



2013
Sustainability



Breakthrough to World Challenges

FILMTEC™ ECO Reverse Osmosis Elements

A Dow Breakthrough Reverse Osmosis Technology For One Of
The World's Greatest Challenges: Water Scarcity





Dow Names Breakthrough to Global Water Challenge

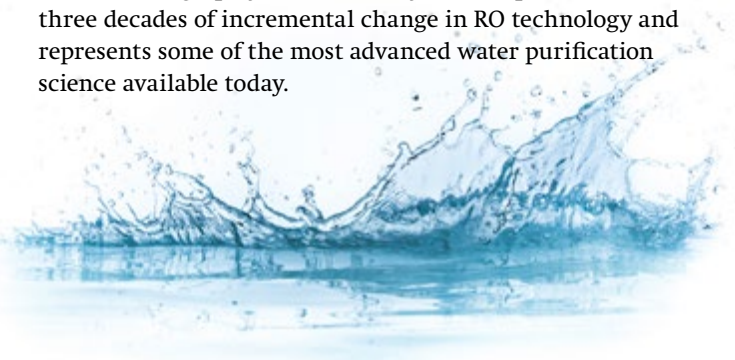
Water covers two-thirds of the earth's surface, yet fresh water is a scarce and limited resource. With just one planet and a growing population, Dow is committed to minimizing its own footprint and to delivering solutions that help customers and society do the same. As part of the Company's 2015 Sustainability Goals, Dow has set targets to introduce three "breakthroughs to world challenges."

Global water demand is expected to continue to grow exponentially by 2030, greatly outpacing supply. While consumers might experience limitations to household water consumption as a result of drought conditions, they may have less visibility to significant opportunities for water efficiency in the production of the goods and services they use every day. For example, it takes 2,867 gallons of water to make just one pair of jeans, or 39,090 gallons of water to manufacture a new car.

With large-scale, positive sustainability impact, the Company named DOW FILMTEC™ ECO Reverse Osmosis (RO) Elements as its second breakthrough technology. Fighting global water scarcity by helping to deliver 40 percent better purification with 30 percent less energy, this innovative solution has the potential to impact millions of lives by revolutionizing water treatment.

"As this new Dow technology is fully adopted, we anticipate it will deliver trillions of metric tons of clean water, billions of kilowatt-hours (kWh) of energy savings, and reduce carbon dioxide (CO₂) emissions by more than a million metric tons in its first 10 years of use alone," said Neil Hawkins, corporate vice president of Sustainability at Dow. "This innovation will help deliver a more sustainable water supply to the world, addressing global water scarcity in a very tangible way."

Dow is uniquely positioned to help solve this global challenge, as its solutions are already processing more than 15 million gallons of water per minute around the world. With this market understanding, Dow scientists developed a breakthrough polymer chemistry that surpasses the last three decades of incremental change in RO technology and represents some of the most advanced water purification science available today.



Combining the power of science and technology to passionately innovate what is essential to human progress.

The Dow Chemical Company

2013 Global Reporting Initiative (GRI) Report

Including: UN Global Compact – Communication on Progress

Dow attains an externally verified comprehensive application level

Dow is fully committed to transparency and accountability in achieving its Sustainability Goals. Transparent, in-depth reporting assures that the public, as well as the entire Dow enterprise, is aware of the Company's goals and priorities. This is one of the reasons this report has been prepared in accordance with the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines. The report corresponds to the "Comprehensive" level in the G4 Sustainability Reporting Guidelines, which means that this report covers all the General Standard Disclosures of the G4 Sustainability Reporting Guidelines and all the Sustainability Aspects we have identified as material to the Company.

For this report, a "Materiality Matters" check was conducted by GRI. This check confirms that, in the Company's opinion, the most critical disclosures in the report based on the GRI G4 Sustainability Reporting Guidelines are correctly located at both the GRI Content Index as well as in the final report.



Finding what is of interest to you.

Following this page is a high-level table of contents that outlines the color-coded organizational structure of the report.

Summary of 2013: This eight-page summary is a convenient way to learn more about Dow and its commitment to sustainability. Download this PDF for a quick read on what happened at the Company in 2013. Please consider the environment and only print the pages that you will need offline.

Detailed GRI Index: At the end of this report is a detailed index in GRI G4 nomenclature with hyperlinks by item that will help you navigate to your topic of interest.

Embedded Links: Relevant detail about various topics can be found using links throughout the report.

About Our Cover:



The water pictured on the cover of this year's report is to recognize Dow's second announced product in our Breakthroughs to World Challenges 2015 Sustainability Goal: FILMTEC™ ECO RO Elements from Dow Water & Process Solutions. Read more [here](#).

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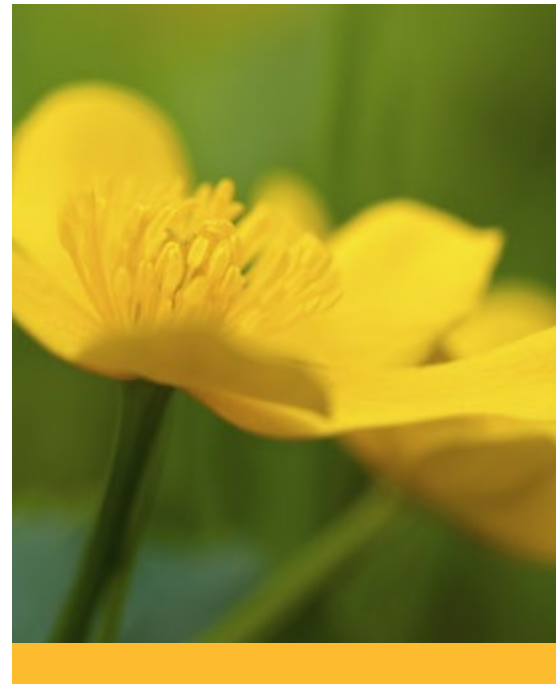
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Introduction

For the eleventh year, The Dow Chemical Company is providing a Global Reporting Initiative (GRI) Report. This document follows the GRI G4 framework, making information available on a range of Environmental, Social, and Economic topics. This document serves as Dow's UN Global Compact Communication on Progress for 2013. Other Company reporting that may be of interest to readers is available on www.dow.com as follows:

- [2012 Databook](#) under Investors, Financial Information
- [2013 Dow Annual Report](#) under Investors, Financial Information
- [Code of Business Conduct](#) under Investors, Corporate Governance
- [Dow's Annual Report on Form 10-K](#) for the fiscal year ended December 31, 2013 ([Dow 2013 10-K](#)) under Investor, Financial Information, SEC Filings
- [2014 Proxy Statement](#) under Investors, Financial Information
- [Public Reports from Around the World](#)
- [Our Company, Overview](#)
- [Quarterly Updates](#) found under Company, Sustainability, Reporting Center



Q and A



Q and A for More Comprehensive Understanding

What is the Global Reporting Initiative (GRI)?

GRI is an organization that has pioneered the standardization of sustainability reporting through the creation of the GRI framework. Key principles in its approach include: balance, comparability, materiality, accuracy, timeliness, clarity and reliability. For more information, visit [GRI's website](#) or study the GRI index of topics at the end of this document.

How does Dow approach sustainability reporting?

The transparent and comprehensive use of the GRI framework creates accountability for the Company to report and improve reporting on the topics stakeholders may find important. We intend to serve broad stakeholder needs efficiently by creating a central repository for all relevant topics. Progress on our 2015 Sustainability Goals is also consistently communicated in our [quarterly updates](#) published on www.dow.com.

What are Dow's 2015 Sustainability Goals?

A 2013 year-end summary for each of our 10-year Sustainability Goals is found in the Summary of 2013 PDF. It is available as a separate PDF and also found on pages 10-17 within this document.

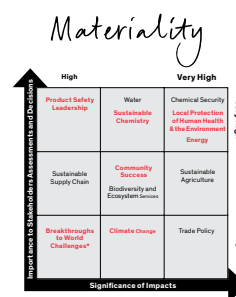
- Sustainable Chemistry
- Breakthroughs to World Challenges
- Addressing Climate Change
- Energy Efficiency and Conservation
- Product Safety Leadership
- Contributing to Community Success
- Local Protection of Human Health and the Environment

Why does Dow obtain Assurance for its Sustainability Report?

Assurance results from engaging an external, independent organization to review the report and provide a statement with conclusions. This enables the reader to be confident that the assured content is accurate, addresses stakeholder interests, and follows the GRI reporting principles. In addition, GRI has undertaken a 'Materiality Matters' check which indicates adherence to the G4 reporting requirements for G4-17 to G4-27.

How to browse this document:

The electronic version of this report is enabled with links for easy browsing. Browse by index, section or materiality. Navigation bars are included on each page allowing you to jump to any section. Look for the following icon to browse by materiality:



What is the United Nations (UN) Communication on Progress (COP)?

We use the annual Sustainability Report to convey our Communication on Progress (COP) for the UN Global Compact's 10 principles. The UN Global Compact is the world's largest voluntary corporate citizenship initiative. For more information on the UN Global Compact and its principles, visit <http://www.unglobalcompact.org/>.

We value your interest in Dow's report and welcome questions, comments and improvement suggestions. Please use the following email address to contact us.

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Sustainability Reporting

Introduction

Sustainability Overview

2013





The year 2013 marked best-ever performance on many of Dow's 2015 Sustainability Goals, some consistently achieving results better than the 2015 target itself. We are discovering new opportunities through increased awareness of how the sustainability megatrends impact the economy. While we continued to experience macroeconomic headwinds in 2013, the Company continued to make significant improvement in almost all sustainability metrics. We remain focused on developing solutions to make the planet a good place to live for future generations while being responsible for economic, environmental and social dimensions of our pursuits.






Highlights

- Best-ever performance on multiple Environment, Health and Safety (EH&S) Metrics: A comprehensive set of safety metrics is tracked and performance carefully scrutinized to help make Dow as safe a place to work as possible. We are nearing the ambitious 2015 performance targets on many metrics and two in particular continue to beat 2015 targets, several years early.
 - 7 Process Safety Incidents, a significant improvement over an excellent performance of 16 in 2012; beating the goal for the year 2015 (20)
 - 0.14 Severe Motor Vehicle Accident rate; beating the goal for the year 2015 (0.28)
- Dow was honored for its leadership in the chemical process industry and received a 2013 Chemical Engineering & ChemInnovations Award for the Dow Lab Safety Academy, an online learning environment that leverages Dow's best-in-class safety practices.
- 100+ University of Michigan scholars engaged in the Dow Sustainability Fellows Program, which launched in 2012 and fosters interdisciplinary collaboration on sustainability.
- Dow received its 9th EPA Recognition for Green Chemistry Innovation for the development of EVOQUE™ Pre-Composite Polymer Technology.
- At the halfway point in the six-year Collaboration, Dow and The Nature Conservancy (TNC) have made significant progress, and we are proud to highlight the 2013 [Dow/TNC Annual Progress Report](#).

Challenges

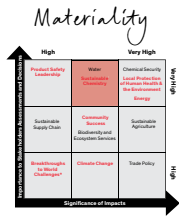
- During 2013, Dow continued to face a challenging business environment with ongoing, persistent headwinds in Western Europe and hesitant growth in other geographic areas. In this uncertain economic environment, the Company remained committed to its strategy – implementing cost and cash flow actions, which gained momentum as the year progressed; liberating and deploying cash to enhance the Company's capital structure and reward shareholders; and investing in strategic projects focused on long-term sustainable growth. The Company also paid down debt, continued to maintain a strong liquidity position and rewarded shareholders through dividends and share repurchases.
- The Energy Intensity performance of the company has lagged behind our 2015 goal due to the profile of Dow's operations. It is clear that the 2015 Energy Intensity goal will not be achievable.
- Strong, coherent energy policy sets the foundation for helping countries overcome some of the world's most pressing challenges. Too often, one side of the debate focuses solely on fossil fuels, while the other focuses on renewables and alternatives. This is a false choice – we need both. Meeting the world's need for clean, sustainable, affordable and abundant energy will require getting beyond partisanship and self-interest.

Strong Environmental, Health and Safety Progress:

Safety dimension	Improved vs 2012	
Personal injury rate	10% less frequent	
Injury severity	4% less severe	
Process Safety	56% less, 7 in total, significantly better than 2015 target	
Severe motor vehicle accident rate	36% less, significantly better than 2015 target	
Leaks at manufacturing sites (Loss of Primary Containment)	17% fewer	

Year-end Update on 2015 Sustainability Goals

Sustainable Chemistry



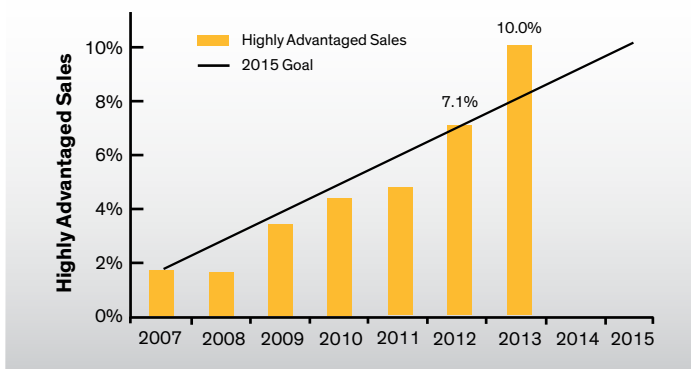
The 2015 Goal for Sustainable Chemistry is to increase the percentage of total Company sales to 10% for products that are Highly Advantaged by Sustainable Chemistry, as measured by Dow's Sustainable Chemistry Index (SCI). Sustainable Chemistry is Dow's "cradle-to-cradle" concept that drives the Company to use resources more efficiently, to minimize its footprint, provide value to its customers and stakeholders, deliver solutions for customer needs and enhance the quality of life of current and future generations. The SCI is an internal index based on Dow's analysis of eight sustainability factors of the Company portfolio at a detailed level and is updated annually. In 2013, the percentage of sales from Dow products that are Highly Advantaged by Sustainable Chemistry increased from 7.1% to 10.0%. Most of the 2012 Highly Advantaged sales remained highly advantaged for 2013, and as a group their sales grew faster than the Company. New Highly Advantaged sales were achieved due to improved manufacturing efficiency and opportunities realized in areas of agriculture, water, automotive, infrastructure, energy, and consumer products.

2015 Goal

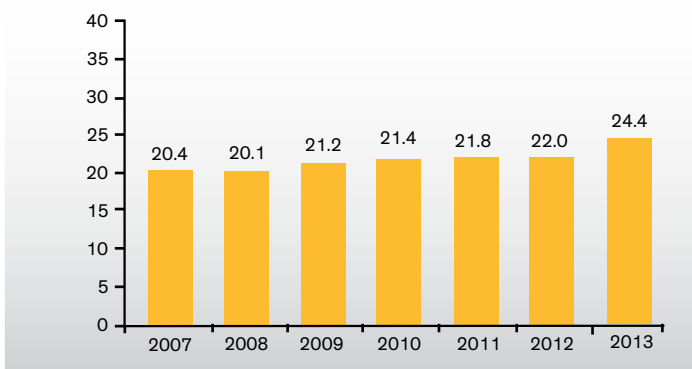
- Increase the percentage of sales to 10% for products that are Highly Advantaged by sustainable chemistry

In 2013, the Company's aggregated SCI increased from 22.0 to 24.4. All index factors were improved from 2012 performance, except resource management which remained the same. The SCI continues to be an important point of discussion during business strategy reviews, as business interest and engagement around sustainability continues to increase and deepen across Dow's portfolio.

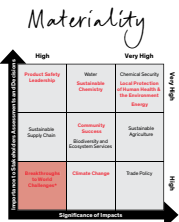
Highly Advantaged Sales



Dow Aggregate SCI



Breakthroughs to World Challenges



Each individual's global water-energy "splashprint" is much higher than most people think. Consider that it takes 2,867 gallons of water to make one pair of jeans or 1,500 gallons to make a desktop computer. The 2030 Water Resources Group reports that by 2030, global water requirements are expected to grow by 50 percent, and analysts are predicting that available water supplies will satisfy only 60 percent of demand.

Dow recognized that two critical needs – clean water and on-demand energy – are intimately intertwined and developed breakthrough polymer chemistry that is the most advanced water purification science available today.

2015 Goal

- Achieve at least three breakthroughs that will significantly help solve world challenges

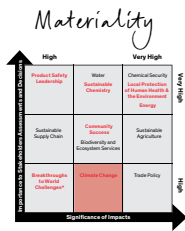
Recently, Dow named DOW FILMTEC™ ECO Reverse Osmosis (RO) Elements as its second breakthrough technology. Why is it a Breakthrough? To significantly impact water security, any solution needs to address both water purification and the energy required to treat the water – and the product helps to deliver manufacturers 40 percent better water purification while using 30 percent less energy.

The announcement marked another milestone in delivering three Breakthrough to a World Challenge solutions as part of the Company's 2015 Sustainability Goals. The technology was also recently recognized with a Bronze Edison Award in the Energy/Sustainability and Commercial Resource Management category. The first breakthrough technology, Omega-9 healthy oils, was announced in 2012.

We have a robust pipeline of candidates for further Breakthroughs to meet our goal, and look forward to announcing more Breakthroughs as they meet the criteria.



Addressing Climate Change



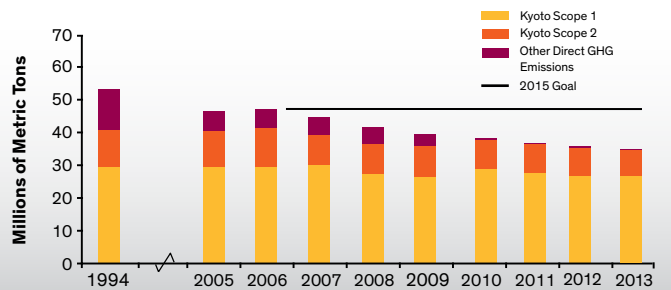
Dow's goal is to maintain greenhouse gas (GHG) emissions below 2006 levels on an absolute basis for all GHGs, thereby growing the Company without increasing our carbon footprint. Dow will continue to focus on managing Dow's footprint and providing solutions to reduce GHG emissions and save energy. For example, Dow's insulation products contribute to greater energy efficiency, helping avoid millions of metric tons of GHG emissions per year.

Dow is now regularly reporting on a target to grow the use of clean power to exceed 400 megawatts equivalents by 2025. At the end of 2013, Dow has approximately 245 megawatts that are either low carbon or from renewable sources. Additionally, Dow has identified future prospects that could yield as much as more than 240 megawatts of clean power. This goal is helping the Company pursue opportunities to incorporate economically-viable, clean-technology energy alternatives into its operations. Examples of projects that helps increase Dow's clean power portfolio include:

- Dow's Pittsburg, California, facility utilizes solar energy to supply a portion of the facility's power
- Electricity from recaptured landfill gas being used as a partial source of power to Dow's Midland, Michigan, headquarters
- Dow's Candeias, Brazil, facility uses eucalyptus biomass as a fuel source for steam generation

We will continue to quantify the impact of our products both in the supply chain, before Dow operations, and during the use phase by our customers and ultimate end users. This

Absolute Greenhouse Gas Emissions as CO₂ Equivalent



assessment is being accomplished with an Impact Tool that quantifies the energy and GHG profile of products and helps convey the benefits by communicating a ratio of burden compared to benefit. For example, we report in EN17 that the ratio of benefit throughout the life of the line of STYROFOAM™ Insulation is seven times the GHG emissions involved in the manufacturing and construction phases of making a homes and other applications more energy efficient.

Dow has reported to the Carbon Disclosure Project (CDP) since 2003. The CDP is a not-for-profit organization working to understand the risks and to drive GHG emissions reduction from business. In 2013, Dow reported on its 2012 Greenhouse Gas (GHG) performance and commitment to providing solutions for the climate change challenge. The report scored 90 out of a possible 100 points. This excellent result highlighted Dow's commitment to strong governance and complete disclosure through transparent emissions reporting.

Introduction

Dow's energy efficiency and chemicals management efforts have significantly reduced the Company's GHG emissions footprint. As a result, Dow has prevented over 308 million metric tons of GHG emissions from entering the atmosphere since 1990. The energy savings and avoided GHG emissions are equivalent to the average footprint of more than 48 million single-family homes.

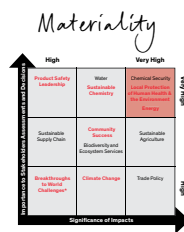
More information about addressing climate change is found in the Environmental Summary, and in EN15 – EN19.

2015 Goal

- **Maintain absolute greenhouse gas emissions below 2006 levels**
- **Use 400 MW of clean energy by 2025 chemistry**



Energy Efficiency and Conservation



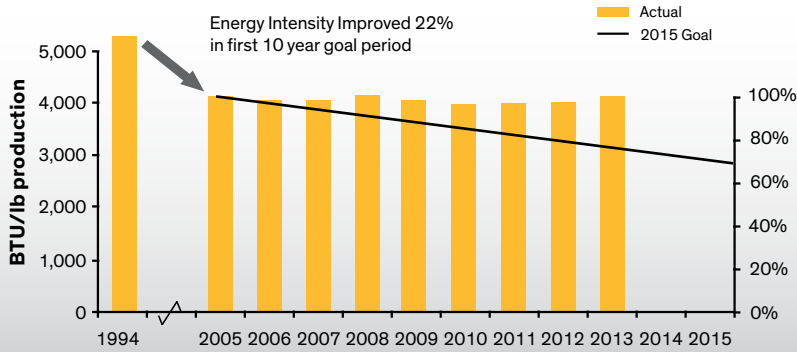
Related to Dow's absolute GHG metric added in the first quarter of 2012, Dow is developing a Net Impact Tracking Tool.

This technique will sharpen Dow's focus on the full life-cycle benefits of Dow products. A sustainable energy future requires constant manufacturing efficiency improvement inside the Company, while maximizing the contributions of Dow products to improve efficiency and expand affordable alternatives. Energy

is an enabler of global economic growth, and energy efficiency remains critical to meeting the world's energy demands. Dow's innovation engine is driving energy solutions that meet society's needs and provide a competitive advantage to Dow and Dow's customers.

