial measure is relevant and meaningful as it presents cash flows from operating activities inclusive of all trade accounts receivable collection activity, which Dow utilizes in support of its operating activities.

2. Free Cash Flow is defined as "Cash flows from operating activities - continuing operations - excluding impact of ASU 2016-15" less capital expenditures. Under this definition, free cash flow represents the cash generated by Dow 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 Dow's financial planning process.



RECONCILIATION OF OPERATING RETURN ON CAPITAL (ROC)

Reconciliation of Operating Return on Capital (ROC)	Three Months Ended	
	Jun 30, 2022	Jun 30, 2021
In millions (Unaudited)		
Net income	\$ 1,661	\$ 1,901
- Significant items, after tax	(37)	(160)
Operating Net Income (non-GAAP)	\$ 1,698	\$ 2,061
Net income attributable to noncontrolling interests	\$ 20	\$ 31
Gross interest expense	181	202
Imputed interest expense - operating leases	14	17
Tax on gross interest expense	(45)	(52)
Operating Net Operating Profit After Tax (non-GAAP)	\$ 1,868	\$ 2,259
Operating Net Operating Profit After Tax - trailing twelve months ("TTM") basis (non-GAAP)	\$ 7,833	\$ 4,804
Average Total Capital (non-GAAP)	\$ 34,462	\$ 32,679
Operating Return on Capital - trailing twelve months ("TTM") basis (non-GAAP) ¹	22.7 %	14.7 %

1. Operating ROC is defined as net operating profit after tax (excluding significant items) divided by total average capital, also referred to as ROIC. Operating ROC measures how effectively a company has utilized the money invested in its operations.

RECONCILIATION OF NET DEBT

Reconciliation of Net Debt		
In millions (Unaudited)	<i>Jun 30, 2022</i>	<i>Dec 31, 2021</i>
Notes payable	\$ 295	\$ 161
Long-term debt due within one year	361	231
Long-term debt	13,065	14,280
Gross debt (GAAP)	\$ 13,721	\$ 14,672
- Cash and cash equivalents	2,367	2,988
- Marketable securities	169	245
Net Debt (non-GAAP)	\$ 11,185	\$ 11,439



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; any sanction, export restrictions, supply chain disruptions or increased economic uncertainty related to the ongoing conflict between Russia and Ukraine; 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 including the ongoing conflict between Russia and Ukraine; weather events and natural disasters; disruptions in Dow’s information technology networks and systems; and risks related to Dow’s separation from DowDuPont Inc. such as Dow’s obligation to indemnify DuPont de Nemours, Inc. and/or Corteva, Inc. 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, 2021 and the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2022. 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 and TDCC assume 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.

Trademarks

The Dow Diamond, logo and all products, unless otherwise noted, denoted with TM, SM or [®] are trademarks, service marks or registered trademarks of The Dow Chemical Company or its respective subsidiaries or affiliates. Solely for convenience, the trademarks, service marks and trade names referred to in this communication may appear without the TM, SM or [®] symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, service marks and trade names. This presentation may also contain trademarks, service marks and trade names of certain third parties, which are the property of their respective owners. Our use or display of third parties' trademarks, service marks, trade names or products in this communication is not intended to, and should not be read to, imply a relationship with or endorsement or sponsorship of us.

Definitions

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

Pro Forma Operating EBIT is defined as earnings (i.e., "Income (Loss) from continuing operations before income taxes") before interest, plus pro forma adjustments, excluding the impact of significant items.

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

Pro Forma Operating EBITDA is defined as earnings (i.e., "Income (Loss) from continuing operations before income taxes") before interest, depreciation and amortization, plus pro forma adjustments, excluding the impact of significant items.

Operating EBIT Margin is defined as Operating EBIT as a percentage of 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.

Cash flows from operating activities - continuing operations, excluding the impact of Accounting Standards Update 2016 15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments" ("ASU 2016-15"), is defined as cash provided by (used in) operating activities - continuing operations, excluding the impact of ASU 2016-15 and related interpretive guidance. Management believes this non-GAAP financial measure is relevant and meaningful as it presents cash flows from operating activities inclusive of all trade accounts receivable collection activity, which Dow utilizes in support of its operating activities.

Free Cash Flow is defined as "Cash flows from operating activities - continuing operations - excluding impact of ASU 2016-15" less capital expenditures. Under this definition, free cash flow represents the cash generated by Dow 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 Dow'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.

Operating Net Income is defined as net income, excluding the after-tax impact of significant items.

Operating Return on Capital (ROC) is defined as net operating profit after tax, excluding the impact of significant items, divided by total average capital, also referred to as ROIC. Net operating profit after tax (excluding significant items) is a net income measure the Company uses in presentations to investors that excludes net income attributable to noncontrolling interests, and interest expense, exclusive of the significant items.

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).