The Company's manufacturing energy intensity, measured in BTU per pound of product, has improved about 40 percent since 1990, saving the Company 5,829 trillion BTUs. The energy savings and avoided GHG emissions are equivalent to the average footprint of more than 48 million single-family homes. Since 2005, annual absolute energy use has been reduced by 112 trillion BTUs. The Company's cumulative savings since 2005 is about \$400 million. Dow's portfolio transformation, coupled with global economic conditions, has impacted the scale and speed of anticipated energy intensity reductions. Dow expects additional energy efficiency progress from in-flight projects that will see results after 2015.

Energy Intensity Performance 1994–2015



Between 1990 and 2005, the Energy Intensity (BTU/lb) of global operations was improved by 38%. By 2015, Dow has a goal to achieve an additional 25% improvement. The average Energy Intensity of year 2005, adjusted for mergers and acquisitions, is the basis for calculating performance against this target. Dow's goal for Energy Intensity for the full year of 2013 is 3,323 BTU/lb, or 80% of the value in 2005. Dow's actual performance in 2013 was 4,153 BTU/lb, which is 99.96% of the 2005 baseline.

For more information on this and other Dow Energy initiatives visit: www.dow.com/energy

Product Safety Leadership

At the end of 2013, 526 Product Safety Assessments (PSAs) had been posted to Dow's product safety website.

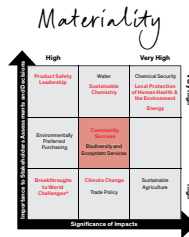
Dow's published Product Safety Assessments now cover products accounting for over 89% of Dow's annual revenue.

2015 Goal

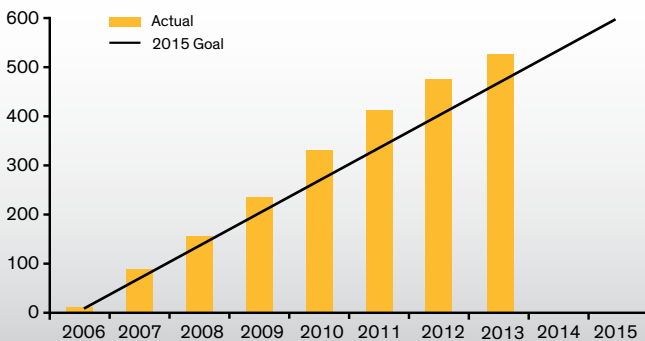
- Reduce our energy intensity 25% by 2015 – from a 2005 baseline

2015 Goal

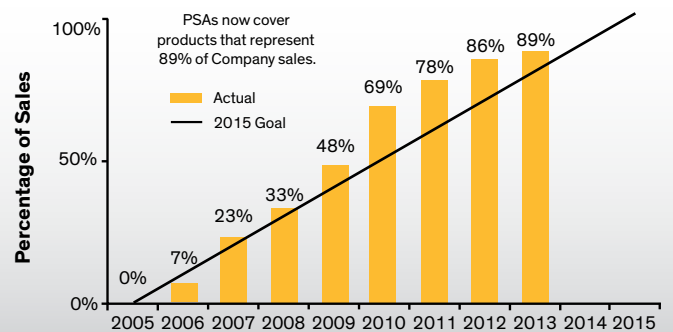
- Publish Product Safety Assessments for all products by 2015



Cumulative Product Safety Assessments



Sales Covered by Assessments



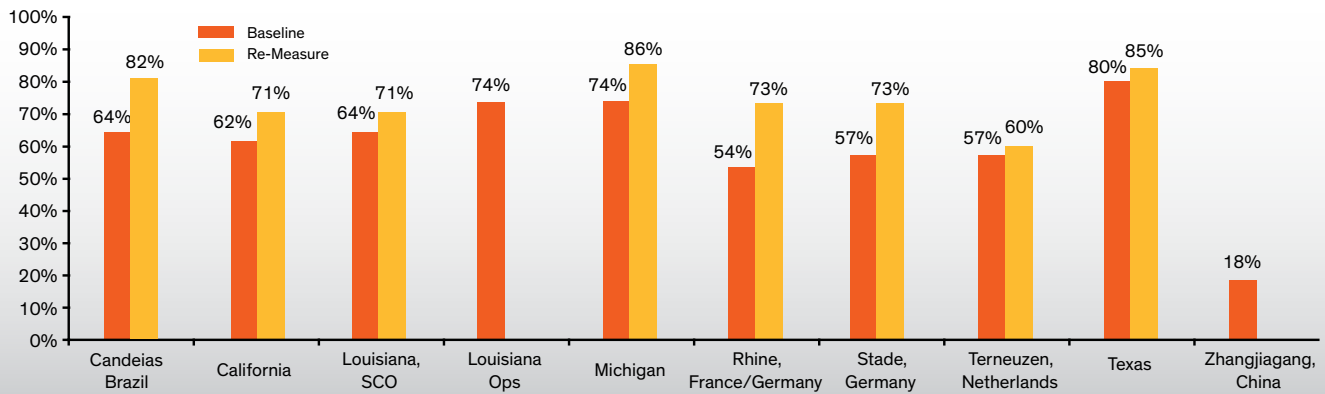
Additionally 100% of Dow's 216 High Priority chemicals are now covered by a PSA. We are on track to meet our 2015 Goal to have a Product Safety Assessment publically available for applicable Dow products.

PSAs are written for the lay public and cover topics such as basic hazards, exposure potential and risk management measures. They complement other product safety, handling and stewardship documents, which are part of the product responsibility package offered by Dow to strengthen relationships with communities and customers. Dow is dedicated to providing the public with accurate information and building trust as it uses technology to develop better products, and this holistic approach enables Dow customers and the communities in which Dow does business to stay informed about the Company's products and the plants that produce them.

Community Success

2014 will be an important year for the Contributing to Community Success process, as Dow engages three sites in remeasures of community awareness of Dow’s programs and formally launches the Community Success Process Guide. This and other activity will lead us strongly into the culminating year for our 2015 Sustainability Goals. Since the last report, a remeasure has taken place in Candeias, Brazil, and Plaquemine, Louisiana, both showing positive progress toward their goals. Plans are currently underway to remeasure Zhangjiagang, China, by the third quarter, 2014. To date, nine of 10 major Dow sites have completed their remeasures, all showing positive improvement on the important “Quality of Life” aspect. An internal launch of the Community Success Process Guide also took place in early 2014 in an effort to engage more Dow sites in implementing this successful method of collaborating with our communities for positive results. The table shows global site progress to date.

Community Acceptance Ratings



Dow’s Community Success Process Guide and instructional video will be formally launched in 2014. These resources outline the steps needed for any Dow site to implement a robust Community Success process, regardless of its location, size or reach. The Guide is available now on the intranet to all Dow sites.

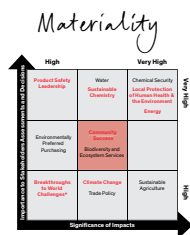
2015 Goal

- Achieve individual community acceptance ratings for 100% of Dow sites where we have a major presence

Local Protection of Human Health and the Environment

In our 10-year goal period from 2006 to 2015, we have challenged ourselves to achieve breakthrough improvements in traditional Environmental Health and Safety metrics.

We are building upon the improvements accomplished in the 1995-2005 Dow goal period. For three improvement goals, we have already achieved a performance superior to our target for the end of the goal (2015).



Additional Local Protection of Human Health and the Environment metrics are reported starting on page 64 in the section describing Dow's approach to managing the environment.

2015 Goal

- **Achieve on average a 75% improvement in key indicators for Environmental, Health & Safety operating excellence from a 2005 baseline**

Key Performance Metric	2013 Actual	2012 Actual	Reduction over 2012	Comment
Process Safety Incidents	7	16	56%	Best-ever year and outperformed the 2015 Goal target of 20.
Severe MVA Rate (accidents per million miles)	0.14	0.22	36%	Best-ever year and outperform the 2015 Goal target of 0.28.
By-product Synergy	322	312	NA	Outperformed the 2015 Goal target to exceed 300 million lbs. The 2015 goal was met in 2011 (four years early) and continues to increase.
Injury/Illness Rate All Reportable Incidents (per 200,000 hours of work)	0.19	0.21	10%	There were 187 people hurt (Dow Employees and Contractors) in 2013, 18 fewer than the year before. The non-fatal Injury/Illness rate for U.S. Manufacturing in 2012 was 4.3, which is 36 times higher than Dow's 2015 Goal of 0.12.
DAWC Days Away from Work Cases (per 200,000 hours of work)	0.042	0.047	11%	We reduced more serious incidents where the injury caused the employee to miss work by 11%
Leaks at manufacturing plants (Leaks, Breaks, Spills)	185	223	17%	We are on track towards the 2015 Goal of 130 or fewer incidents, which is a 90% reduction from 2005.
Leaks of Hazardous Material (During Transportation)	25	25	0%	When we started reporting on this goal in 2005, there were 56 annual events. Reduction improves safety and reduces the risk to the environment.

Find information about our ongoing implementation of the 2015 Sustainability Goals each quarter at our [Reporting Center](#).

Dow's 2015 Sustainability Goals are managed by the Sustainability Program Management Office (PMO), providing annual updates on progress to the Sustainability Team and the Environment, Health, Safety and Technology (EHS&T) Committee of the Board of Directors. The Sustainability PMO reports to Neil Hawkins, Corporate Vice President, Sustainability.

Sochi 2014's Direct Carbon Footprint Mitigated before Opening Ceremony



The Sochi 2014 Olympic Winter Games is the first Games in history to mitigate the entire direct carbon footprint of its Organizing Committee prior to the Opening Ceremony. Sochi 2014 announced on February 4th that over 520,000 metric tons (MT) of CO₂ equivalents had already been mitigated before the start of the Olympic Winter Games through the “Sustainable Future” program, implemented in Russia by Dow, Worldwide Olympic Partner and Official Carbon Partner of Sochi 2014.

Since March 2013, Dow has been working with its customers in Russia to implement energy efficient and low-carbon technologies in the areas of infrastructure, industry and agriculture within different regions of the country. The greenhouse gas (GHG) emissions reductions delivered to date by the groundbreaking “Sustainable Future” program have been verified to have far exceeded the estimated direct carbon footprint of 360,000 MT of CO₂ equivalents of the Sochi 2014 Organizing Committee. This includes emissions associated with the travel and accommodation of athletes, staff, and volunteers, the operation of the sports venues during Games time, and the Organizing Committee’s activities from 2007 through the Paralympic Games’ Closing Ceremony.

Sochi 2014 is also the first Olympic and Paralympic Winter Games with a neutral carbon footprint associated with the travel of spectators and media attending the event. This footprint was estimated to be 160,000 MT of CO₂ equivalents. Dow worked with

international experts Offsetters to offset the travel footprint by retiring carbon credits from a portfolio of high-quality projects from Russia, Brazil and South Korea – Host Territories of the next three Olympic Games – and a project implemented by Dow at one of its manufacturing facilities in the United States.

Dow products and innovation also played key roles to improve sustainability and performance in competition venues, infrastructure and re-engineered team equipment including:

- The Bolshoy Ice Dome which relied upon on DOWCAL™ Heat Transfer Fluids, WALOCEL™ Products, industrial coatings, ENDURANCE™ Semiconductive and Insulation Materials and SPECFLEX™ Polyurethane Systems.
- The Sanki Sliding Center which relied upon POLYOX™ Water-Soluble Resins, PRIMAL™ Acrylic Resin, epoxy resins, and ENDURANCE Semiconductive and Insulation Materials.
- Dow solutions enabled infrastructure improvements in Sochi and around the region, with products and technologies used in the Coastal and Mountain Clusters, city hotels, power plants and railways.
- Dow applied its products and world-class engineering capabilities to improve equipment and develop a new and improved sled for the USA Luge Team.



Sustainable Future

To mitigate the emissions of the Sochi 2014 Olympic Winter Games, Dow, in partnership with Sochi 2014 Organizing Committee and its customers, has undertaken an ambitious program that has offset these emissions, and more importantly will leave an enduring legacy of low carbon solutions in Russia.



sochi.ru 2014
WORLDWIDE PARTNER

MINIMAL CLIMATE IMPACT

ORGANIZING COMMITTEE FOOTPRINT
of 360,000 tons of CO₂ equivalent



SPECTATORS AND MEDIA TRAVEL FOOTPRINT
of 160,000 tons of CO₂ equivalent

Promote Growth and Sustainability

MITIGATION OF TRAVEL EMISSIONS

THIS IS THE FIRST GAMES TO OFFSET CLIMATE IMPACT BY SPECTATOR & MEDIA TRAVEL.



This partnership has mitigated emissions of the Games, totaling

520,000
tons of CO₂ equivalent



WEATHERIZATION OF HOMES

Construction

WITH COLD TEMPERATURES IN THE RUSSIAN WINTER, POOR INSULATION RESULTS IN A GREATER CONSUMER NEED FOR HEAT, RESULTING IN HIGHER EMISSIONS.



Through a partnership between Dow and Profflex, a new tailor-made foam insulation solution helps Russian homes improve efficiency by maintaining heat and reducing emissions.



In turn, this also creates awareness with the public on how to save energy and emissions.

SUSTAINABLE FARMING

Agriculture

WITH A MASSIVELY GROWING OIL & SEEDS MARKET IN RUSSIA, MORE SUSTAINABLE FARMING TECHNIQUES PROMOTE FUTURE SELF-RELIANCE.



Dow provides training and consultation services to local farmers.



Dow also provides seeds that enable more sustainable farming practices and healthier oils for consumers.



Farmers produce sunflower and canola oils that can be used in local retail and food service. Reduced impact on the environment, producing healthier foods and sparking local business.

IMPROVING STRUCTURAL INTEGRITY

Infrastructure

OLDER STRUCTURES REQUIRE MORE SERVICE AND CONTRIBUTE TO HIGHER EMISSIONS



Integrating carbon fiber composites into infrastructure solutions result in longer service lives, less construction, maintenance and demolition waste, plus improved operations-related emissions.



Through this program, Dow is aiming to stimulate wider use of carbon fiber across Russia to enhance infrastructure with low carbon solutions.

Awards and Recognitions during 2013

Dow consistently receives recognition from customers, industry trade groups, non-governmental organizations, government regulatory agencies and the news media for the Company's best practices and performance in sustainability and environmental, health and safety. The following awards are a sampling of the recognition earned by Dow in 2013.

1Q 2013

- Dow India's Jaipur Foot initiative won the ET Now World CSR Awards 2013 for the Best Innovation in corporate social responsibility (CSR)
- Dow's Riverside site in Pevely, MO, received the World Bird Sanctuary's Marlin Perkins Conservation Organization of the Year award in recognition of Dow's strong commitment to fostering programs and educational initiatives that instill the importance of environmental preservation and water conservation

2Q 2013

- The collaboration on valuing ecosystem services between Dow and The Nature Conservancy (TNC) won the 2013 Roy Family Award for Environmental Partnership, presented by the John F. Kennedy School of Government at Harvard University
- Dr. Jerzy Klosin was awarded the 10th annual SCI Gordon E. Moore Medal by the Society of Chemical Industry
- Kaustav Sinha was awarded the 2013 Stefan Pischinger Young Industry Leadership Award by the Society of Automotive Engineers
- Dow was honored with the 20th Anniversary Partnership Award from Junior Achievement China for its ongoing dedication and support for sustainability education
- Dow received the membrane products award for FILMTEC™ ECO Reverse Osmosis Elements at the opening ceremony of Aquatech China 2013
- PRIMAL™ Stain-Resistant Acrylic Emulsion recently received the 2013 Ringier Technology Innovation Award for the Coatings Industry
- For the 5th consecutive year, Dow was the recipient of the 2012 TRANSCAER® National Achievement Award as a result of the Company's commitment to safety and security
- Dow's efforts to bring employees, community and government stakeholders together to collaborate on more holistic approaches to water management were recognized with a 2013 Texas Environmental Excellence Award

3Q 2013

- Dow received the first-ever Responsible Care® Chairman's Award in China presented by the Association of International Chemical Manufacturers
- The annual Chemical Industry Association Awards recognized Dow Formulated Systems' mercury replacement program with finalist status in two of its most competitive categories – Environmental Leadership and Innovation
- Dow was honored for its leadership in the chemical process industry, receiving a 2013 Chemical Engineering & ChemInnovations Award for the Dow Lab Safety Academy, an online learning environment that leverages Dow's best-in-class safety practices
- Dr. Neil Hawkins, corporate vice president of Sustainability, was recognized as one of the "Top 30 Most Influential Sustainability Voices in America" on Twitter by The Guardian Sustainable Business
- Dow was recognized by Unilever at the annual "Partner to Win Supplier Summit" in Singapore with the 2013 "Winning through Innovation" Award for innovative performance ingredients from its Personal Care portfolio
- Dow was honored with the "20th Anniversary Partnership Award" from Junior Achievement China, the world's largest nonprofit educational organization
- R&D Magazine recognized EVOQUE™ Pre-Composite Polymer Technology from Dow Coating Materials as a Top 100 technology product of the year in the publication's annual R&D 100 Awards
- Dow was named China's top membrane component and module brand in the 2012–2013 User Satisfaction Award in the Sewage Treatment Plant Equipment Category
- Louisiana Economic Development honored St. Charles Operations with one of eight Lantern Awards for excellence in manufacturing and outstanding service to the community

- Dow Automotive Systems was named a Supplier of the Year by Renault for sustainability and corporate social responsibility
- The National Safety Council appointed David Kepler, Dow executive vice president of Business Services, chief sustainability officer, and chief information officer, to serve on its Board of Directors
- Jeff Kozub, EH&S Expertise manager of the Personal Safety Expertise Center, was selected as a National Safety Council 2013 Rising Star

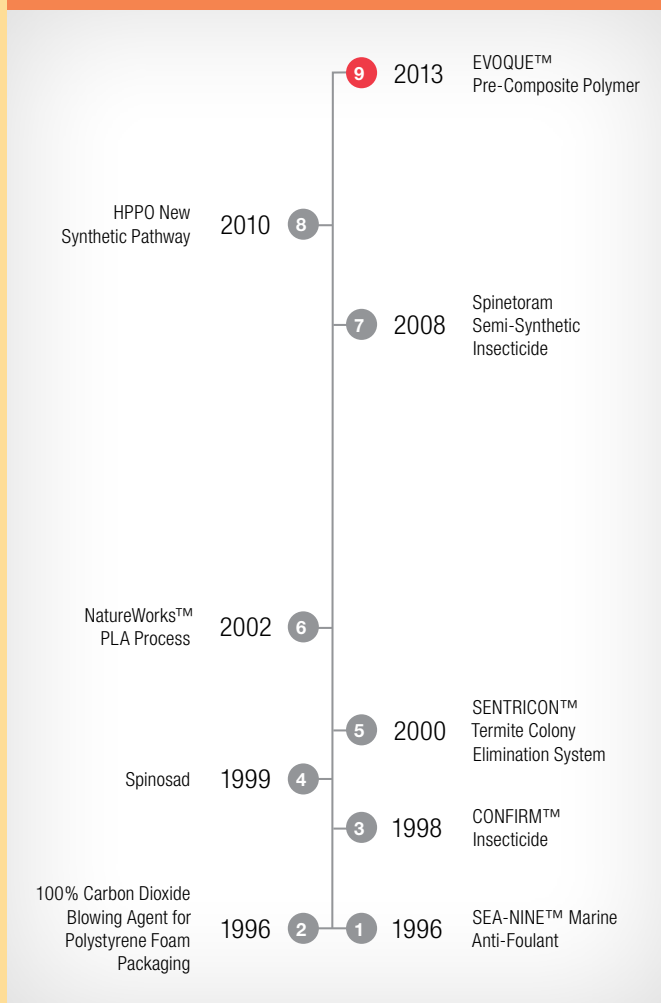
4Q 2013

- Dow was named for 13th time to Dow Jones Sustainability World Index and received the Bronze Class distinction for its excellent sustainability performance
- Dow received its 9th U.S. Presidential Green Chemistry Challenge Award for the development of EVOQUE™ Pre-Composite Polymer Technology
- Dow was recently honored with the China Sustainable Package Technical Award for its winning product SARAN™ MA XUS 32019.10L
- Dow was recently honored by the Human Rights Campaign (HRC) for achieving a 100 percent rating on its corporate equality index
- Dow became the first enterprise whose parent company is headquartered outside of Taiwan to receive the Green Factory Label awarded by the Ministry of Economic Affairs for practicing sustainability at its Hsinchu facility, and for its commitment to green operations in Taiwan
- Dow was honored twice at the 4th Oil and Gas Middle East Awards, winning “Best International Collaboration” for Sadara Chemical Company (Sadara) and “Corporate Social Responsibility Project of the Year” for the Dow Marine Conservation Program (DMCP) in Kuwait
- Dr. Shawn Hunter, Sustainability and New Business Development leader, was honored with the University of Michigan Recent Engineering Graduate Award for his outstanding contributions for the integration of engineering, life cycle assessment (LCA) and sustainability into commercial business opportunities
- Dow was honored at California’s largest industry sponsored environmental conference as a winner of the 2013 Environmental Excellence Award

- The National Technical Institute for the Deaf (NTID) recognized Dow for consistently hiring students and graduates with its Outstanding Employer Partner Award
- Dow AgroSciences received the Demeter Award of Excellence in the category of Company of the Year from the organization Women in Agribusiness

More information is provided at Awards and Recognitions on www.Dow.com

Dow and its affiliates’ winning history of sustainable innovation



Strategy & Profile

of The Dow Chemical Company



Strategy and Analysis

1. Statement from CEO Presenting Overall Vision

Today, more than 7 billion people walk the planet. By 2050, that number is predicted to rise to 9 billion. So in today's – and tomorrow's – crowded world, the companies best positioned to succeed are the ones, like Dow, that recognize the Human Element at work in all we do.

What is the Human Element? It is that part of our work that meets the most basic human needs – needs as fundamental as the water we drink, the food we eat, the homes we live in and the energy we require.

Nearly a decade ago, Dow established our 2015 Sustainability Goals to help provide these essentials by working to solve some of the world's most pressing challenges. In the time since, we have made substantial progress, both by innovating at the intersections of all the sciences, and by collaborating at the intersection of business, government and society.

In market after market, Dow is applying our science, our technology, and our scale to create truly exciting, game-changing solutions – and making a positive impact on the world.

Take water, for example. Today, about one in seven people cannot access safe drinking water, but that is changing. After decades of incremental progress in reverse osmosis water purification technology, Dow's scientists have delivered a breakthrough innovation in efficiency and performance. DOW FILMTEC™ ECO Reverse Osmosis Elements yield 40 percent better water purification using 30 percent less energy. By helping to solve both sides of the energy-water equation, Dow is delivering clean and affordable water to the world.

Innovative approaches at Dow are also helping to drive a more sustainable society. In 2013, Dow received the U.S. EPA Presidential Green Chemistry Challenge Award for the development of EVOQUE™ Pre-Composite Polymer Technology, which helps reduce the environmental impact of paints – marking the ninth time that Dow and its affiliates have received this recognition. We recognized the forward-thinking engineer who, instead of building a new plant, helped design a constructed wetland to treat waste water at a Dow-owned site. We even deployed some of our most promising leaders to work with non-governmental organizations (NGOs) in Ghana on projects that address pressing community development needs.

As a Company, we have made substantial progress. But we also know that sustainability cannot be achieved in a vacuum.

In pursuit of global sustainable development, we must boldly unite to drive real change.

By coming together as businesses, we can enhance sustainability throughout the value chain. Dow participates in organizations like The Sustainability Consortium, which engages technology suppliers, brand owners and retailers – as well as NGOs, academia and industry organizations – in an effort to deliver more sustainable options to consumers.

By teaming up with governments, we can catalyze more rapid sustainable development. Dow actively works with government officials to identify the most pressing challenges facing the areas where we do business. For example, Dow collaborates with schools and educators to encourage STEM (science, technology, engineering and math) education to help ensure a sustainable workforce for both our Company and the communities we serve.

By collaborating with society at large, we can make progress in ways that benefit people around the planet. We are working with The Nature Conservancy to incorporate the value of nature into business decisions, and with 18 universities around the world to foster a sustainability mindset and interdisciplinary collaboration.

In this report, you will discover Dow's vision for a more sustainable future and a renewed commitment to the 10 principles of the United Nations Global Compact. You will also find the steps we are taking – within our own operations and through our solutions – and highlights of our progress along the way.

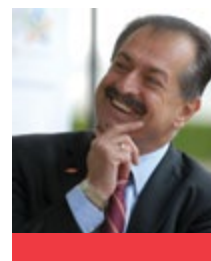
Operating at the intersections of all the sciences and society – between business and the Human Element – Dow is bringing solutions to the world.

Very few companies – of any kind – have a shot at helping solve great global challenges. We are proud to be one of them. And that means a strong future and more sustainable growth... for Dow and for the planet.

Sincerely,



Andrew N. Liveris
Chairman and Chief Executive Officer
The Dow Chemical Company



2. Key Impacts, Risks, and Opportunities

Dow at a Glance

Dow combines the power of science and technology to passionately innovate what is essential to human progress. The Company is driving innovations that extract value from the intersection of chemical, physical and biological sciences to help address many of the world's most challenging problems such as the need for clean water, clean energy generation and conservation, and increasing agricultural productivity. Dow's integrated, market-driven, industry-leading portfolio of specialty chemical, advanced materials, agrosociences and plastics businesses delivers a broad range of technology-based products and solutions to customers in approximately 180 countries and in high growth sectors such as packaging, electronics, water, coatings and agriculture.

Global Growth

Sadara Chemical Company (Sadara), a joint venture formed in 2011 between Dow and Saudi Arabian Oil Company (Saudi Aramco), continued to advance. When completed, Sadara's

world-scale operations, supported by strong back-integration to competitive feedstocks, will be a key enabler of Dow's strategy to drive long-term profitable growth in its downstream, innovation-driven businesses and in fast growing regions.

Capitalizing on rapidly expanding markets in energy, transportation, infrastructure and consumer products, Sadara is expected to deliver high-margin growth for decades to come. It is anticipated that the joint venture will bring:

- Average equity earnings for Dow of approximately \$500 million annually during the first 10 years following its start-up
- Positive cash flow to Dow within five years of start-up



Meanwhile, the Company's U.S. Gulf Coast investments will strengthen ethylene and propylene integration and establish a platform for growth of Dow's downstream businesses. A new ethylene production facility in Freeport, Texas will employ up to 2,000 workers at its construction peak. Over the next five to seven years, Dow estimates that this project, together with all other planned projects announced as part of the Company's comprehensive U.S. investment plan, will employ up to 4,800 workers during peak construction and support over 35,000 jobs in the broader U.S. economy.

Managing Sustainability at the Company


The Sustainability Team has been chartered by Andrew Liveris, Chairman and CEO, to work with Dow's business Chaired by the Chief Sustainability Officer, the Sustainability Team is composed of several senior executives and serves as the Company's governance body for Environment, Health & Safety (EH&S), Public Policy Issues, and Sustainability. This team provides direct linkage to the Environmental, Health, Safety and Technology Committee of Dow's Board of Directors to lead in oversight responsibilities for Dow performance in these critical areas.

The Company uses our Business Risk Review Work Process to identify, evaluate and manage EH&S risks, including risks associated with possible failure of a product to perform as intended.

Corporate-level identification and management of risk is systematically accomplished using an Enterprise Risk Management approach. The Company assesses financial risk from many perspectives. Examples include the potential impact of weather-related events, access to credit, effect of foreign currency exchange rate movements and volatility in purchased feedstock and energy costs. Risk management results are regularly communicated to the Chief Financial Officer with a formal annual review with the Board of Directors and its The Audit Committee.

An update of performance for each of the 2015 Sustainability Goals is reported quarterly on www.dow.com.

See the Dow 2013 10-K, PART I, Item 1A for a more complete discussion of Risk Factors.



USGC Investments

- ~1,700 workers on-site, will double by 4Q14
- PDH engineering completed – Construction is ~20%
- Texas Ethylene engineering ~40% complete
- All long lead-time equipment ordered and permits on track

Sadara

- >55,000 workers mobilized
- Engineering ~99% complete
- Construction ~60% complete – Olefins units >70% complete
- Third party contracts remain on planned timeline

Investment	Start-up	Run-Rate EBITDA
St. Charles Ethylene Restart	2012	~\$250MM
Freeport PDH Propylene	2015	~\$450MM
Louisiana Ethane Flexibility	2015	~\$250MM
USGC Ethylene & Performance Plastics Units	2017	~\$1.5B
Sadara	2015-2016	~\$500MM

Growth investments achieve run-state of ~\$3B in accretive EDITDA

Organizational Profile

3. Name of reporting organization

The Dow Chemical Company

4. Primary brands, products and/or services

Corporate Profile

Dow combines the power of science and technology to passionately innovate what is essential to human progress. The Company is driving innovations that extract value from the intersection of chemical, physical and biological sciences to help address many of the world's most challenging problems such as the need for clean water, clean energy generation and conservation, and increasing agricultural productivity. Dow's integrated, market-driven, industry-leading portfolio of specialty chemical, advanced materials, agrosiences and plastics businesses delivers a broad range of technology-based products and solutions to customers in approximately 180 countries and in high growth sectors such as packaging, electronics, water, coatings and agriculture. In 2013, Dow had annual sales of more than \$57 billion and employed approximately 53,000 people worldwide. The Company's more than 6,000 products are manufactured at 201 sites in 36 countries across the globe. The Company conducts its worldwide operations through global businesses, which are reported in six operating segments: Electronic and Functional Materials, Coatings and Infrastructure Solutions, Agricultural Sciences, Performance Materials, Performance Plastics and Feedstocks and Energy.

See Dow 2013 10-K, PART I, Item 1. Business for a description of these operating segments. See the Society Section (page 100) for more information about how Dow AgroSciences is working to deliver solutions for sustainable agriculture.

5. Location of organization's headquarters

Midland, Michigan, USA

6. Countries of operation

The Company operates 201 manufacturing sites in 36 countries. The Company's major production sites, including consolidated variable interest entities, are as follows:

COUNTRY	PROPERTIES
United States:	Plaquemine and Hahnville (St. Charles), Louisiana; Louisville, Kentucky; Midland, Michigan; Freeport, Seadrift, Texas City and Deer Park, Texas.
Canada:	Fort Saskatchewan and Joffre, Alberta.
Germany:	Boehlen; Bomlitz; Leuna; Schkopau; Stade.
The Netherlands:	Terneuzen.
Spain:	Tarragona.
Argentina:	Bahia Blanca.
Brazil:	Candeias.
Thailand:	Map Ta Phut.

Including the major production sites, the Company has plants and holdings in the following geographic areas:

United States:	73 manufacturing locations in 25 states.
Canada:	6 manufacturing locations in 3 provinces.
Europe, Middle East and Africa:	51 manufacturing locations in 18 countries.
Latin America:	29 manufacturing locations in 5 countries.
Asia Pacific:	42 manufacturing locations in 11 countries.

7. Nature of ownership and legal form

Dow is a publicly traded company. Total common stock outstanding at January 31, 2014 was 1,215,829,233 shares.

8. Markets served

With over 96 percent of manufactured products enabled by chemistry, world challenges will ultimately be solved by companies like Dow, who collaborate with customers, industries, governments, academia and civil society. Our innovation engine is focused on water purification, crop productivity, building efficiency, development and commercialization of carbon mitigation, alternative energy and many more solutions that improve lives while protecting the planet. We are as committed to minimizing our own footprint as we are to delivering technology that helps the rest of society do the same. In 2006, we established our second set of Sustainability Goals, which we report on

publicly every quarter. Our commitment to sustainability is integral to our corporate vision, mission, and values – which continue to drive change that is good for the environment, good for people, and good for business.

Dow is truly a global company with the scale and expertise to solve challenging problems for customers and society. Dow's integrated, market-driven, industry-leading portfolio of specialty chemical, advanced materials, agrosiences and plastics businesses delivers a broad range of technology-based products and solutions to customers in approximately 180 countries and in high growth sectors such as packaging, electronics, water, coatings and agriculture. Information about markets served, which are listed below, can be found on www.dow.com under Products.

- Agricultural
- Consumer and Lifestyle
- Energy
- Infrastructure and Transportation

9. Scale of reporting organization (year-end 2013 data)

Personnel count was 52,731 at December 31, 2013 (Based on full-time equivalent persons, as reported in the Dow 2013 10-K) Net Sales – \$ 57,080 million.

Total Capitalization

- Total Assets: \$69,501 million
- Total Debt: \$17,960 million
- Total Equity: \$27,924 million

Beneficial ownership information is found in the [Dow 2014 Proxy Statement](#) on page 43.

The Company's more than 6,000 products are manufactured at 201 sites in 36 countries across the globe.

2013 Sales and Employees by Geographic Area

(dollars in millions)



10. Total workforce by employment type, employment contract, and region

Total Dow Workforce: 52,731 employees as of December 31, 2013, as reported in Strategy & Profile section, item 9, based on full-time equivalent persons as reported in the Dow 2013 10-K.

Personnel count was 52,731 at December 31, 2013, down from 54,353 at December 31, 2012. Headcount decreased from year end 2012 due primarily to the Company's 2012 restructuring programs. Personnel count at December 31, 2012 increased from 51,705 at December 31, 2011 due to growth initiatives and the inclusion of 1,946 seasonal employees in the Agricultural Sciences operating segment as part of the Company's personnel count. This increase was partially offset by decreases related to the 2013 restructuring programs.

Full and Part Time Employment, by gender, globally

	Total	Full Time	Part Time
Male	72.6%	72.40%	0.20%
Female	27.4%	26.20%	1.20%
Total	100.0%	98.60%	1.40%

Breakdown of Employees by Employment Contract:

	Total	Male	Female
Regular:	95.0%	73.0%	27.0%
Temporary:	5.0%	64.0%	36.0%

Breakdown of Total Employee Population by Region: See Strategy & Profile section, item 9 for employees by geographic area and LA12 for Gender By Region information.

11. Percentage of total employees covered by collective bargaining agreements

Twelve percent of Dow's workforce was covered by collective bargaining agreements in 2013.

12. Dow's supply chain

The Company operates in an integrated manufacturing environment. Basic raw materials are processed through many stages to produce a number of products that are sold as finished goods at various points in those processes. The two major raw material streams that feed the integrated production of the Company's finished goods are chlorine-based and hydrocarbon-based raw materials.

Salt, natural brine and electricity are the base raw materials used in the production of chlor-alkali products and derivatives. Dow has annual non-hydrocarbon procurement needs of approximately \$20 billion globally, a big potential for suppliers. The Company purchases hydrocarbon raw materials including ethane, propane, butane, naphtha and condensate as feedstocks. These raw materials are used in the production of both saleable products and energy. The Company also purchases certain monomers, primarily ethylene and propylene to supplement internal production. The Company purchases natural gas, mainly to generate electricity, and purchases electric power to supplement internal generation. Expenditures for hydrocarbon feedstocks and energy accounted for 38 percent of the Company's production costs and operating expenses for the year ended December 31, 2013. The Company purchases these raw materials on both short- and long-term contracts.

Dow's diverse, industry-leading portfolio of businesses offers a broad range of technology-based products and solutions to customers in approximately 180 countries. Dow Purchasing collaborates with suppliers around the world to help our businesses meet their objectives for profitability, growth, innovation, and sustainability.

Dow Purchasing looks for suppliers that:

- Demonstrate a commitment to reliable, high-quality supply relationships
- Have the capability to provide unique solutions, services and raw materials to support innovation
- Collaborate with Dow to drive competitive advantage and product performance through differentiation
- Join Dow in efforts to Set the Standard for Sustainability and embody highly responsible, ethical business practices, including sustainable labor practices

Dow Purchasing is the conduit for suppliers to tap into significant opportunities. Our supplier expectations include:

- Global presence – or local superiority – to support strategic geographies and a broad variety of needs
- Consistency in supply, service, and quality, as well as participation in Responsible Care®
- Innovation
- Green alternatives

We have procurement centers around the world to establish effective relationships with global and local suppliers of goods and services. We work with our suppliers to pursue the principles of sustainability through Responsible Care®.

For more information including our Expectations of Dow Suppliers and Suppliers Ethics, please visit www.dow.com/company/supplier/.

13. Significant changes during the reporting period

2013 Overview

During 2013, Dow continued to face a challenging business environment with ongoing, persistent headwinds in Western Europe and hesitant growth in other geographic areas. In this uncertain economic environment, the Company remained committed to its strategy - implementing cost and cash flow actions, which gained momentum as the year progressed; liberating and deploying cash to enhance the Company's capital structure and reward shareholders; and investing in strategic projects focused on long-term sustainable growth. The Company also paid down debt, continued to maintain a strong liquidity position and rewarded shareholders through dividends and share repurchases.

Net sales for 2013 were \$57.1 billion, up 1 percent from \$56.8 billion in 2012. Sales increased in all operating segments except Performance Materials (down 2 percent) and Feedstocks and Energy (down 8 percent). Excluding the impact of a divestiture¹, sales increased in all geographic areas except Europe, Middle East and Africa ("EMEA") (down 5 percent).

Price increased 1 percent in 2013 compared with 2012, driven by increases in Performance Plastics (up 4 percent) and Agricultural Sciences (up 1 percent).



Volume remained flat in 2013 compared with 2012, with mixed results by operating segment. Excluding the impact of a divestiture, volume increased in all geographic areas except EMEA (down 5 percent).

On May 6, 2013, the Company and Petrochemical Industries Company (K.S.C.) ("PIC") entered into a Deed providing for payment of the Company's claims against PIC under the K-Dow arbitration. On May 7, 2013, the Company confirmed the receipt of a \$2.195 billion cash payment from PIC. The cash was utilized for debt reduction measures.

The Company delivered \$7.8 billion of cash from operating activities in 2013, which includes the impact of the K-Dow arbitration award, and ended the year with \$5.9 billion of cash and cash equivalents. Interest expense and amortization of debt discount declined \$168 million compared with 2012 as the Company reported a \$3 billion reduction in total debt in 2013. On February 13, 2013, the Board of Directors approved a share buy-back program, authorizing up to \$1.5 billion to be spent on the repurchase of the Company's common stock over a period of time. As a result, the Company repurchased \$307 million of common stock during 2013.

See additional information about changes in the Dow 2013 10-K, PART II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

¹Excludes sales related to Nippon Unicar Company Limited, which was divested on July 1, 2013.

14. Whether and how the precautionary approach or principle is addressed by the organization

Dow supports a precautionary approach as set out in Principle 15 of the Rio Declaration on Environment and Development: “In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.”

The Rio Declaration was amended at the Johannesburg summit to include health impacts, in addition to environmental impacts.

Dow believes that approaches should be risk-based and cost-effective. Additionally, the selected chemicals management approach should be:

- proportional to the objective being pursued
- provisional
- the least burdensome option that provides adequate protection from the risk

As a responsible corporate citizen, Dow continues to use a well-defined process for assessing and managing risks in the face of uncertainty. This process is science-based, ensuring decision-making includes an appropriate evaluation of risk and benefits. It applies to current products as well as those being contemplated for development.

Dow views the Precautionary Principle as an application of the principles of risk assessment and risk management. Risk assessment includes hazard identification, characterization, exposure assessment and risk assessment. Risk management encompasses the identification, selection and implementation of alternative actions for addressing risk through the control of identified hazard(s) and/or exposure.

15. Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses



United Nations Global Compact

Dow signed the UN (United Nations) Global Compact in June 2007. The annual Communication on Progress is accomplished with this report. See the Social Disclosure on Management Approach and the letter from the CEO for more information.

Advocacy in the Area of Addressing Climate Change

The United States Climate Action Partnership (USCAP), an alliance including Dow and leading climate and environmental groups, worked to call on the federal government to enact legislation requiring significant reductions of greenhouse gas emissions. The USCAP developed a set of principles and recommendations to underscore the need for a national policy framework on climate protection.

Dow continues to participate in the Carbon Disclosure Project (CDP), where companies are graded for performance on corporate governance in respect to climate change and emissions disclosure. CDP's climate change program highlights global companies who, through voluntary efforts, are working towards reducing greenhouse gas emissions and mitigating climate change risk.

Delivering voluntary carbon mitigation in Russia

Please see [page 18](#) in the Sustainability Overview for more information on this innovative program.

Leading the way to economically viable mitigation

Dow is a member of Caring for Climate, a voluntary action platform for those UN Global Compact participants who seek to demonstrate climate change leadership. It represents a commitment to develop corporate strategies and practices to reduce carbon emissions, to publicly disclose emissions, and to urge governments to make progress. It also provides a framework for business leaders across the globe to advance practical solutions and help shape public policy as well as public attitudes.

In November 2013, Dow participated in and sponsored the Caring For Climate Business Forum held during the UN Conference of the Parties (COP) 19 in Warsaw. Dow hosted third party experts to participate on discussion panels focusing on energy efficiency and carbon mitigation. In addition, Dow's Climate Solutions Framework was launched as one of the key initiatives of the "Caring for Climate Action Hub" at the United Nations' Meeting of the Parties to the Kyoto Protocol (CMP) conference (COP19/CMP9) event at the forum with broad recognition from private and public sector players from around the world. This framework sets out the guiding principles to enabling economically viable projects to deliver climate benefits for the mitigation of a specific footprint. In an effort to lead by example and catalyze collective action, Dow made the framework available for others to use.

Dow Commitment to Responsible Care[®] Management System



RESPONSIBLE CARE[®]
OUR COMMITMENT TO SUSTAINABILITY

Integral to our commitment to Responsible Care[®], Dow will make continuous progress toward the vision of no accidents, no injuries and no harm to the environment and will publicly report our global health, safety and environmental performance. We will lead in ethical ways that increasingly benefit society, the economy and the environment while adhering to the 12 specific commitments that guide the discipline of our Responsible Care[®] Management System. A key part of the Responsible Care[®] management system process is mandatory certification by an independent, accredited auditor. Obtaining independent certification that a management system is in place and functions according to professional standards is mandatory for American Chemistry Council member companies. Dow presently works with Lloyd's Register Quality Assurance (LRQA) as the independent, accredited auditor(s) and we are currently in our third Responsible Care[®] Management System (RCMS) certification cycle which extends from 2011 to 2013. During 2011, Dow's headquarters activities were audited and found to be in conformance with the RCMS Technical Specification RC101.03. Eight additional Dow sites were also audited against this Technical Specification during the 2011-2013 re-certification cycle and each location received a Certificate of Conformance from LRQA. These sites included: Michigan Operations, Midland R&D, Wilmington, Plaquemine, Marietta, Findlay, Niagara Falls and Charlotte.

Over past decades, Dow has been a leader in working with industry associations and chemical companies around the world, resulting in wide participation in Responsible

Care[®]. This management system helps every participating chemical company continuously improve its health, safety and environmental performance.

Biotechnology Principles

Dow has adopted the following principles to guide its decision-making in applying biological knowledge and techniques to develop products and services for the benefit of our customers, shareholders and society. We will pursue biotechnology in alignment with Responsible Care[®], Dow's Values, and the Code of Business Conduct. We recognize that the unique scientific, philosophical and ethical implications of biotechnology must be considered.

- We will actively listen to and discuss with stakeholders to understand their concerns and help us progress responsibly.
- We will inform the public about relevant benefits, risks, and potential implications of our biotechnology products and processes and encourage others to do the same.
- We will participate in outreach efforts and explore opportunities to make the benefits of biotechnology available to developing countries and will respect the rights of indigenous people to have access to local germ plasm.
- We will promote research on the potential benefits and safety of our biotechnology products and services for humans, animals, and the ecosystem.
- We will support the development and implementation of internationally harmonized approaches to biotechnology safety analysis and promote the creation of a predictable and scientifically sound regulatory framework to reduce scientific uncertainty, manage potential risks and assure public confidence.
- We will apply our established corporate Environment, Health & Safety Risk Review Process, which includes a thorough consideration of the impact on humans, animals, the environment and society, throughout the life cycle of all our biotechnology products and services and will take appropriate corrective actions.
- We will support the patentability of inventions as determined by the applicable laws of the countries in which we do business and will respect the intellectual property rights of others and not knowingly infringe upon valid patents.
- We will support the conservation of biological diversity and the sustainable use of biological resources.
- We will promote these principles throughout the industry and value chain.

GMO Answers

Dow AgroSciences, as a member of The Council for Biotechnology Information (CBI), supports the GMO Answers initiative to make information about biotechnology in food and agriculture easier to access and understand. A key component of the Genetically Modified Organism (GMO) Answers initiative is a central online resource for information on GMOs, their background, use in agriculture, and research data. Consumers can go to GMOAnswers.com and submit questions. Scientists, health and safety professionals, farmers and other independent experts, including Dow AgroSciences representatives, provide answers. The members and partners of GMO Answers commit to five core principles:

- Respecting people around the world and their right to choose healthy food products that are best for themselves and their families;
- Welcoming and answering questions on all GMO topics;
- Making GMO information, research and data easy to access and evaluate and supporting safety testing of GM products, including allowing independent safety testing of our products through validated science-based methods;
- Supporting farmers as they work to grow crops using precious resources more efficiently, with less impact on the environment and producing safe, nutritious food and feed products and
- Respecting farmers' rights to choose the seeds that are best for their farms, businesses and communities and providing seed choices that include non-GM seeds based on market demands.



16. Memberships in associations and/or advocacy organizations

Dow takes an active role in many trade, business and industry associations throughout the world. Engagement with trade and business associations, whose purpose is to promote common business interests, assists us in managing priorities relevant to Dow and the chemical industry. Working through industry associations enables Dow to improve its own Environment, Health and Safety (EH&S) programs, as well as share its knowledge and expertise to improve the EH&S programs of other manufacturers. Dow has also developed partnerships with civic leagues and social welfare organizations that play an important role in public policy debates. These non-governmental organizations sometimes engage in advocacy-related activities, as well.

Examples of trade, business associations and alliances where Dow is an active member are shown below. Dow participates in numerous additional organizations, including many at the local and regional level.

- Akatu Institute for Conscious Consumption (Brazil)
- Alliance to Save Energy
- Alliance with US OSHA to share health and safety expertise
- Alliance with China SEPA to share pollution prevention practices with SMEs
- Alliance with China SAWS to share worker safety practice with SMEs
- American Cleaning Institute
- American Council for an Energy Efficient Economy
- American Council of Commerce (China, Japan)
- American Institute for Packaging and the Environment (AMERIPEN)
- American Chemistry Council (ACC)
- American Seed Trade Association
- Asociación Nacional de la Industria Química (ANIQ)
- Association of International Chemical Manufacturers (China)
- Biotechnology Industry Organization (BIO)
- Brazilian Business Council for Sustainable Development (CEBDS)
- Brazilian Chemical Industry Association (ABIQUIM)
- Business Forward
- Carbon Disclosure Project
- Canadian Chemical Producers Association (CCPA)

- China-US Center for Sustainable Development
- Chlorine Chemistry Division of the American Chemistry Council
- Chlorine Institute
- Clinton Global Initiative
- Coalition Against the Deceptive Food Labeling Scheme
- Corporate Eco Forum
- CropLife America
- Ethos Institute (Brazil)
- European Chemical Industry Council (CEFIC)
- German Chemical Industry Association (VCI)
- Greater Indianapolis Chamber of Commerce
- Halogenated Solvents Industry Association
- Institute of Argentine Business Development (IDEA)
- International Council on Chemical Associations (ICCA)
- Japan Chemical Industry Association (JCIA)
- Louisiana Chemical Alliance
- Michigan Alliance for Business Growth
- Michigan Chamber of Commerce
- National Association of Chemical Distributors (NACD)
- National Association of Manufacturers
- Netherlands Chemical Industry Association (VNCI)
- North American Insulation Manufacturers Association
- North American Metal Packaging Alliance
- Plastics Europe
- Plastics and Chemicals Industries Association (PACIA)
- Responsible Industry for Sound Environment
- Ripon Society
- Solar Energy Industry Association
- Sustainable Packaging Coalition
- Synthetic Organic Chemical Manufacturers Association (SOCMA)
- Texas Chemical Council
- The Business Roundtable (BRT)
- The Sustainability Consortium
- United Nations Global Compact
- United States Council on International Business
- United States Studies Centre at the University of Sydney
- Dow Sustainability Fellows Program at the University of Michigan
- The Dow Centre for Sustainable Engineering Innovation at the University of Queensland
- World Business Council for Sustainable Development (WBCSD)
- China Business Council for Sustainable Development (CBCSD)

- US Chamber of Commerce
- US Chamber of Commerce Foundation – Corporate Citizenship Center
- Western Plant Health Association
- Consejo Empresario para el Desarrollo Sostenible. (Argentina)
- World Chlorine Council (WCC)
- World Environment Center (WEC)
- World Resources Institute Corporate Consultative Group

2013 Sustainability Innovation Student Challenge Awards



Dow recently concluded the fifth year of the Dow Sustainability

Innovation Student Challenge Award (SISCA) with the recognition of over 80 winners at our strategic universities around the world. SISCA recognizes and rewards students and universities for their innovation and research of solutions to the world's most important social, economic and environmental issues. The 2013 Award winners were selected using a peer review process by the participating universities with guidance from high-level criteria provided by Dow. Examples of projects recognized include: the development of a sustainable hydroponic greenhouse for growing high yield crops in the arid regions of northern Mexico; a novel green 3D catalyst on CH₄ combustion for vehicle emissions; mobile technologies for breast and cervical cancer detection; sustainable desalination and water recycling using chemical micropumps in membrane systems; and plant genome engineering by the CRISPR-Cas system for potyvirus. Established in 2008, the SISCA program is made possible through partnerships with support from 17 universities.

Identified Material Aspects and Boundaries

17 (G4-17). Entities included in the organization's consolidated financial statements

Subsidiaries of the Company, for which the effective ownership by Dow is 50 percent or more, are listed in the Dow 2013 10-K in Exhibit 21. Exhibit 21 also includes nonconsolidated affiliates owned 50 percent by the Company. Information about joint ventures can be found in Strategy & Profile section, item 20.

18 (G4-18). Process for determining report content

Materiality as defined in GRI Reporting Guidelines and used for this report are those issues that reflect the organization's significant economic, environmental and social impacts; or that substantively influence the assessments and decisions of stakeholders.

Two complimentary processes merge to form our picture of materiality, as defined in GRI Reporting Guidelines. The first is the development of and the attention given to the implementation of our 2015 Sustainability Goals. A critical element in the development of the 2015 Sustainability Goals has been a continuous dialogue with a wide range of stakeholders on the key components of the goals. This process began in 2003, when we developed a first pass at the goals using a "bottom-up" approach with a number of functional experts and resources within the company. We also sought guidance from a number of external stakeholders who shared common view of the overall sustainable development agenda with us, as well as their expertise in the specific areas under consideration for emphasis.

Since 1992, the Sustainability External Advisory Council (SEAC) has been a key contributor to Dow's outside-in perspective on environment, health and safety, and sustainability issues for the company. The SEAC played a critical role in developing our 2015 Sustainability Goals.

The 2015 Sustainability Goals remain a focus for guiding our pursuit of being a more sustainable company. We will continue to collaborate with the SEAC and other key external stakeholders as we implement and track our performance toward the goals. Links on the Goals on the Materiality Map on [page 35](#) go to more information located within this report.

The second process to determine materiality for this report is an annual Public Policy Issues Prioritization process. Through its Government Affairs, Public Policy, Regulatory Affairs and Issue Management teams, Dow's Issue & Policy Management Council drives alignment of global issue and policy management strategies and plans through clear priority setting, resource alignment and coordination of efforts.

In 2013, as part of building the Dow's next-generation approach to sustainability, we conducted an extensive stakeholder and corporate interview process to identify the issues that are the most important for stakeholders and most relevant for Dow. More than 300 one-on-one and small group interviews were conducted with people from around the globe. All stakeholders highlighted in the Stakeholder Engagement section on [page 38](#) were represented in this project. External stakeholders include people from non-governmental organizations, academia, and governments as well as the environmental and sustainability communities. Key customers, consumer-facing companies, and Community Advisory Panels (CAPs) were interviewed. Further, individual conversations were conducted with SEAC members, senior leadership and employees in focus groups. Robust analytics and text mining were applied to analyze the extensive data collected through the interview and assess the importance of issues to stakeholders and to the Company, which resulted in prioritization of the topics by our stakeholders.

As part of the 2015 Sustainability Goal of Contributing to Community Success, Dow conducts sustainable community assessment to evaluate the quality of life in key Dow locations around the world. The sustainable community assessment describes what the community believes its needs are to achieve its desired quality of life. At each site, more than 500 telephone interviews were conducted anonymously with a random sample of adults. Experts from the Company then carried out analysis to understand and prioritize environmental, social and economic needs in the communities in which Dow has significant operations.

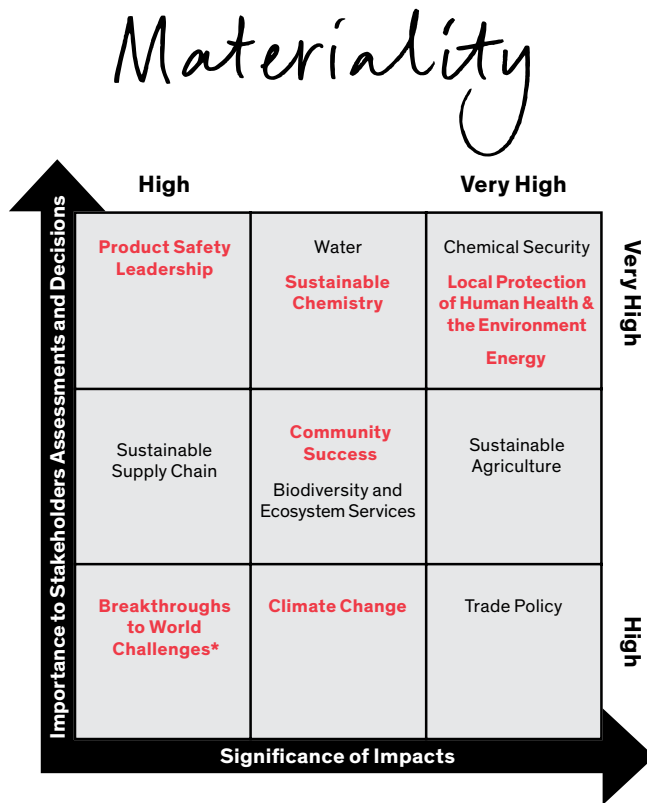
In a few cases, experts from the Company may make an adjustment to an emerging issue to alter its importance based upon Company's Mission, Vision and Values.

The results of the materiality assessment are described in Strategy & Profile section, item 19 Materiality map.

19 (G4-19). Materiality map

The results of the materiality assessment described in Strategy & Profile section, item 18 are mapped out below. The y-axis maps the relative importance of the topics to our stakeholders, the x-axis shows the relevance of the topics from the company's internal perspective. Those topics with a high or very high importance to stakeholders or to the Company are presented in the map.

The seven goals represented by red font were declared in 2006, with specific targets to drive improvements by 2015. These remain a focus for guiding our pursuit of being a more sustainable company. Links on the Goals go to more information located within this report.



*Focus areas by 2015: Sustainable Water, Housing, Energy and Climate Change, Food, Health and Safety

Trade Policy remains an issue found to be material for this report. See [Aspect: Public Policy](#) for coverage of Trade Policy. Also of note is the increasing importance of Energy and Product Safety to stakeholders. These issues can be found in [Aspect: Public Policy](#) and the [Product Stewardship](#) of this report.

[Sustainable Agriculture](#) encompasses a number of topics of interest to a diverse audience. [Dow AgroSciences](#) products and solutions are designed to solve pressing crop production problems for our customers, boosting agricultural productivity to maximum sustainable levels to help keep pace with the growing needs of our world's rapidly expanding population.

Sustainable Supply Chain is an area that has received increasing attention inside and outside of the Company since 2010. With our large global footprint, we recognize that we have a responsibility to manage our business sustainably and with integrity, helping to hold ourselves and our suppliers to high standards of behavior. Much of our effort to address stakeholder expectations in this area is being captured in a [Code of Business Conduct for Suppliers](#).

Ecosystem Services are the valuable goods and services provided by nature. At the halfway point in the six-year Collaboration on valuing ecosystem services in business decision-making, Dow and The Nature Conservancy (TNC) have made significant progress to incorporate the value of ecosystem services into Dow's business decisions. The work involves validating tools and models that can assign a value to ecosystem services in order to support Dow's decision-making when it comes to designing, constructing and operating its manufacturing sites. See [Aspect: Biodiversity, EN11 - EN14](#) and 2013 Dow-TNC Progress Report for more information.

While the GRI Reporting Guidelines allow a company to only focus on specific reporting on the topics identified through a materiality assessment process, we believe that our stakeholder audiences will find it important that we continue to report on all GRI Aspects and Indicators. Therefore, we decide to report on all Indicators to continue the accuracy, completeness and transparency of Dow's Sustainability Report.

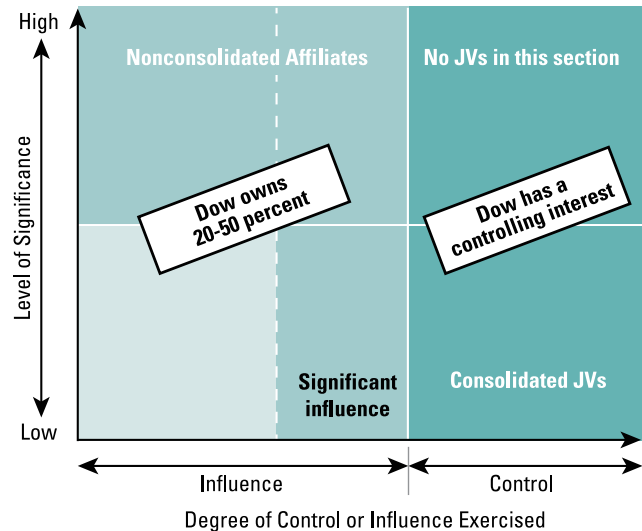
This report is targeted to multiple audiences. However, we anticipate that those with special sustainability interests will be most interested in the details of this report. At Dow, the process and publication of this document is a crucial building block to the rest of our sustainability communication and disclosure, as it informs and guides these processes. We continue to consider how we can better meet the needs of our audiences and would appreciate your feedback and suggestions. See Strategy & Profile section, item 24 for stakeholder identification.

All GRI 4 Aspects and Indicators are included in this report. At the end of report is a detailed index in GRI4 nomenclature with hyperlinks by item that will help audience navigate to the Aspects and Indicators of interest.

20 (G4-20). Aspect Boundary within the organization

As part of the materiality assessment, we identify where the impacts of material topics could occur within and outside of the Company along the value chain, including our suppliers, Dow's operation and transportation, distribution, our customers, and broader society.

Impacts of material topics within Dow occur throughout the entire Company. This report covers majority-owned Dow subsidiaries over which the Company exercises control, entities for which the Company has a controlling financial interest or is the primary beneficiary, and operations in leased facilities that are Dow managed, worldwide as of December 31, 2013. Entities for which the Company has a controlling financial interest or is the primary beneficiary ("consolidated JVs") are represented in the lower right-hand part of the following diagram. Nonconsolidated affiliates are not included in the sustainability metrics of this report. This is consistent with the financial reporting treatment of accounting for nonconsolidated affiliates (20-50 percent owned companies, joint ventures, and partnerships) on an equity basis. These affiliates are represented in the upper left corner of the following diagram, reflecting their significance and the fact that management control resides within the affiliate. Background on the use of this matrix to guide the scope of inclusion can be found in the GRI Boundary and Technical protocols.



Dow's share of the earnings of nonconsolidated affiliates in 2013 was \$1,034 million, compared with \$536 million in 2012 and \$1,223 million in 2011. In 2013, equity earnings increased primarily due to increased earnings at Dow Corning Corporation, EQUATE Petrochemical Company K.S.C., The Kuwait Sytrene Company K.S.C. and MEGlobal as well as improved results from The SCG-Dow Group, Sadara and Map Ta Phut Olefins Company Limited.

Principal nonconsolidated affiliates

- Dow Corning Corporation
- EQUATE Petrochemical Company K.S.C.
- The Kuwait Olefins Company K.S.C.
- Map Ta Phut Olefins Company Limited
- MEGlobal
- Sadara Chemical Company
- The SCG-Dow Group
- Univation Technologies, LLC

Partner selection is critical, and Dow will work only with companies that have compatible business strategies, are financially strong, and share the same perspective on business ethics and EH&S principles. Stakeholders may be assured that joint ventures are:

- Created for strategic reasons
- Designed to accomplish a long-term relationship with the partner
- Given appropriate management attention related to values, culture and operating standards

More information on joint ventures is provided on pages 58-61 of the 2012 Databook. Subsidiaries of the Company, for which effective ownership by Dow is 50 percent or more, are listed in the Dow 2013 10-K in Exhibit 21. Further information on Dow's principal nonconsolidated affiliates is disclosed in Part II, Item 8. Financial Statements and Supplementary Data - Note 8 - Nonconsolidated Affiliates and Related Company Transactions in the Dow 2013 10-K.

The basis for reporting on subsidiaries, joint ventures, leased facilities and other entities does not significantly affect comparability from period to period with the exception of the following:

- Reporting beginning with the second quarter of 2010 excludes the Styron business unit divested on June 17, 2010.
- Reporting beginning with fourth quarter of 2011 excludes the Polypropylene business divested on September 30, 2011.

Impacts outside Dow occur through our relationship with our suppliers, our customers, and broader society.

	Within Dow	Outside Dow		
		Suppliers	Customers	Broader society
Sustainable Chemistry	M	I	I	I
Climate Change	M	I	I	I
Energy	M	I	I	I
Product Safety Leadership	M	I	I	M
Local Protection of Human Health & the Environment	M	I	I	M
Community Success	M			M
Breakthroughs to World Challenges	M		I	I
Biodiversity and Ecosystem Services	M			I
Trade Policy	M	I		
Chemical Security	M	I	I	I
Sustainable Supply Chain	M	I	I	
Water	M	I	I	I
Sustainable Agriculture	M		I	I

M=Material; I=Important but not material

21 (G4-21). Aspect boundary outside the organization

See previous section for details related to aspect boundary outside the organization.

22 (G4-22). Explanation of any re-statements of information provided in earlier reports

None identified.

23 (G4-23). Significant changes from previous reporting

None identified.



Stakeholder Engagement

24 (G4-24). List of stakeholder groups engaged by the organization

Advocacy and Advisory Groups	NGOs * and Think Tanks	Governments
Communities	Industry and Trade Associations	Regulators
Customers/Retailer	Academia	Financial Community
Employees	Retirees	Competitors
Investment Professionals	Shareholders	Suppliers
IGOs**	Consumers	Media

* Non-governmental organization

** intergovernmental organization

Stakeholder engagement takes place in a variety of other ways throughout the year. Some specific examples of intentional and purposeful listening to stakeholders occur through the following:

- The Sustainability External Advisory Council (SEAC) has represented a wide variety of external stakeholders since its initial meeting in 1992. Thought leaders are selected to represent external points of view in ongoing semi-annual meetings. Members bring their knowledge, experience and understanding to discuss issues of concern to Dow.
- Community Advisory Panels (CAPs) – Dow has been an industry leader in establishing and using CAPs in the communities where we have operations.
- The Business Sustainability Forum is a group of Dow marketing and business people who collaborate and share best practices on addressing current sustainability trends in the marketplace.
- The Sustainability Network brings together passionate Dow employees both at a regional and global level to discuss and debate topical sustainability issues both inside and outside of Dow.

25 (G4-25). Basis for identification and selection of stakeholders with whom to engage

Stakeholder analysis helps identify and evaluate stakeholders that can and do impact or influence the Company's strategy and reputation. The intentional effort is to identify stakeholders who can drive, block or shape the discourse around sustainability. In addition, those who are affected may then influence how this discourse ultimately impacts Dow. Through keeping up with current perspectives, more successful issues management and government affairs efforts are accomplished helping to avoid negative impacts for the Company's businesses.

The selection of members for the SEAC focuses on the potential to challenge conventional thinking and press the case for adopting proactive and effective positions on important issues.

26 (G4-26). Approaches to stakeholder engagement

The fundamental principles of Dow's on-going sustainability stakeholder engagement strategy focus on three areas: (1) information sharing and disclosure; (2) participating in active dialogue; and (3) collaborating on issues of mutual interest. The overall purpose of engagement is to advance the most appropriate business objectives while building Dow's reputation.

The following are examples of engagement with key stakeholders in 2013. The engagements described were not undertaken specifically as part of the report preparation process.

- Since its formation in 1992, the SEAC has brought a diverse outside-in perspectives on environment, health and safety, and sustainability issues for the Company. Council meetings take place over two and a half days, addressing agenda items that have been suggested by Dow and the Council.
- The Sustainability Consortium drives scientific research and development of standards and tools that help companies better understand and address the environmental, social, and economic implications of their products, which can lead to significant competitive advantage. Dow provides invaluable insight regarding sustainable chemistry and advanced manufacturing perspective across industry sectors of emphasis by the consortium. Key sectors of focus are Food Beverage & Agriculture, Home & Personal Care, Electronics, Clothing Footwear & Textile, General Merchandise, Packaging, and Pulp Paper & Forestry. The Sustainability Consortium is a collaborative member organization jointly managed by Arizona State University and the University of Arkansas. The Sustainability Consortium has a broad base of support, including P&G, Wal-Mart, Marks & Spencer, Unilever, Coca-Cola, Georgia Pacific, Henkel, Johnson & Johnson, McDonalds, Kroger, Ahold, Non-Government Organizations and Industry trade associations.

- In 2013, the fifth annual Dow Sustainability Innovation Student Challenge Award (SISCA) program was held with 17 universities around the globe. The competition started in 2009 in line with the 2015 Sustainability Goals and has been established to strengthen university collaboration efforts and to recognize student enthusiasm for sustainable development, and to foster innovative and interdisciplinary project development. Dow SISCA Award winners around the world provide new technology opportunities for alternative energy, infant health, improving crop yield, housing, and reduction of food spoilage as examples.
- Dow and The Nature Conservancy (TNC) have completed the first of three pilots in Freeport, Texas, with the most promising results found in the air analysis, which could provide Dow and other Texas-based companies the ability to consider large-scale reforestation as a method to help reduce components that form ozone. The Company also has a second ongoing pilot in Santa Vitoria, Brazil, which is looking at ways to expand agricultural production while minimizing impact, maximizing ecosystem services, and complying with Brazil's Forest Code. We have also begun developing several new tools designed to help businesses rapidly assess ecosystem services on site, estimate the business and public values of their land, and prioritize their asset portfolios with regard to biodiversity and ecosystem services. Development of these tools – including the Ecosystem Services Identification and Inventory (ESII) Tool – is on track.
- In 2013, Dow and TNC were presented with the Harvard Roy Award for Environmental Partnership for the Collaboration on valuing ecosystem services, and – along with other companies like Shell, Unilever and Swiss Re-published “The Case for Green Infrastructure” white paper, which concluded that hybrid approaches of green/gray infrastructure may provide solutions that optimize business resilience.
- Dow held its 5th annual Innovation Days in Shanghai, China. During the two-day event, Dow experts, customers, business partners and academic experts focused on collaborative innovation in response to the rising concerns for environmental protection and food safety in China.



- Dow has a longstanding commitment to science, technology, engineering and math (STEM) education, a key focus area for Dow's charitable efforts. Along with United States Agency for International Development and World Learning, Dow Egypt hosted 120 students from a newly established STEM school in Egypt at the Dow Cairo Formulated Systems House. The students learned about the latest innovations and products from Dow, as well as the raw materials, chemical interactions, sustainable thinking and manufacturing process expertise that go into producing a wide range of solutions.
- Through the efforts of Dow Performance Packaging, Dow has become an official member of the SAVE FOOD initiative – an important step in Dow's efforts to address the global issue of food shortage and food waste. The initiative is a joint campaign of the United Nations' Food and Agriculture Organization and Messe Düsseldorf GmbH; it is aimed at fighting global food loss by networking the know-how of participating organizations and enterprises. As a major supplier to the food packaging industry, Dow aims to develop the best possible packaging solutions to safeguard food. Membership with SAVE FOOD provides opportunities for Dow to engage with the industry and contribute to the development of next-generation packaging materials that will drive the reduction of food waste.

- China is facing great challenges with both water supply and water pollution. Dow, being the leading technology and solution provider of water treatment, partnered with Haier, a leading electronics manufacturers in China, to establish a collaborative approach to combine the advantages from both parties to work together to help with the challenges of water pollution and water efficiency. In March 2014, Dow Water & Process Solutions (DW&PS) celebrated the first anniversary of its water purification business cooperation with Haier in Qingdao, China. Meanwhile, a new collaboration agreement between the parties was also reached – Haier will purchase original USA-made residential FILMTEC™ Reverse Osmosis (RO) Components for its high-end residential water purification products.
- Dow Greater China and Junior Achievement China (JA China), the world's largest non-profit educational organization, have built a strong partnership since 2008, with the goal of bringing holistic understanding of sustainability to elementary school students, one that focuses on balancing the economic, societal, and environmental needs. The result of this synergy is the development of the “Our City” (OC) program. Through interactive, hands-on activities, students learn about their roles and responsibilities in contributing to the economical and sustainable development of a city. With an emphasis on behavioral change, the OC program heightens the students' sense of social responsibility and cultivates a new generation of future business leaders who will contribute to our growing green economy. In June 2013, the Basic Education Curriculum Development Research Center of Beijing Academy of Educational Sciences declared the integration of the OC program into the elementary school curriculum of the Beijing municipality. In the fall of 2013, approximately 300 schools from 17 districts from Beijing have adopted the OC program into their school curriculum, in addition to the existing schools that have already been implementing the program. This milestone is significant not only in terms of its wide scale of impact, but also its ability to bring world-class education programs the schools with the greatest need. Since the fall of 2013, over 85,000 young students have benefited from the OC program.
- In a new twist on leadership talent development, Dow provided a unique opportunity for 36 employees to use their skills to enhance local non-profit organizations in Ghana. Under the Leadership in Action-Ghana Community Development Project, employees worked in teams from May to September 2013 to solve some of the challenges facing these local non-profit organizations. Projects included efforts to address STEM (Science, Technology, Engineering and Math) education, sustainable farming, issues surrounding access to water, and urban housing.
- Dow welcomed strategic customers, sustainability leaders, and chief officers from environmental organizations including the World Environment Center to an executive roundtable in Berlin. The two-day, intensive roundtable showcased successful collaboration projects between companies and environmental organizations. Participants discussed shared values while working to identify the future potential of innovative business models and promote game changing collaboration to accelerate progress.
- Dow recently took center stage at the United Kingdom's government's Energy Efficiency Mission launch. Aimed at making the UK a world leader in energy efficiency, the program could potentially be replicated around the globe.
- During a two-day working session at the Tarragona site in Spain, Dow leaders worked with politicians, academics and employees on critical sustainability issues facing the region and collaborative approaches to solving them. Participants toured facilities and learned about recent success and innovation during a number of workshops and discussions.
- Aiming to drive the discussion about major topics related to sustainability in the coatings market, Dow Coating Materials and DuPont held a special forum to address crucial topics for the sector's sustainable growth. At the event held in São Paulo, Brazil, global experts from both companies introduced the trends regarding local and international regulations on the emission of Volatile Organic Compounds (VOCs), in addition to the concept of a product's life-cycle assessment. The event was attended by more than 70 executives, including customers, members of area associations, and government and regulatory partners.

"With the region's fast growing economies and the rise of urbanization, at Dow we strive to provide solutions to support Asia Pacific's sustainable growth. By driving collaborative innovation, getting closer to our customers and contributing to community success, our goal is to harness our products, technology and expertise to meet the needs of the Asia Pacific market, while improving the quality of life for people across the region."

– Peter Sykes, President, Asia Pacific



- Dow AgroSciences (DAS) and The Royal Barenbrug Group collaborated on the development and commercialization of advanced germplasm in forage seeds. A new plant has been inaugurated that will significantly improve the grass seeds quality production, and new forages products are coming to increase Beef and Milk productivity for Brazilian Ranchers.
- The Dow Center School of Sustainability Education for Suppliers is a pioneering initiative on the Brazilian market in partnership with Uniethos. In August 2012, the Center launched a supplier-focused program, the main goal of which is to incorporate social responsibility and sustainability into Dow's supply chain and integrate suppliers into the Company's sustainability guidelines and market trends. The main results of the program were: positive impact on Dow's Brazil image and reputation (around 20 positive media articles); Sustainability and Corporate Social Responsibility policies developed by 34 suppliers, 66 people trained and 24,292 people impacted; 13 companies developed their own Code of Conduct; Whirlpool Supplier Award (Best Practice Category) in 2012; requests for benchmarking by organizations from different sectors – such as Whirlpool, Siemens, CPFL, Zara, IDB (Inter-American Development Bank), FIRJAN (Industry Federation of Rio de Janeiro) and ExxonMobil, and more than US \$1,100,000 saved by Dow's suppliers.

Employees

The Global Employee Opinion and Action Survey (GEOAS) measures employee attitudes on important topics of engagement, satisfaction and commitment, and monitors perceptions about key strategic themes important to the Company. Many GEOAS items are benchmarked against feedback from other large, well-respected companies that

conduct similar employee surveys. This survey provides key information to leadership so they can focus on items that are most directly aligned to engaging our employees. In 2013, a new section on Leadership Effectiveness was added to the survey, which gave employees the opportunity to invest in the development of people leaders by providing constructive feedback on their direct supervisor, his/her strengths and areas for development. Leaders used aggregate feedback from their direct reports to create individual development plans that enhance their ability to align, inspire and develop their team.

Seven employee networks – each with a senior executive sponsor – bring together people with a common interest to share experiences, find mentors, seek professional development, and gain access to senior leadership :

- African American Network
- Asian Diversity Network
- Disability Employee Network
- Gays, Lesbians & Allies at Dow
- Hispanic Latin Network
- Middle East Intercultural Network
- Women's Innovation Network

The networks at Dow offer mentoring and networking opportunities and provide access to professional development. All employees are eligible to join any of the networks as early in their career as they choose.

Communities

See the Society Disclosure on Management Approach and SO1 for a description of Community Advisory Panels. The SEAC (Sustainability External Advisory Council) provides

27 (G4-27). Key topics and concerns raised through stakeholder engagement and how the organization has responded to those key topics and concerns

for open and structured dialogue between Dow's senior leaders and independent external thought leaders on issues of critical importance to society and to the Company. The SEAC challenges the way the Company thinks, helping to frame important challenges and opportunities in a creative, solutions oriented way. Examples of topics addressed include:

- Dialogue about progress and impact of Dow's 2015 Sustainability Goals
- Dialogue and creative input on Dow's next generation approach to sustainability
- Review of business strategies, particularly related to sustainability issues
- Review of current sustainability issues
- Dialogue on doing business in new emerging regions, including growth projects

A similar method called Dow CAPs (Community Advisory Panels) is used locally at many of Dow's manufacturing/ R&D sites. These panels are made up of selected Dow and community leaders for the purposes of conducting ongoing and open communication regarding Dow's operations, safety programs, environmental conditions, community interactions, and many other aspects of the plant that might be of interest to the community. Feedback from Dow CAPs allows Dow to be responsive in areas such as addressing a community's quality of life needs where the Company can have the greatest impact.

Dow continues to re-align CAPs to maximize value for both Dow and the community where Dow has a presence. Many Dow CAPs are in the process of reinventing ways in which they can maintain their current relationships and mission while at the same time finding new ways they can expand their reach. For example, Dow CAPs are instituting staggered term limits for community leaders on the CAP in an effort to increase capacity of their CAPs by creating alumni groups. This allows for a much broader approach in reaching out to additional community leaders and fresh feedback related to Dow in the community. CAP members are also engaging other community residents by inviting them to a Dow-hosted events in an effort to engage and expand our community reach. This is also resulting in greater feedback from residents and more awareness building about Dow within the community. Dow also measures its impact as a corporate citizen and



identify concerns through periodic community assessment surveys at select sites. These surveys generate feedback related to quality of life issues, identify Dow's "rightful role" in a community, and also provide direct recommendations on identified opportunities where Dow can have a positive impact. We address these and many more issues through its local site Community Success Plans.

An issue of increasing concern to stakeholders is reform of the Toxic Substances Control Act (TSCA), the law that governs production, import and use of chemicals in the United States. Insight about the significance of the issues and the gaps that exist between industry and other stakeholder positions makes this a topic in which constructive conversation is needed. Dow has organized, with American Chemistry Council (ACC), a series of TSCA dialogue sessions with stakeholders from state environmental agencies with an interest in TSCA reform and several other ACC member companies. Representatives from the state agencies and ACC member companies are coming together to learn from each other – sharing our positions on key TSCA framework issues. This understanding provides a better backdrop for both groups as TSCA reform legislative dialogue advances.

Dow provides information about historical issues and challenges such as Agent Orange, asbestos, Bhopal and dioxin on www.dow.com. Recent plans that address the resolution of the dioxin issue in Midland, Michigan, are available at Dioxin Resolution Website: <http://www.midlandresolution.com/>.

Report Profile

28. Reporting Period

Based on 2013 corporate data for the year ended December 31, 2013.

29. Date of most recent previous report

This is the 11th GRI Sustainability Report. The previous report covered 2012 and can be found at our Sustainability Reporting site.

30. Reporting cycle

Annual

31. Contact for questions regarding the report or its content

Han Zhang
1- 989-636-3485
Sustainability Reporting



32. Table identifying the location of the Standard Disclosures in the report

The Company has chosen to maintain our historical reporting excellence by adopting the new GRI 4 Guidelines. As discussed previously in the Materiality Assessment, the Company has chosen to disclose information on all indicators. We consider this report Comprehensive as defined by GRI 4 Guidelines.

For ease of navigation, see the Content Index available at the end of this report.

See next item for information on Assurance.

33. Policy and practice with regard to external assurance for the report

Dow engaged ERM Certification and Verification Services (ERM CVS) to provide limited assurance services to Dow's the 2013 Sustainability Report. ERM CVS is a recognized provider of independent, performance-driving certification and verification on environment, health and safety performance and sustainability reporting, alongside its accredited greenhouse gas services. This is the seventh time Dow has included an independent assurance statement as a part of the annual Sustainability Report.

In previous years the assurance process was conducted in accordance with AA1000AS (2008) at a moderate level. The GRI G4 guidelines include a significant strengthening of the disclosures around stakeholder engagement and the process for determining report content, as well as the opportunity to have these specific disclosures assured. The GRI Content Principles and the associated disclosures cover materiality, context, completeness and inclusiveness and as such provide more comprehensive reporting criteria as a basis for assurance than the AA1000 principles. As Dow is reporting according to G4 Comprehensive, ERM CVS recommended undertaking the assurance in accordance with the International Standard on Assurance Engagements (ISAE3000) methodology, and including the relevant disclosures (G4-17 to 27) in their assurance engagement. In terms of the level of assurance the Company notes that 'limited' as used by ISAE3000 is equivalent to 'moderate' in AA1000AS so that this report has a consistent level of assurance as the reports in previous years.

Independent Assurance Statement to The Dow Chemical Company

ERM Certification and Verification Services (ERM CVS) was engaged by The Dow Chemical Company (Dow) to provide limited assurance, as described below, in relation to the Dow Chemical Company 2013 Sustainability Report (the Report).

Engagement Summary	
Scope:	<ol style="list-style-type: none"> Whether Dow has applied the GRI Report Content Principles during the development of the Report. Whether the 2013 information and data for selected disclosures, as indicated in the GRI G4 Index, are fairly presented, in all material respects with the stated reporting criteria. To confirm Dow's self-declaration of reporting in accordance with the GRI criteria for a G4 'Comprehensive Level' report.
Reporting Criteria:	The Sustainability Reporting Guidelines G4 of the Global Reporting Initiative and internal indicator criteria developed by Dow and described in the section 'Reporting scope and boundary' and the relevant performance sections.
Assurance Standard:	ERM CVS' assurance methodology, based on the International Standard on Assurance Engagements (ISAE 3000).
Assurance level:	Limited assurance.
Respective responsibilities:	<p>The Dow Chemical Company is responsible for preparing the Report and for the collection and presentation of the information within it.</p> <p>ERM CVS's responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.</p>

Our conclusions

Based on our activities as described below, nothing has come to our attention to indicate that the following statements are not correct:

- Dow has applied the GRI Report Content Principles during the development of the Report.
- The 2013 data and information for the disclosures marked with a ✓ in the assurance column of the GRI Report Content table are fairly presented, in all material respects, with the reporting criteria.
- Based on the GRI Content Table (page 140) the self-declared G4 Comprehensive Level in G4-32 is consistent with the GRI criteria for a comprehensive level report.

Our assurance activities

A multi-disciplinary team of sustainability and assurance specialists performed assurance procedures which varied across the disclosures covered by our assurance engagement.

For the disclosures marked with ✓1:

- An interview with a member of the Sustainability External Advisory Committee (SEAC) to review SEAC process and to test responsiveness of Dow to issues raised;
- Interviews with management representatives in order to understand Dow's sustainability strategy, policies and management systems for the relevant disclosures.

In addition to (1) above, for the disclosures marked with ✓2:

- A review of the materiality determination process including the results of stakeholder engagement;
- A review at corporate level of a sample of qualitative and evidence supporting the reported information;

In addition to (1) and (2) above, for the disclosures marked with ✓3:

- A review at corporate level of a sample of qualitative and evidence supporting the reported information;
- A review of the internal reporting guidelines, including the Global Incident Reporting Database (GIRD), the Global Emissions Inventory (GEI) Global Standard and the Global Asset Utilization Report (GAUR), as well as the associated conversion factors used;

- Interviews with relevant staff to discuss and review the data management systems and internal review processes used for collecting, consolidating and reporting the 2013 data;
- A visit to the head office of Dow in Midland, Michigan, where we:
 - reviewed the completeness of data reported by all the sites and the effectiveness of the internal QA/QC processes, including the consolidation process;
 - reviewed performance during the reporting period against the 2015 sustainability goals.
- Visits to three production sites in the Netherlands (Terneuzen) and the USA (Joliet, Illinois and Pittsburg, California) to verify environmental and safety source data for 2013 and to understand local community engagement activities;
- An assessment of data collection processes and the year-end data submitted by all sites included in the consolidated GEI and GIRD 2013 data.

For the disclosures marked with ✓4 our work was confined to checking consistency of the data with Dow's 10K report.

To check on the completeness of reporting, we also reviewed external media reporting relating to Dow to identify relevant sustainability issues in the reporting period. Finally, we reviewed the presentation of the information relevant to the scope of our work in the Report to ensure consistency with our findings.

The limitations of our engagement

The reliability of the assured data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context. Our independent assurance statement provides no assurance on statements in the report regarding future performance or on whether Dow will achieve its stated goals. We have only undertaken detailed assurance procedures, including a review of source data, for the 2013 data for disclosures marked with ✓3 in the GRI Content Table.

Our Observations

We have provided Dow with a separate management report with detailed (non-material) findings and recommendations. Without affecting the conclusions presented above, we have the following key observations:

- Dow has recently undertaken extensive stakeholder engagement as part of the process of establishing their next generation (post 2015) sustainability goals. Dow confirmed that no new material issues were identified during this engagement process and that the 2013 report continues to address the material issues identified. We suggest that future Sustainability Reports would be improved by the inclusion of feedback received from Dow's stakeholders on its sustainability practices and performance, together with Dow's response.
- We recognize that the 2013 Report is a transition from G3.1 to G4 and that, as Dow discloses, it has decided to report all 'relevant' G4 disclosures in order not to deviate from its prior year reporting. We recommend that Dow looks to further leverage the G4 report content guidance and the principle of materiality in order to develop a more focused and materiality-based report for 2014.
- To further improve performance monitoring and reporting for material issues, we recommend that Dow considers collecting and reporting quantitative metrics for material indicators where these are not yet reported.



Jennifer Jansen-Rogers
Head of Report Assurance
25 June 2014



ERM Certification and Verification Services, London
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Governance

34. Governance structure of the organization

Board of Directors

At Dow, we believe our success depends on maintaining the highest ethical and moral standards everywhere we operate. That focus on integrity starts at the top. Effective corporate governance begins with the performance of the Board of Directors. Dow exemplifies good governance with an Independent Lead Director; directors with solid credentials and diverse experience; corporate governance guidelines; and codes of business conduct and financial ethics. Independent directors comprise a substantial majority of Dow's Board.

Dow's corporate governance guidelines address important aspects of Dow's corporate governance structure, such as criteria for director qualifications, election, continuing education and tenure; ongoing improvement of Board effectiveness; and a framework for the evaluation of management and succession planning.

See LA12 for information about the gender make up of the Board of Directors.

Corporate Officers

Dow's Corporate Officers are accountable to the Board, in addition to their management roles within the Company.

Executive Committee

The Executive Committee manages the corporation as a whole and is responsible for defining and implementing a strategy to maximize long-term shareholder value. It sets the Company's strategic direction, defines priorities, establishes corporate-wide policy and manages governance and enterprise-level decisions for The Dow Chemical Company.

More information on Dow's corporate governance, including Dow's corporate governance guidelines, Board Committee charters and Code of Business Conduct, is available online at www.dow.com.

Board Committees

Board Committees, which are listed below, are described in the Company's Bylaws available on the website. A Board Committee Membership chart provides an overview of members and Committee roles.

- [Audit Committee](#)
- [Governance Committee](#)
- [Compensation and Leadership Development Committee](#)
- [Environment, Health, Safety and Technology Committee](#)

The Environment, Health, Safety and Technology Committee of the Board of Directors (the "Committee") assists the Board of Directors in fulfilling its oversight responsibilities by assessing the effectiveness of programs and initiatives that support the Environment, Health and Safety (EH&S) and sustainability, innovation, and technology policies and programs of the Company and by advising the Board on matters impacting corporate social responsibility and Dow's public reputation. See Strategy & Profile section, item 45 for the Committee Authority and Responsibilities.

Executive Sustainability Team

The Executive Sustainability Team serves as the governance body within the Company for EH&S, Public Policy Issues and Sustainability. This team, which assists the Environment, Health, Safety and Technology Committee of the Board of Directors in their oversight responsibilities for Dow performance in these areas, is composed of the following members:

- David Kepler: Executive Vice President, Chief Sustainability Officer and Chief Information Officer
- Joe Harlan: Executive Vice President, Chemicals, Energy and Performance Materials
- Pat Gottschalk: Business President, Dow Coating Materials and Performance Monomers
- Neil Hawkins: Corporate Vice President, Sustainability
- Peter Holicki: Corporate Vice President, Manufacturing, Engineering, Environmental, Health and Safety (EH&S) Operations
- Duncan Stuart: Associate General Counsel, Corporate Transactions

35. Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees

Dow employs a delegation of authority structure from senior executives throughout the Company through a chain of command. Generally, this occurs from Vice Presidents to Directors, to Leaders and then to Specialists. The Sustainability Team directs and delegates authority to act to Dow's Business Units, Functions and Process Governance teams in addition to the aforementioned chain of command.

36. Executive-level position with responsibility for economic, environmental and social topics

David Kepler, Executive Vice President, Chief Sustainability Officer, and Chief Information Officer, is responsible for Environment, Health and Safety (EH&S) and leading the company's commitment to Set the Standard for Sustainability. Kepler reports directly to Andrew Liveris, President, Chairman & Chief Executive Officer of The Dow Chemical Company.

37. Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics

Stockholders and other interested parties may communicate directly with the full Board, the Lead Director, the non-management Directors as a group, or with specified individual Directors by any of several methods. These methods of communication include mail addressed to The Dow Chemical Company, 2030 Dow Center, Midland, MI 48674, and the "Contact Us" feature of Dow's corporate governance website at www.DowGovernance.com. The Lead Director and other

non-management Directors may also be contacted by email addressed to LeadDirector@Dow.com. Please specify the intended recipient(s) of your letter or electronic message.

The Dow Proxy Statement describes the requirements for submitting a proposal to be considered for inclusion in the Company's proxy material for a future annual meeting. Agenda item 4 of the 2014 Proxy Statement is an example of a stockholder proposal.

Employees are invited to give voice to their views at the HuB. This electronic venue creates an employee dialogue about far-reaching topics related to Dow. Mr. Liveris extends the following invitation to employees: "Please join me in a conversation about Dow. The topics will be far-ranging. The focus: how today impacts tomorrow. We are looking for a dynamic, candid and constructive discussion. Feel free to disagree – with me or with others posting to the blog. I do ask that your disagreement is respectful, adds value and moves the discussion forward. Each person visiting this site has a distinct view of our Company and of our world. Your vantage point brings real value, so give voice to your views. Help us engage in a conversation that is not only about our future but helps us shape our future."

Employees also provide input and direction through a Global Employee Opinion & Action Survey (GEOAS).

The Dow EthicsLine is a safe, reliable and convenient avenue to report ethical concerns. It is available globally, with multi-lingual capabilities, 24 hours a day, seven days a week. In addition, Dow employees can also access the EthicsLine via an on-line reporting option. No call tracing or recording devices are ever used and the users of the EthicsLine have the option to remain anonymous as permitted by the governing jurisdiction.



38. Composition of the highest governance body and its committees

The Board has assessed the independence of each non-employee Director based upon the Company's Director independence standards listed on the Company's corporate governance website (www.DowGovernance.com). These standards incorporate the criteria in the listing standards of the New York Stock Exchange, as currently in effect, as well as additional, more stringent criteria established by the Board. Based upon these standards, the Board has determined that the following members of the Board are independent: Directors Banga, Barton, Bell, Fettig, Polman, Reilley, Ringler and Shaw. These independent Directors constitute 80% of the full Board, a substantial majority consistent with Board policy. Of these independent members of the Board, 25% are female.

In addition, the Board determined that the following member of the Board serving during 2013 was independent at the time he served as Director: John B. Hess, who retired from the Board in May 2013.

39. Is the Chair of the Board of Directors also an executive officer?

Andrew N. Liveris has served as the President, Chief Executive Officer and Chairman of the Board of The Dow Chemical Company.

The Board has determined that the Company and its stockholders are currently best served by having one person serve as Chairman and CEO as it allows for a bridge between the Board and management and provides critical leadership for carrying out the Company's strategic initiatives and confronting its challenges. Mr. Liveris' service as Chairman facilitates the Board decision-making process because Mr. Liveris has first-hand knowledge of the Company's operations and the major issues facing the Company, and he chairs the Board meetings where the Board discusses strategic and business issues. Mr. Liveris is the only member of executive management who is also a Director.

40. Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members

There are certain minimum qualifications for Board membership that Director candidates should possess, including strong values and discipline, high ethical standards, a commitment to full participation on the Board and its Committees, relevant career experience, and a commitment to ethnic, racial and gender diversity. The Governance Committee has adopted guidelines to be used in evaluating candidates for Board membership in order to ensure a diverse and highly qualified Board of Directors. In addition to the characteristics mentioned above, the guidelines provide that candidates should possess individual skills, experience and demonstrated abilities that help meet the current needs of the Board and provide for diversity of membership, such as experience or expertise in some of the following areas: the chemical industry, global business, science and technology, finance and/or economics, corporate governance, public affairs, government affairs, and experience as chief executive officer, chief operating officer or chief financial officer of a major company. Other factors that are considered include independence of thought, willingness to comply with Director stock ownership guidelines, meeting applicable Director independence standards (where independence is desired) and absence of conflicts of interest. The Governance Committee may modify the minimum qualifications and evaluation guidelines from time to time as it deems appropriate. These guidelines for Director qualifications are included in Dow's Corporate Governance Guidelines, available at www.DowGovernance.com.

41. Processes in place for the highest governance body to ensure conflicts of interest are avoided

All Directors, officers and employees of Dow are expected to be familiar with the Company's Code of Business Conduct, and to apply it in the daily performance of their Dow responsibilities. The Code of Business Conduct is intended to focus employees, officers and Directors on our corporate values of integrity and respect for people, help them recognize and make informed decisions on ethical issues, help create a culture of the highest ethical and business standards, and provide mechanisms to report unethical conduct. The full text of Dow's Code of Business Conduct is available at www.DowGovernance.com.

To assess independence of Board members, the Governance Committee and the Board consider all relationships between the Directors and the Company, including commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others. The Company screens for such relationships using an annual Directors and Officers questionnaire that requires disclosure of any transactions with the Company in which the Director or executive officer, or any member of his or her immediate family, has a direct or indirect material interest.

The process for on-boarding new directors also includes a defined orientation process that includes training for guiding their fulfillment of duties as a member of the Dow Board of Directors.

42. The highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.

Andrew Liveris, President, Chairman and Chief Executive Officer of The Dow Chemical Company, and senior executives periodically review and update Dow's essential elements of mission, vision, values, and strategy. These essential elements provide insight, offer motivation, and point the way forward as the Company seeks to grow and achieve our goals. The Company's mission, vision, values, and strategy are reviewed during the Company's Strategy Week which is held twice a year, and any modifications are proposed to the Board of Directors for consideration. The Board of Directors reviews and approves the proposed mission, vision, values, and strategy on a semi-annual basis.

43. The measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics

The Environment, Health, Safety and Technology (EHS&T) Committee of the Board of Directors assists the Board in fulfilling its oversight responsibilities by assessing the effectiveness of environment, health, safety and technology

programs and initiatives that support the environment, health, safety, sustainability, innovation and technology policies and programs of the Company, and by advising the Board on matters impacting corporate citizenship and Dow's public reputation. A more complete description of the duties of the Committee is contained in the Environment, Health, Safety and Technology Committee charter available at www.DowGovernance.com.

To ensure the Board of Directors' continuing effectiveness to understand and respond to sustainability impacts, the Environment, Health, Safety and Technology Committee of the Board of Directors met five times in 2013. Agendas for these meetings are designed to not only review sustainability issues, but also to educate the Committee on current and future sustainability trends.

44. Process for evaluating the highest governance body's performance, particularly with respect to economic, environmental, and social performance

Each of the four Board Committees conducts an annual review of its charter and performance. In addition to this self-assessment, each Committee makes regular reports to the Board of Directors. The Compensation and Leadership Development Committee and the other non-employee Directors conduct an annual review of the performance of the Chief Executive Officer.

The Committees undertake numerous risk oversight activities related to their charter responsibilities. For example, the Compensation and Leadership Development Committee regularly reviews any potential risks associated with the Company's compensation policies and practices. As another, the Environment, Health, Safety and Technology Committee regularly reviews the Company's operational risks including those risks associated with process and product safety, public policy, and reputation risks.

The responsibilities of each Committee are stated in the Bylaws and in their respective Committee charters, which are available at www.DowGovernance.com.

45. The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities

The Environment, Health, Safety and Technology (EHS&T) Committee of the Board of Directors assists the Board of Directors in fulfilling its oversight responsibilities by assessing the effectiveness of programs and initiatives that support the Environment, Health and Safety (EH&S) and sustainability, innovation, and technology policies and programs of the Company and by advising the Board on matters impacting corporate social responsibility and Dow's public reputation.

The EHS&T Committee has the authority and responsibility to take the actions set forth below:

1. Review the status of the Company's EH&S and sustainability policies and performance, including processes to ensure compliance with applicable laws and regulations and programs to manage risks.
2. Review and provide input to the Company on the management of current and emerging EH&S and sustainability issues.
3. Report periodically to the Board of Directors on EH&S and sustainability matters affecting the Company.
4. Review with management of the Company, the science and technology capabilities of the Company in all phases of its activities in relation to its corporate strategies and plans and its external competitiveness.
5. Review the status of the Company's philanthropy initiatives.
6. Review the Company's public policy and advocacy priorities.
7. Review the Company's initiatives to build reputation.

In a similar fashion, the Audit Committee of the Board oversees the quality and integrity of the financial statements of the Company and its system of disclosure controls and procedures and system of internal control over financial reporting.

The specific responsibilities of each of the Committees of the Board are found on www.dow.com at Corporate Governance – Board Committees.

The Executive Committee is continually informed about the financial performance of the Company and is tasked in part with defining and implementing a strategy to maximize long-term shareholder value.

46. The highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics

The Board of Directors is responsible for overseeing the overall risk management process for the Company. Risk management is considered a strategic activity within the Company and responsibility for managing risk rests with executive management while the Committees of the Board and the Board as a whole participate in the oversight of the process. Specifically, the Board has responsibility for overseeing the strategic planning process and reviewing and monitoring management's execution of the corporate and business plan, and each Board Committee is responsible for oversight of specific risk areas relevant to the Committee charters.

The Committees undertake numerous risk oversight activities related to their charter responsibilities. For example, the Environment, Health, Safety and Technology Committee regularly reviews the Company's operational risks including those risks associated with process and product safety, public policy, and reputation risks.

47. The frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities

The oversight responsibility of the Board and Committees is enabled by an enterprise risk management model and process implemented by management that is designed to identify, assess, manage and mitigate risks. The Audit Committee is responsible for overseeing that management implements and follows this risk management process and for coordinating the outcome of reviews by the other Committees in their respective risk areas. In addition, the enterprise risk management model and process are reviewed with the Board of Directors annually and the Board recognizes that risk management and oversight comprise a dynamic and continuous process.



The strategic plan and critical issues and opportunities are presented to the Board each year by the CEO and senior management. Throughout the year, management reviews any critical issues and actual results compared to plan with the Board and relevant Committees. Members of executive management are also available to discuss the Company's strategy, plans, results and issues with the Committees and the Board, and regularly attend such meetings to provide periodic briefings and access.

There were six Board meetings in 2013 and 27 formal Board Committee meetings. All of the Directors attended more than 75% of the sum of the total number of Board meetings and the total number of meetings of the Board Committees on which the Director served during the past year, and all but one had 100% attendance at the six regularly scheduled Board meetings and Board Committee meetings.

48. The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered

Neil C. Hawkins, Corporate Vice President, Sustainability.

49. Process for communicating critical concerns to the highest governance body

See Strategy & Profile section, item 37 and 47 for more information and a complete description of this process.

50. The nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them

The Business Risk Review (BRR) Work Process exists to help Dow employees identify, evaluate and manage EH&S risks, including risks associated with possible failure of a product to perform as intended (i.e., product efficacy). Fundamental to the entire BRR Work Process is the recognition by someone in the organization that there is an activity or opportunity that potentially poses a risk to people or the environment and that is a candidate for a risk evaluation.

The Sustainability Team has established a set of criteria for elevating selected activities and opportunities and their attendant EH&S and product efficacy risks for review. These criteria are not to be interpreted as defining what the Corporation considers to be acceptable or unacceptable levels of risk, but rather they are intended to define those activities or opportunities which carry levels of risk which the Sustainability Team wants to review and approve or reject. They are intended to be "evergreen" and subject to modification and refinement based on experience with their use.

Corporate-level identification and management of risk is enabled by an enterprise risk management model and process implemented by management that is designed to identify, assess, manage and mitigate risks. The Audit Committee is responsible for overseeing that management implements and follows the enterprise risk management process and for coordinating the outcome of reviews by the other Committees in their respective risk areas. In addition, the enterprise risk management model and process are reviewed with the Board of Directors annually and the Board recognizes that risk management and oversight comprise a dynamic and continuous process.

Thirteen principal risks were disclosed in the [Dow 2013 10-K](#).

See the Dow 2013 10-K, PART I, Item 1A for a more complete discussion of Risk Factors.

51. Remuneration policies for the highest governance body and senior executives

The following provides an overview of Dow's compensation philosophy and programs:

- The compensation programs at Dow are designed primarily to support the realization of Dow's vision of being the most profitable and respected science-driven chemical company in the world, while promoting the long-term interests of our stockholders and other stakeholders.
- Our compensation programs are designed to attract, motivate, reward and retain the most talented executives who can drive business performance.
- Dow believes in pay-for-performance, which we implement through an annual incentive award that includes objective performance criteria and through equity awards where the value realized is tied to our stock price performance, including shares that vest only if certain performance hurdles are satisfied. These performance components represent at least 80% of the direct compensation of the Named Executive Officers ("NEOs").
- The following elements comprise the total direct compensation awarded to our NEOs: base salary, performance-based annual cash incentive award ("Performance Award"), and equity based Long Term Incentive ("LTI") awards consisting of Performance Shares, Stock Options and Deferred Stock.
- We emphasize stock ownership. LTI awards are delivered as equity-based awards to senior executives. Dow executives are required to maintain, until retirement, between four and six times their annual base salary in Dow stock. This encourages managing from an owner's perspective and better aligns their financial interests with those of Dow stockholders.
- We target all elements of our compensation programs to provide a competitive compensation opportunity at the median range of our peer group (the "Survey Group") of companies whose compensation is surveyed by the Compensation and Leadership Development Committee (the "Committee"). Actual payouts under these programs can be above or below the median based on Company and personal performance.
- Our executives participate in the same group benefit programs, including pension and retirement plans, on substantially the same terms as other salaried employees.
- Our executives are provided limited perquisites which are granted to facilitate strong, focused performance on their jobs.

- The Committee exercises discretion in determining compensation actions when necessary due to extraordinary changes in the economy, unusual events or overall Company performance.

See the compensation discussion and analysis section of the 2014 Proxy Statement for more detailed information.

52. Process for determining remuneration

Compensation is a key component of Dow's Employee Value Proposition (EVP). Dow has a variety of compensation programs to incentivize and reward employees' contributions. There are two main components of compensation that all Dow employees receive: Base pay and an annual variable program called the Performance Award. These components are reviewed for each employee annually through Dow's Global Pay Planning (GPP) cycle.

Dow remains competitive with our peer companies by conducting a rigorous annual Market Measurement Process (MMP), partnering with external consulting firms with recognized expertise in the global compensation market, and access to multiple salary surveys. This ensures that Dow has access to accurate and objective market data. Generally, Dow targets the median level of compensation with companies that Dow competes with for talent and for similar jobs in the market.

During the GPP cycle, annual base pay increase guidelines and Performance Award payout guidelines are created for each employee by Dow's global compensation department. Supervisors make compensation decisions for their employees using these guidelines. All compensation decisions are reviewed by second-level leaders and ultimately functional leadership for equity and consistency.

The Compensation and Leadership Development Committee is a subset of Dow's Board of Directors. The Committee, which is comprised of independent directors, is responsible for the approval of the overall design of Dow's annual Performance Award and Long-Term Incentive programs, and the metrics and goals, which determine payout amounts.

Annual base pay increase, Performance Award, and Long-Term Incentives (where applicable) are linked to Environmental Health & Safety (EH&S) goals through our Performance Management process which considers the full-spectrum of available site- and individual-level EH&S metrics when appraising an employee's annual performance contribution.

The Committee has retained an external compensation consultant, who reports directly to the Committee. The consultant advises the Committee on trends and issues in executive compensation, and provides advice and recommendations in relation to proposed compensation and the design of our compensation programs.

Generally, the compensation consultants that Dow employs have multiple safeguards and procedures in place to maintain the independence of the consultants in their compensation consulting practice. These safeguards include a rigidly enforced code of conduct, a policy against investing in client organizations and separation between their compensation consulting and other business units from a leadership, performance measurement, and compensation perspective.

53. How stakeholders' views are sought and taken into account regarding remuneration

The Company provided stockholders a “say-on-pay” advisory vote on its executive compensation in May 2012 under recently adopted Section 14A of the Securities Exchange Act of 1934, as amended. Following the Company’s 2013 Annual Meeting of Stockholders, we reviewed the results of the stockholder advisory vote on our executive compensation programs. Approximately 75% of the votes cast supported our compensation programs. The Committee carefully evaluated the results of the 2013 say on pay vote at subsequent meetings.

Throughout 2013 both during the proxy solicitation period and following our 2013 Annual Meeting, we engaged in discussions with a broad cross-section of stockholders to solicit feedback on our compensation programs. We view this as an important opportunity to develop broader relationships with key investors over the long-term and to engage in open dialogue on compensation and governance related issues. We also held discussions with stockholders before year-end in advance of preparing for the 2014 proxy statement allowing for additional input and discussions around recent Board and Committee actions.

A substantial majority of our investors indicated that they viewed our executive compensation program as sound and our engagement did not indicate a broad-based negative referendum on our compensation policies and practices. However, even when supportive, our investors shared a number of observations or concerns which we took into account in evaluating ways to further enhance our executive compensation programs and related disclosures.



See the Response to Say-on-Pay Vote & Stockholder Outreach of the 2014 Proxy for actions we took as a result of the 2013 say on pay vote and our related engagement with our shareholders.

54. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees

Dow's annual total compensation is evaluated on a role specific basis. Each employee is paid on a market-competitive basis. In the interest of confidentiality, Dow does not report ratios based on individual compensation, or make pay decisions based on these ratios. See Strategy & Profile section, item 52 for a full description of the process for determining remuneration at Dow.

55. Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees

See Strategy & Profile section, item 54 for details.

Ethics and Integrity

56. Describe the organization's values, principles, standards, and norms of behavior such as codes of conduct and codes of ethics

Taken together, Dow's essential elements of mission, vision, values, and strategy describe why the company exists, who we are, what we intend to do, and how we intend to do it. These essential elements provide insight, offer motivation, and point the way forward as we seek to grow and achieve our goals.

Mission:
To passionately create innovation for our stakeholders at the intersection of chemistry, biology and physics

Vision:
To be the most valuable and respected science company in the world

Corporate Strategy:
Invest in a market-driven portfolio of advantaged and technology-enabled businesses that create value for our shareholders and customers

Values:

- Integrity
- Respect for People
- Protecting Our Planet

The Diamond Standard, Dow's Code of Business Conduct summarizes many of the ethical principles and policies created to deal with issues such as bribery, political contributions, equal employment opportunity, and environment, health and safety. All of us at Dow, no matter where we happen to live, are expected to apply these principles in the daily performance of our job responsibilities.

In December 2010, a new Code of Conduct was approved by Dow's Board of Directors. The Code has been translated into 24 languages.

More information about Ethics & Compliance at Dow can be found on our website.

57. Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines

See next item for details related to mechanisms for seeking advice.

58. Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines

Dow's policy is to be lawful, highly-principled and socially responsible in all of its business practices. Dow expects employees to learn and comply with all company policies and laws applicable to their job responsibilities and to adhere to the guiding principles outlined in this Code.



In September 1998, Dow established the Office of Ethics and Compliance (OEC) to reinforce the company's long-standing commitment to ethical business conduct. The office communicates the company's standards, provides guidance on issues related to ethical conduct and oversees mechanisms for action in this critical area.

Dow's Code of Business Conduct, The Diamond Standard, sets the ethical standard for Dow and its employees. Dow employees and third parties are encouraged to report potential violations of the Diamond Standard for investigation and action. The Dow EthicsLine, operated by an external vendor, is available globally, with multi-lingual capabilities, 24 hours

a day, seven days a week, to receive reports by phone or web submission. In addition to the EthicsLine, employees are encouraged to report their concerns to their supervisors or other leaders, Legal Department attorneys, Human Resources, Regional Ethics and Compliance Committee members or directly to the Office of Ethics and Compliance. All concerns are evaluated and all potential code violations are investigated. Statistics regarding ethics complaints are published for employees on the OEC's intranet homepage. In 2013, 320 matters were reported to the OEC, 249 of which required an investigation. All issues that required corrective actions were appropriately addressed.

The
Economic Impact
of Sustainability



Economic Summary

As the Company pursues its corporate target to deliver \$10 billion in EBITDA in the near term, we recognize the need for Dow's problem-solving expertise to be used to help address the world's most difficult challenges. By understanding the direct and indirect value associated with innovations, we will help meet the current and future needs of society.

Dow realizes that our innovations generate value at multiple steps in the downstream value chain. New chemistry pioneered by Dow enables the performance of high technology products. More efficient processes deployed by our operations reduce the purchase and usage costs of products. We seek opportunities to partner with others, believing that breakthrough solutions to challenging problems are often best addressed through collaboration.

Key Accomplishments for 2013

2013 was a year of significant progress for Dow – a year in which we accelerated performance across our portfolio by further reducing our commodity footprint and deepening our focus in downstream, high-margin businesses. In line with our commitments, we continued to control costs, enhance return on capital and reduce debt, while achieving important milestones in our cost-advantaged investments on the U.S. Gulf Coast and in the Middle East.

As a result of this focus and discipline, the Company achieved a number of significant milestones in 2013:

- Full-year 2013 earnings per share were \$3.68, compared with prior-year earnings of \$0.70 per share. Adjusted earnings per share¹ were \$2.48 versus \$1.90 per share in 2012, up 31 percent.
- EBITDA² totaled \$10.5 billion, or \$8.4 billion on an adjusted basis³ – a \$900 million increase versus 2012.
- Achieved \$7.8 billion in cash flow from operations; excluding the K-Dow arbitration award, cash from operating activities was a record \$6 billion.
- Dow accelerated its cost savings and portfolio management actions throughout the year, exceeding its goal to deliver \$500 million in cost reductions and delivered \$850 million in cash proceeds from divesting non-strategic assets and businesses.
- Dow continued to strengthen its balance sheet, reducing gross debt by \$3 billion, and bringing Dow's net debt⁴ to total capital to 30 percent – well below the Company's historic average.
- The Company rewarded stockholders with \$1.8 billion through dividends declared and share repurchases – a nearly 30 percent increase versus 2012.
- Achieved significant milestones with key, enterprise growth projects – U.S. Gulf Coast investments, and The Sadara Chemical Company joint venture – investments that will further enhance our industry-leading, low-cost feedstock position.
- With Total Shareholder Return of 42%, Dow outperformed the S&P 500 by nearly 10 percent – demonstrating Dow's focus on ongoing value creation.

Global Water Challenge:

In early 2014, the Company named DOW FILMTEC™ ECO Reverse Osmosis (RO) Elements as its second breakthrough technology. Fighting global water scarcity by delivering 40 percent better purification with 30 percent less energy, this innovative solution has the potential to impact millions of lives by revolutionizing water treatment. This announcement marks another milestone in delivering three solutions as part of the Company's 2015 Sustainability Goals. Set in 2006, these Goals include a commitment to achieving at least three breakthroughs that will help solve world challenges in the areas of energy and climate change, water, food, housing and health. The first breakthrough technology, Omega-9 healthy oils, was announced in 2012.

Indirect Economic Impacts

Dow understands the importance of a strong manufacturing economy, and the importance of manufacturing jobs on the local and global scale. Each job in manufacturing is responsible for multiple indirect jobs created in the regions where we do business. We strive to be a good neighbor as well as a global corporate citizen. Through our actions, we know that we are building better, stronger, more sustainable communities in the places where we do business. Our site and local charitable contributions are illustrated in EC7 below.

For major organizational risks and opportunities, see Strategy & Profile section, item 2 and EC2 below. Please consult Dow financial reports and quarterly earnings information for externally reported financial information.

Use the index to find indicators of most interest to you in this section.

¹ "Adjusted earnings per share" is defined as earnings per share excluding the impact of "Certain items." See 2014 Proxy Appendix B on pages B-1 – B-2 for a reconciliation of Adjusted earnings per share to "Earnings per common share—diluted".

² EBITDA is defined as earnings (i.e. "Net Income") before interest, income taxes, depreciation and amortization. See 2014 Proxy Appendix B on pages B-1 – B-2 for a reconciliation of EBITDA to "Net Income Available for The Dow Chemical Company Common Stockholders".

³ Adjusted EBITDA is defined as EBITDA excluding the impact of "Certain Items." See 2014 Proxy Appendix B on pages B-1 – B-2 for a reconciliation to the most directly comparable U.S. GAAP measure.

⁴ Net debt equals total debt ("Notes Payable" plus "Long-Term Debt due within one year" plus "Long-Term Debt" minus "Cash and Cash Equivalents").

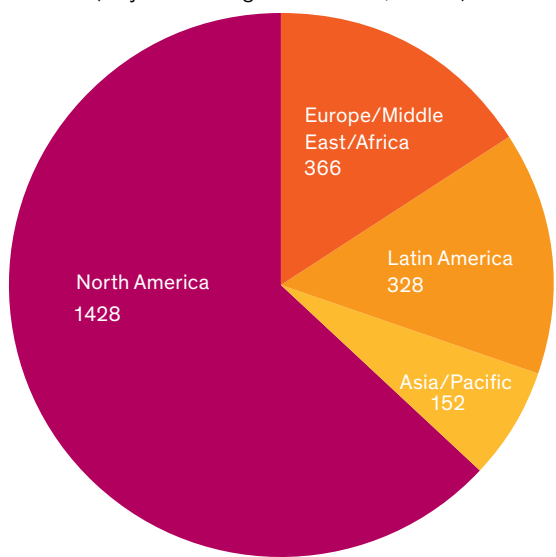
Environmental Performance Indicators

EC1 Direct economic value generated and distributed including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers

Economic value retained, dollars in millions	2013	2012
Revenues	57,080	56,786
Operating Costs	42,199	43,049
Wages/Benefits	8,115	7,255
Payments to providers of capital	2,539	3,278
Payments to governments	2,274	1,421
Donations/Community investments	40	45
Economic value retained	1,913	1,738

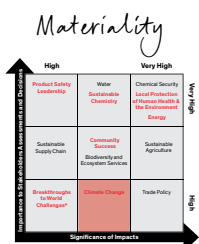
world’s energy demands. Through corporate energy efficiency programs and focused greenhouse gas (GHG) management efforts, the Company has significantly reduced its GHG emissions footprint. The Company’s manufacturing energy intensity, measured in BTU per pound of product, has improved more than 40 percent since 1990, saving the Company 5,829 trillion BTUs. The energy savings and avoided GHG emissions are equivalent to the average footprint of more than 48 million single-family homes. Since 2005, annual absolute energy use has been reduced by 112 trillion BTUs. The Company’s cumulative savings since 2005 is about \$400 million. Since 1990, Dow has prevented over 308 million metric tons of GHG emissions entering the atmosphere, reducing the Company’s absolute emissions footprint by more than 35 percent. As part of our 2015 Sustainability Goals, Dow will maintain GHG emissions below 2006 levels on an absolute basis for all GHGs.

Taxes 2013, Dollars in millions
(Payments to governments, above)



Dow will continue to focus on managing its energy and GHG emissions footprint and providing solutions to reduce GHG emissions and save energy. Through its science and technology capabilities, Dow is committed to bringing solutions to enable a sustainable energy future by producing products that help others reduce GHG emissions, such as lightweight plastics for automobiles and insulation for energy efficient homes and appliances. For example, Dow’s building insulation materials and air-sealing products can save up to 20 percent on heating and cooling costs and significantly reduce GHG emissions. The Company’s STYROFOAM™ insulation is installed in over 20 million buildings worldwide, saving over \$10 billion in energy costs annually. Dow’s DOWTHERM™ A heat transfer fluids are used in 14 large, concentrating solar power plants, with a total capacity of over 700 megawatts. These plants will provide power for the equivalent of approximately 415,000 homes and save 1.6 million metric tons of GHG emissions per year.

EC2 Financial implications and other risks and opportunities due to climate change



A sustainable energy future requires sharpening our focus on manufacturing efficiency inside our company while maximizing the contributions of Dow products to improve efficiency and expand affordable alternatives. Energy is an enabler of global economic growth, and energy efficiency remains critical to meeting the

Dow is studying the life cycle impact of its products on climate change and additional global projects that could improve the Company’s overall GHG emissions footprint. We have also estimated the greenhouse gas emissions for our entire upstream supply chain and the use of selected products. The Company has some units subject to the European Union’s Emissions Trading Scheme (“EU ETS”); however, the Company has not experienced any considerable impact in regard to regulated GHG emissions from the EU ETS. Dow will continue to evaluate and monitor future developments that may affect operations in the region.



Dow's Energy & Climate Change Strategy and Issue Management Team is tasked with developing and implementing a comprehensive strategy that addresses the challenges of climate change and energy security and is advocating an international framework that establishes clear pathways to help slow and stop the rate of GHG emissions globally.

See the Dow Carbon Disclosure Project report for 2013 for more information

EC3 Coverage of the organization's defined benefit plan obligations

Dow offers defined benefit pension plans in several countries where defined benefit plans are common. The largest of these plans are in the United States, Canada, The Netherlands, Switzerland and Germany. The plans are funded by the Company.

It is Dow's policy to contribute to defined benefit plans where pension laws and/or economics either require or encourage funding. As such, most of our pension plans are funded

through separate trusts or legal entities, with the notable exception of Germany, where defined benefit plans are commonly book reserved. Dow also has unfunded plans for compensation above qualified or registered plan limits in the United States and Canada. All funded plans are in compliance with all local funding laws. The aggregate projected benefit obligation ("PBO") under U.S. GAAP as of December 31, 2013, for Dow's significant defined benefit plans was \$25 billion with an aggregate fair value of assets of \$18.8 billion. Contributions to Dow's defined benefit plans are determined by funding regulations, negotiation with Trustees (where applicable) and economics. The corporate Benefit Governance and Finance Committee or CFO, as applicable, must approve any funding in excess of legal minimums.

Dow also offers defined contribution plans in many countries. Typically Dow encourages employee contributions to plans by offering matching contributions. The plan formulas in each country are designed to be competitive within that country. Since pension plans and other retirement benefits build upon social security, and social security benefits vary widely by country, Dow's plan varies considerably country to country.

EC4 Significant financial assistance received from government

Funding Program	Program Title	Project Face Value (\$MM) *	Tax Credit
Australian National	Next generation high sensitivity polymeric Extreme Ultraviolet (EUV) resists Photolithography polymers	0.9	
Dutch National	Lower olefins from Synthesis Gas using supported iron catalysts coping with the challenges of selectivity and stability	1.5	
Dutch National	Catalysis for Sustainable Chemicals from Biomass	39.2	
Dutch National	Heterogeneous catalysis in structured reactors	2.7	
Dutch National	Biobased feed for Bulk	0.9	
European Commission	New PU Foaming Technology for the Cold Appliance Industry Assuring a Cost-Efficient Ecodesign with Augmented Energy Saving	4.2	
European Commission	DYNamics of Architecturally Complex Polymers	5.1	
European Commission	New NANO-technology based high performance insulation FOAM system for energy efficiency in buildings	4.8	
European Commission	Economically and Ecologically Efficient Water Management in the European Chemical Industry	25.0	
European Commission	Sustainable multifunctional coating resins for scavenging applications	0.6	
European Commission	The Electric Vehicle revOLUTION enabled by advanced materials highly hybridized into lightweight components for easy integration and dismantling providing a reduced life cycle cost logic	17.4	
European Commission	Building Active Steel Skin	1.5	
European Commission	Substitution of conventional treatment of raw river water by ultrafiltration membrane technology	2.8	
French National	Cost Effective Lithographic Solution for 32nm and Below	0.1	
German National	New encapsulation foils for photovoltaic modules	1.0	
German National	Light and resource-efficient electric car bodies in multi-material construction method	11.4	

* The dollar figure listed is for the entire value of the program that is receiving support. The value of the direct government support does not equal the face value in most cases. Many programs have multiple participants along with Dow. Programs were active in 2013; however, many are multiyear.

Funding Program	Program Title	Project Face Value (\$MM) *	Tax Credit
Spanish National	Research into treatment, recycling and control technologies for future water purification sustainability	20.9	
US-Bureau of Reclamation	Membrane Structural and Transport Fundamentals for Augmenting Traditional Water Supplies	0.1	
US-DOE	US China Clean Energy Research Center (CERC): "Operationalize a U.S. China Building Energy Efficiency Center"	50.0	
US-DOE	Developing Cool Roof Technologies	4.0	
US-DOE	Lithium air energy storage devices	4.5	
US-DOE	CERC-B Cool Roof CRADA: Development of a Long Life Cycle, Highly Water Resistant, Solar Reflective Retrofit Roof Coating	1.0	
US-DOE	Advanced Insulation for High Performance Cost-effective Wall, Roof and Foundation Systems	5.9	
US-DOE	Energy Efficient Housing Research Partnerships	5.5	
US-DOE	Transformational Approach to Reducing the Total System Costs of Building Integrated Photovoltaics	23.5	
US-DOE	Development of Modified PAG (Polyalkylene glycol) High VI High Fuel Efficient Lubricant for LDV Applications	0.6	
US-DOE	Scale-up of novel, low-cost Carbon Fibers leading to high volume commercial launch	13.5	
US-MSF	Development of technology for improved equipment and materials for the automated manufacture of wind-turbine blades	6.0	
US-MSF	Development and Commercialization of Low-Cost Industrial-Grade Carbon Fibers	7.7	
US-Fed	Dow Solar Solutions: 48C US Federal Tax Credit		17.8
US-Fed	Dow Specialty Films: 48C Tax Credit		2.2

* The dollar figure listed is for the entire value of the program that is receiving support. The value of the direct government support does not equal the face value in most cases. Many programs have multiple participants along with Dow. Programs were active in 2013; however, many are multiyear.

There is not a government presence in the shareholding structure related to the assistance received.

EC5 Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation

Dow offers employees competitive base pay, which is determined through a salary survey process. This process benchmarks compensation at our peer companies and helps Dow maintain employee pay that is tailored to geographically competitive standards. The entry level wage varies based on job role, experience, and responsibility. The entry level wage is not dependent on gender.

In addition to employee base pay, where applicable, employees participate in Dow’s annual variable pay program, which is dependent on individual and Company results. the Strategy & Profile section, item 52 for a full description of the process for determining remuneration at Dow.

Entry level wages are offered in accordance with the value of the work being performed in a similar job, at a similar company, in a similar location, in the external marketplace. The Company does not currently benchmark against minimum wage.

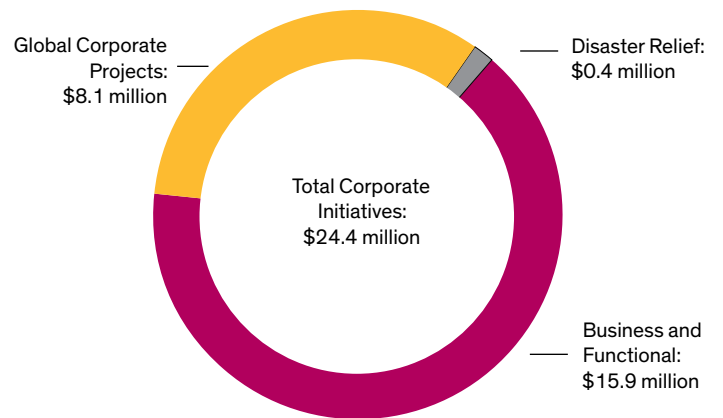
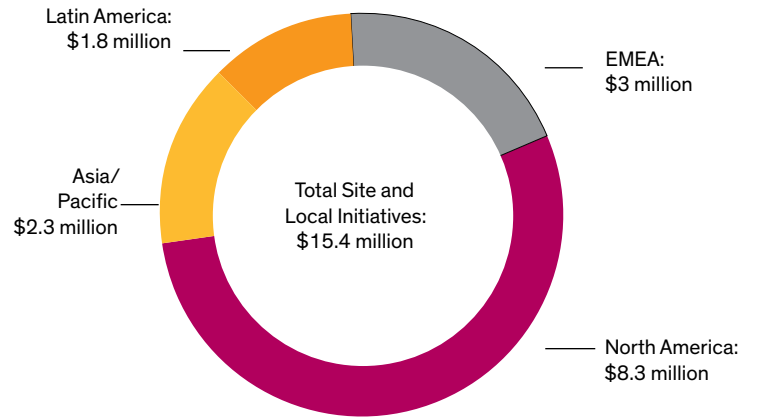
EC6 Proportion of senior management hired from the local community at significant locations of operation

The organization does grant preference to local residents when hiring in significant locations of operation in order for our workforce to reflect the places where we do business.

In 2013, we hired 3,092 people around the world, excluding acquisitions, rehires and returns from leave. Eighty-nine percent of hires were local (employee hired in their country of citizenship). Areas with a significant growth emphasis accomplish a very high percentage of hires from within the respective country: China (97 percent hired have a Chinese citizenship), Korea (96 percent), and India (99 percent). Half of all senior management hiring in 2013 was in-country. A total of four external candidates were hired into senior management positions, two were in-country and two were not.

EC7 Development and impact of infrastructure investments and services supported

Through financial contributions and the volunteer efforts of our employees, Dow supports programs that address education, the environment and economic success – all important aspects of community sustainability. In 2013, Dow and The Dow Chemical



Company Foundation contributed \$39.75 million to hundreds of programs globally. In-kind contributions for product were valued at an additional \$5.78 million and \$130,000 for equipment.

The organization assesses community quality of life nears sites where we have major presence. See Summary Section for more information. See the Society Summary section for a description of the Dow Sustainability Corps which is a way for the Company to provide public benefit through the talents of Dow people deployed on projects that rely directly on their areas of expertise.

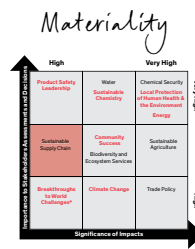
Celebrating 30 Years with Habitat for Humanity

Dow recently announced its commitment to Habitat for Humanity International, marking 30 years of financial, volunteer and product contributions supporting Habitat’s goal of creating safe, affordable housing in partnership with low-income families around the world. In honor of the partnership, Habitat recognized Dow in Times Square in New York City with an electronic banner ad that appeared on International Corporate Philanthropy Day. As one of Habitat’s first national corporate partners, (US) Dow has been instrumental in the construction of nearly 39,000 homes in 24 countries on six continents. As part of its anniversary commitment, Dow volunteers are helping to build homes in 30 communities. The company has also pledged more than \$1.3 million in funding and anticipates \$4 million in gift-in-kind contributions of STYROFOAM™ brand insulation products. To date, Dow has contributed \$56.9 million in cumulative giving to Habitat.



EC9 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation

Dow will conduct business with suppliers who are globally competitive and who will provide the lowest long-term costs. Dow is dedicated to working closely with local suppliers to educate them about our strategic purchasing requirements. The Company now provides a Code of Business Conduct for Suppliers to help make business conduct requirements clear.



Purchases that are from local-based suppliers vary significantly based on factors such as availability of materials. Results are given by state and by country, and exclude internal (Dow-to-Dow) transactions. The sites reported below are the same as those found in SO1 and tracked as part of Dow’s Community Success goal.

EC8 Significant indirect economic impacts, including the extent of impacts

Studies conducted by the American Chemistry Council (ACC) have shown that each job in the U.S. chemical industry generates nearly eight additional jobs in the overall economy and every dollar of energy used in the U.S. chemical industry creates upwards of \$8 of added value in the overall economy.

Dow continues to build on its strong community foundation by actively engaging and addressing issues where the communities feel Dow can have the greatest impact. Community relations have been an essential element of Dow’s business practices since the founding of the company in 1897. Understanding the needs of each community in which Dow has a presence and recognizing the company’s role and impact as a respected community partner is an ongoing process we refer to as Contributing to Community Success. As the company continues to grow and expand globally, extending the knowledge and experience from our established geographies to new, emerging geographies while respecting local culture and heritage can be beneficial to establishing successful relationships.

Dow videos such as “Ramase Lajan,” “Leadership in Ghana” and others demonstrate this far-reaching impact.

Local Purchases

Site Location	Country	State	Country
CANDEIAS	Brazil	83.8%	97.9%
FREEPORT, TX	USA	49.9%	94.4%
MIDLAND, MI	USA	6.1%	96.0%
PITTSBURG, CA	USA	18.2%	91.6%
PLAQUEMINE, LA	USA	17.1%	97.6%
RHINE CENTER	Germany	5.4%	82.3%
STADE	Germany	8.0%	39.9%
TERNEUZEN	The Netherlands	2.4%	93.8%
ST. CHARLES, LA	USA	25.2%	96.0%

Protecting our Planet



Environmental Summary

Dow holds **Protecting Our Planet** as a core value; Dow's commitment to the health of our shared environment is strong and growing.

At Dow, each employee has the responsibility to ensure that our products and operations meet all applicable government and/or Dow standards – whichever is more stringent. Dow achieves manufacturing excellence through effective implementation and leveraging of Most Effective Technology and Operating Discipline practices within and between businesses. EH&S aspects are among the drivers for continuous improvement of manufacturing processes and Most Effective Technology, and subject matter experts from functions and businesses collaborate closely to improve our performance, and ensure continued progress against the 2015 Sustainability Goals.

Sustainable chemistry is our “cradle-to-cradle” concept that drives us to use resources more efficiently, to minimize our footprint, provide value to our customers and stakeholders, deliver solutions for customer needs and enhance the quality of life of current and future generations. We strive to prevent adverse environmental and health impacts, reduce waste and emissions, and promote resource conservation at every stage of the life cycle of our products. As an example, our commitment to environmental footprint reduction includes reducing company-wide emissions of volatile organic compounds by 30%, NO_x by 30% and priority compounds by 30% (by the end of 2015 from a 2005 baseline). We have already met our 2015 goal of re-using 300 million pounds of by-products as raw materials, instead of disposing them as waste.







Internal Dow teams are recognized for their efforts through an annual program aimed at waste reduction. The Waste Reduction Always Pays (WRAP) award recognizes individuals who find innovative ways to save money while reducing waste or emissions at Dow. Waste reduction includes waste avoidance, source reduction, greenhouse gas emissions reduction, material reuse and/or recycling, by-product synergy, and water and energy conservation.

Dow and The Nature Conservancy (TNC) continue to make progress on the six-year Collaboration announced in 2011, which seeks to incorporate the value of nature into business decisions. At the halfway point in the Collaboration, Dow and TNC have completed the first of three pilots in Freeport, Texas, and have a second ongoing pilot in Santa Vitoria, Brazil. We have also begun developing two new tools designed to help businesses more easily identify the benefits nature provides at their sites. Dow and TNC are also thrilled to have received the 2013 Roy Family Award for Environmental Partnership from the Harvard Kennedy School of Government for the Collaboration. See Aspect Biodiversity, EN11 – EN14, and 2013 Dow-TNC Progress Report for more information.

The table on this page summarizes progress for many of the environmental goals that are part of the focus referred to as Local Protection of Human Health and the Environment. More information is provided in our quarterly Goal Update.

Use the [index](#) to find indicators of most interest to you in this section.

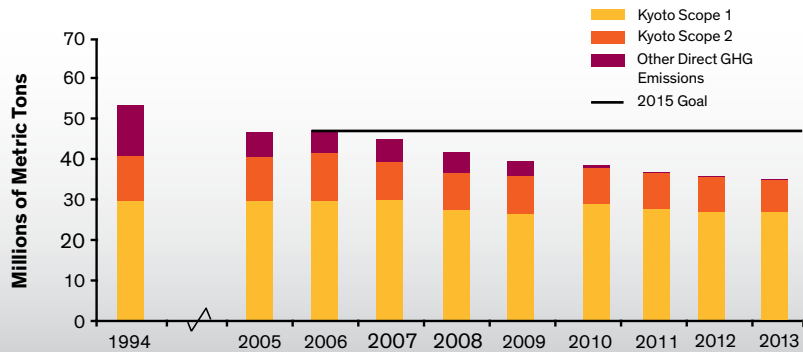
Progress on 10 Year Environmental Goals

Targets (base year 2005)	2013 Performance	2013 Result	2015 Target
By-Product Synergy At least 300MM lbs upgraded by 2015		322	more than 300MM
VOC Emissions 30% reduction from 2005 level		-36%	-30%
Priority Compound Emissions 30% reduction from 2005 level		-46%	-30%
NO _x Emissions 30% reduction from 2005 level		-34%	-30%
Hazmat Transportation LOPC Count Less than 14 incidents in 2015		25	14
Highly Hazardous Material Tonne-Miles Reduce tonne-miles by 50% from 2005 level		-42%	-50%

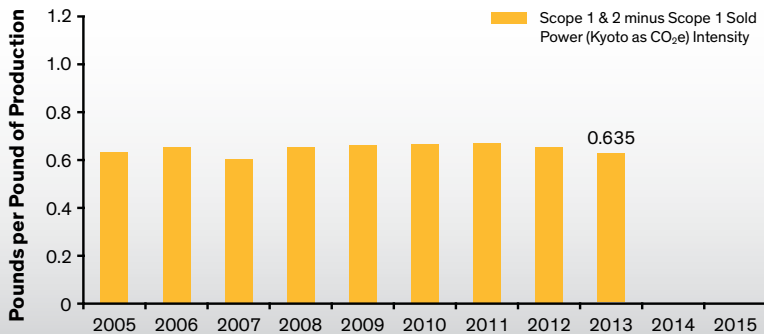
Other Local Protection commitments can be found in LA6 and EN24.

In addition to our commitment to Local Protection of Human Health and the Environment, we have a 10-year improvement goal focused on Climate Change and our greenhouse gas (GHG) footprint. During 2011, we set a new goal to limit total global GHG emissions to the level that Dow experienced in 2006, growing our Company, but not the emitted carbon. Since 2006, the annual Scope 1 GHG emissions have been reduced by 22 percent, reducing our annual carbon footprint by 7.6 million metric tons when compared to 2006.

Absolute Greenhouse Gas Emissions as CO₂ Equivalent



Intensity of Kyoto GHG as CO₂ Equivalent



The 2015 Goal objective to decrease GHG Intensity does not reflect Dow’s absolute emissions performance, nor is it consistent with transformational aspirations to provide solutions that enable a sustainable energy future. Dow will continue to focus on managing its footprint and providing solutions to reduce GHG emissions and save energy. For example, Dow’s insulation products contribute to greater energy efficiency, helping avoid millions of metric tons of GHG emissions per year.

The most senior position with responsibility for environmental aspects is the Chief Sustainability Officer, which is held by David Kepler.

Additional contextual information is available: Further information on Dow’s environmental matters are disclosed in PART II, Item 7 – Other Matters – Environmental Matters in [Dow 2013 10-K](#).

Our Commitments to Sustainability, including the environment, can be found on www.dow.com.

Environmental Performance Indicators

The Company uses an emissions tracking system that collects and reports data by facility, site and business. This multi-layered review process provides a discipline to maintain the quality of data captured. A change management process is used to document historical data corrections.

EN1 Materials used by weight or volume

The Company operates in an integrated manufacturing environment. Raw materials are processed through many stages to produce a number of products that are sold as finished goods at various points in those processes. The two major raw material streams that feed the integrated production of the Company's finished goods are chlorine-based and hydrocarbon-based raw materials.

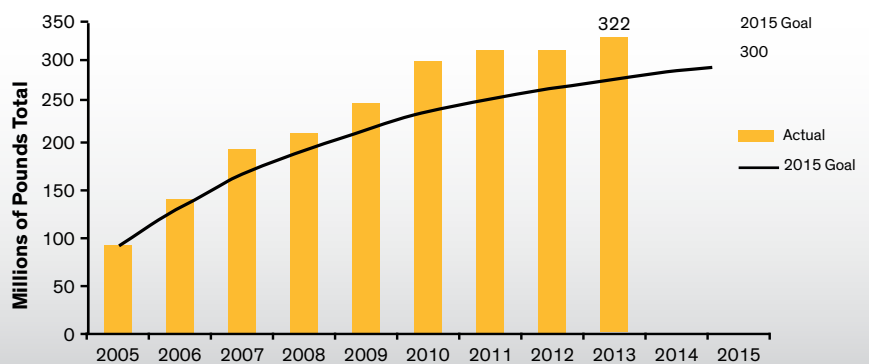
Salt, natural brine and electricity are the base raw materials used in the production of chlor-alkali products and derivatives. The Company owns salt deposits in Louisiana and Texas; Alberta, Canada; Brazil; and Germany. The Company also produces a portion of its electricity needs in Louisiana and Texas; Alberta, Canada; and Germany. The Company purchases hydrocarbon raw materials including ethane, propane, butane, naphtha and condensate as feedstocks. These raw materials are used in the production of both saleable products and energy. The Company also purchases certain monomers, primarily ethylene and propylene to supplement internal production. The Company purchases natural gas, mainly to generate electricity, and purchases electric power to supplement internal generation. Expenditures for hydrocarbon feedstocks and energy accounted for 38 percent of the Company's production costs and operating expenses for the year ended December 31, 2013. The mass of materials shipped in final products (direct materials) was of the magnitude of 65 million metric tons.

EN2 Percentage of materials used that are recycled input materials

The Company focuses on recycle opportunities in the following ways:

To effectively steward raw materials and limit waste the Company set a goal to implement 300 million pounds of by-product synergy between 2005 and 2015. The by-product synergy effort matches under-valued by-product streams from one facility with potential users at another facility to create new revenues or savings, with potential social and environmental benefits instead of disposing as waste. We exceeded our initial 300 million pound commitment during the 2011 calendar year, four years early. As of the end of 2013, we have identified and redeployed an additional 10 million pounds of useable by-product material, bringing our cumulative total to 322 million pounds.

By-Product Synergy



The Chlor-Alkali/Chlor-Vinyl business is the major feedstock producer for Dow processes that use chlorine. In some cases, instead of consuming the chlorine, a manufacturing process will “rent” the chlorine molecule. Afterward, the chlorine molecule is returned as hydrochloric acid (HCl) to the Chlor-Vinyl business, which uses it to make key raw materials for other products.

The Chlorinated Organics business recovers chlorinated by-product streams and turns them into raw materials for refrigerants, pharmaceuticals and other products for sale on the merchant market. The combined value of Dow’s recycling engines conserves more than \$200 million per year in raw material costs. In addition, these recycling processes avoid disposal of hundreds of railcars of waste annually.

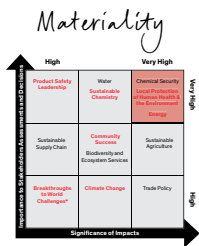
One example of the use of recycled material coming from external companies is in the production of perchloroethylene by Dow Chlorinated Organics. Carbon tetrachloride by-product streams are used to harvest chlorine. The generators of carbon tetrachloride avoid high disposal costs, and Dow captures chlorine as a useful raw material.

By-product synergy project improves bottom line

Dow’s Environmental Supply Chain team recently coordinated a By-Product Synergy (BPS) project with the Chlorinated Organics and Dow AgroSciences businesses. Dow defines BPS a project as one that results in waste reduction, has a beneficial use to internal and external business partners, and realizes a net neutral or reduced cost of managing the materials. It typically involves the profitable conversion of by-products and wastes into other products, with the goal of eliminating waste and environmental issues. In this BPS project a by-product produced at Dow’s Pittsburg, California, site is used at the Plaquemine, Louisiana, Per-Tet facility. This effort is expected to drive annual net revenues of \$6.1 million and avoid \$1.5 million in capital costs in 2014.

Aspect: Energy

EN3 Energy consumption within the organization

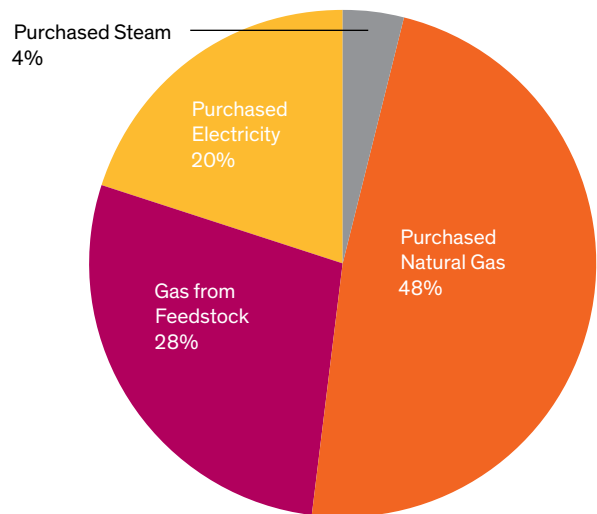


The direct energy consumed by the Company to produce product in 2013 was 414 trillion BTUs, or 437 million gigajoules. Approximately 63 percent of this direct energy was generated from purchased fuel gas and 37 percent was fuel from feedstock.

Indirect energy is a challenge to aggregate by source in a company with diverse operations that operate globally and engage in the purchase and the sale of energy. In 2013, the Company estimates that indirect energy to produce product came from power and steam totaling 146 trillion BTUs, or 154 million gigajoules. In addition to this energy for operations, Dow is consuming approximately 1.8 million gigajoules in lab and office space around the world.

Approximately 7 percent of purchased electricity is hydroelectric. The remaining 93 percent is assumed to be from fossil fuels, though an analysis of the primary source of the generators of that energy has not been completed.

2013 Source of Energy Consumed by Dow Manufacturing Operations

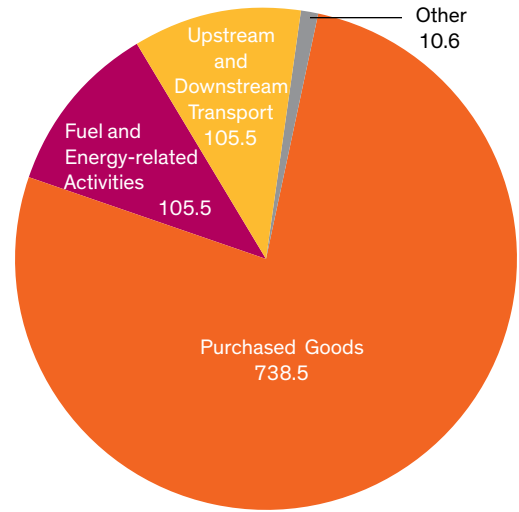


EN4 Energy consumption outside of the organization

Energy consumption outside of Dow occurs throughout Dow's upstream and downstream activities associated with its operation. The results are summarized in the figure below. The Economic Input Output (EIO) method applied to 2013 dollar expenditures was used to calculate most of the energy consumption outside of Dow. This is our best estimate of the energy consumption outside of the Company, although it is reasonably possible that the actual energy consumption outside of Dow with respect to each category could vary significantly.

Dow has an ownership position in many joint ventures that are separately held corporations and are operated by the joint venture, not by Dow. Dow considers the energy consumption from joint ventures separately from scope of this report.

Energy Consumption Outside of Dow
in million gigajoules

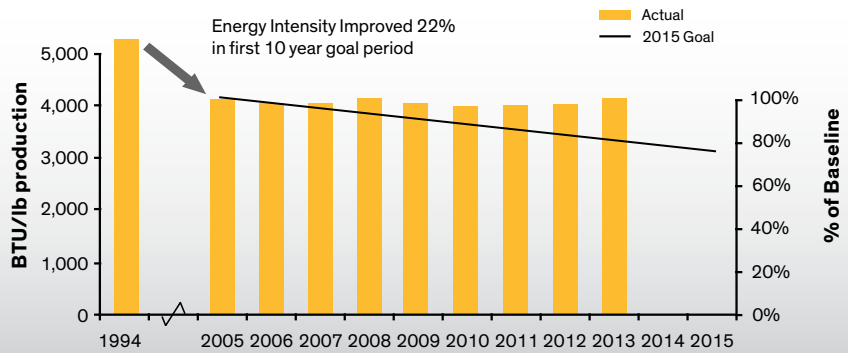


EN5 Energy intensity

By 2015, Dow has a goal to achieve an additional 25% improvement in Energy Intensity, with average Energy Intensity for the year 2005, adjusted for mergers and acquisitions, used as the basis for calculating performance. Dow's goal for Energy Intensity for the full year of 2013 is 3,324 BTU/lb, or 80% of the value in 2005.

Dow's actual performance in 2013 was 4,153 BTU/lb, which is 99.96% of the 2005 baseline. Dow has reduced annual energy use by 20% since 2005; however, we do not expect to achieve the level of performance we anticipated when our Energy Intensity (BTUs/lb produced) goal was established. Dow's products can lead to significant energy reductions for our customers, and making industries more efficient through what we make and do. However, the Company is shifting toward higher-value,

Energy Intensity Performance 1994–2015



more technology-driven specialty products that are by nature more energy intensive, and operating rates have also been reduced to match demand.

EN6 Reduction of energy consumption

The Company's manufacturing energy intensity, measured in BTU per pound of product, has improved more than 40 percent since 1990, saving the Company 5,829 trillion Btus. The energy savings and avoided GHG emissions are equivalent to the average footprint of more than 48 million single-family homes. Since 2005, annual absolute energy use has been reduced by 112 trillion BTUs. The Company's cumulative savings since 2005 is about \$400 million.

Energy intensity improved 22 percent during the first 10-year Energy Intensity Goal (1994-2005), exceeding the 20-percent improvement target for the period. In 2006, Dow defined a new 10-year Energy Intensity Goal to drive an additional 25 percent improvement in energy intensity by 2015, using 2005 as the basis for comparison. We report our progress quarterly at the Reporting Center.

Cost reduction efforts involving employee office behavior, purchasing of materials, outbound shipping, commuting, and subcontracted production are not significant when compared to the hydrocarbon raw materials and energy requirements of Dow manufacturing. The reductions achieved have not been quantified.

EN7 Reductions in energy requirements of products and services

Dow has pioneered the use of insulation products to make buildings more efficient for over 60 years with STYROFOAM™ brand extruded polystyrene insulation, and also THERMAX™ and TUFF-R™ brand polyisocyanurate foam. Dow continues to demonstrate its innovation and ongoing commitment to providing brand leading and innovation solutions to the marketplace.

"Dow's strategy is to take an end-to-end view on providing solutions across the energy sector, and we drive it with a focus on efficiency, innovation and sustainability."

– Mauro Gregorio, President, Energy Solutions



Dow Building Solutions products for thermal, air and moisture management help reduce energy costs and protect against the elements, while contributing to the reduction of greenhouse gas emissions.. All Dow Building Solutions insulation products improve energy efficiency, lower energy costs and continue to conserve energy through the life of the building with no additional maintenance required. Many insulation products will have Environmental Product Declarations (EPDs) in 2014, assessing the environmental impacts of the products along with the embodied energy. The EPDs will be used to continuously improve and make the products more sustainable in the areas of operation, manufacturing, supply chain, R&D and energy generation. In addition, insulation products from Dow Building Solutions have been certified by the Cradle to Cradle® Certification program, a well-known eco-label that assesses a product's safety and environmental impact. Dow offers a comprehensive line of solutions to meet building and construction needs.

The **DOW POWERHOUSE™** Solar Shingle is a first-of-its kind solar roofing product, developed to combine the benefits of solar technology with the durability and performance of traditional roofing materials. POWERHOUSE is reinventing the roof with a new generation of homeowners looking for a smart, renewable way to power their homes without compromising the home's aesthetics. Building Integrated Photovoltaic (BIPV) products from Dow Solar are one of the many innovations from Dow establishing the Company on the forefront of alternative energy solutions and expanding Dow's commitment to using chemistry to solve the world's energy challenges. The first larger scale installation took place in October of 2011 on 50 new homes in Spring Mesa, Colorado. The popularity of DOW POWERHOUSE™ Solar Shingles continues to grow – and so does their availability in the U.S. and Canada. More information can be obtained at <http://www.dowpowerhouse.com/>.



With the help of Dow Organic Light Emitting Diode (OLED) technology, next-generation displays will deliver amazingly sharp color pictures. Electronics manufacturers are adopting OLED technology as the leading solution in display technology performance for large-screen displays in television sets to deliver more vibrant and crisp color pictures. OLEDs are self-luminous; unlike their counterparts, they don't require a backlight and color filter, which can dilute the picture. As a result, OLED displays are more energy efficient than existing TV technology and can be paper-thin. The technology helps extend the lifetime of the OLED display, reduce power consumption and enhance color performance.

Dow Recently introduced DOW FILMTEC™ ECO Reverse Osmosis (RO) Elements, which combine new membrane chemistry and low dP feed spacers to help deliver notably lower energy costs and reduced chemical consumption when followed by a mixed-bed ion exchange unit. The innovative product delivers up to 40 percent lower salt passage and uses 30 percent less energy than standard RO elements. Plants that switch from conventional reverse osmosis elements to the new technology are likely to experience improved economics with less impact on the environment.

MIT Names 50 Disruptive Companies for 2013

Dow has been named as one of 2013's 50 Disruptive Companies in the field of Energy and Materials by the Massachusetts Institute of Technology, Technology Review. Dow made the list of the world's most innovative technology companies for commercializing DOW POWERHOUSE™ Solar Shingles, a first-of-its kind solar roofing product that combines the benefits of solar technology with the durability and performance of traditional roofing materials.

Honorees are nominated by the publication's editors, who look for companies demonstrating original and valuable technology, taking that technology to market at significant scale, and clearly influencing their competitors. Spanning energy and materials, internet and digital media, computing and communications, biomedicine, and transportation, the companies listed represent the commercial disruptive innovations most likely to change our lives.



“Our transportation customers are in the midst of an enormous transformation that is driven by the need to continually produce more sustainable vehicles. Processes and thinking that have been in place for decades are now changing almost overnight. Dow Automotive Systems is helping drive this revolution, providing material science-based solutions that offer sustainability benefits from formulation through the entire vehicle lifecycle.”

– Steve Henderson, General Manager, Dow Automotive Systems



Dow is helping power plants, municipalities and manufacturers put the ocean to work with new SEAMAXX™ Reverse Osmosis Elements, which help reduce the high amount of energy typically needed to create freshwater from saltwater. The enhanced membrane chemistry helps minimize pressure and energy consumption below any other existing seawater reverse osmosis product and provides reliable, long-term permeate quality for single, double pass and interstaged desalination systems. Dow’s latest innovation is designed to provide end-users with the lowest energy consumption in the industry, facilitating desalination at lower operating and capital costs. Compared to generic low energy elements, SEAMAXX consumes up to 10 percent less energy and has less fouling at high operating flux.

In transportation, Dow chemistry is enabling the physics behind innovations that are contributing to lighter, more fuel-efficient cars. Providing high performance adhesion to a vast range of materials, BETAMATE™ structural adhesives help improve vehicle durability and reduce weight by replacing welds and fasteners.

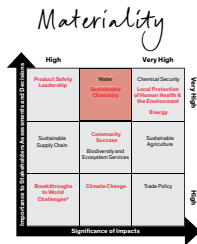
More than 96 percent of all manufactured products are based on chemistry – and the building block for this begins with feedstocks. The challenge is that most feedstocks are also the world’s most highly sought-after commodities – oil and natural gas. Dow is searching for alternative feedstocks for manufacturing in an energy-challenged world.

Refinery Converted from Fossil to Bio-Fuel Production

Dow Oil, Gas & Mining, ENI S.p.A, an Italian oil and gas company and UOP recently partnered to convert a conventional refinery into a bio-refinery. Based on the ENI/UOP ECOFINING™ process and UCARSOL™ Solvents from Dow, this project is the first in the world to convert a conventional refinery into a bio-refinery with a production of over 100 million gallons per year of renewable diesel starting in 2014. The project is highly strategic, as it helps to maintain an industrial site earlier announced for closure and avoids jobs cuts to achieve the 20% target of renewable fuel by 2020, improve ENI’s environmental profile, and prove the validity of the ECOFINING process for further commercialization.

Construction continues on phase one of the new biopolymers manufacturing facility in Santa Vitória, Minas Gerais, Brazil. This project, which is a consolidated joint venture with Mitsui & Co. Ltd., was announced during the fourth quarter of 2011. The joint venture’s ethanol mill is expected to process its first full harvest of sugarcane in 2014. See Dow 2013 10-K for the fiscal year ending December 31, 2013–PART II, Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations for additional information.

Aspect: Water



CEO Water Mandate

Dow is a participant in the CEO Water Mandate, which seeks to make a positive impact with respect to the emerging global water crisis by mobilizing companies to advance water sustainability solutions in partnership with the United Nations, civil society organizations,

governments, and other stakeholders. This voluntary initiative creates a platform to share best and emerging practices and to forge multi-stakeholder partnerships to address the problems of access to water and sanitation.

From developing countries to the most industrialized nations, Dow Water & Process Solutions (DW&PS) is providing sustainable solutions to advance business performance while advancing human progress. For more than 60 years, DW&PS' separation and purification technologies have helped make water cleaner and more accessible, food taste better, pharmaceuticals more effective, and industries more efficient. Dow technology is also vital to desalination and water reclamation efforts in communities with severe water shortages. DW&PS is constantly building upon, improving, and offering new technology to increase efficiency and performance, reduce energy intensity, and expand the end-user benefits of water purification technology.

Throughout 2013, DW&PS supplied innovative water solutions across regions and markets, including:

- Helping Maspolomas-I, the largest municipal desalination plant in Spain, operating with pressurized ultrafiltration (UF) as a pretreatment, meet the growing demand for potable water in the Canary Islands. The combined Dow UF and Reverse Osmosis (RO) system effectively helps deliver freshwater from seawater to over 12 million visitors per year.
- Collaborating for sustainable water management in unconventional shale oil and gas operations. Dow UF technology and FILMTEC™ RO membranes, used inside Omni Water Solutions HIPPO® mobile units, have helped treat 245,000 barrels of flowback and produced water from Texas' Eagle Ford shale hydraulic fracturing operations for reuse, thereby avoiding trucking and disposal. In addition,



DW&PS collaborated with Encana Oil & Gas (USA) Inc. and General Electric to provide technology to treat oily produced water at the Neptune Water Treatment Facility in the Moneta Divide, Wyoming; the facility will be able to treat up to 25,000 barrels/day of produced water using DOWEX OPTIPORE™ Polymeric Adsorbent Technology.

- Demonstrating efficient water reuse in Aquapolo Ambiental, the largest reuse plant in Latin America that supplies the main petrochemical hub in São Paulo, to avoid taking away potable water from a 500,000-person community for industrial usage. FILMTEC™ ECO RO elements are used in the plant, to bring lower chemical costs, higher rejection, and 40% lower salt passage at up to 30% less energy, compared to standard RO elements.



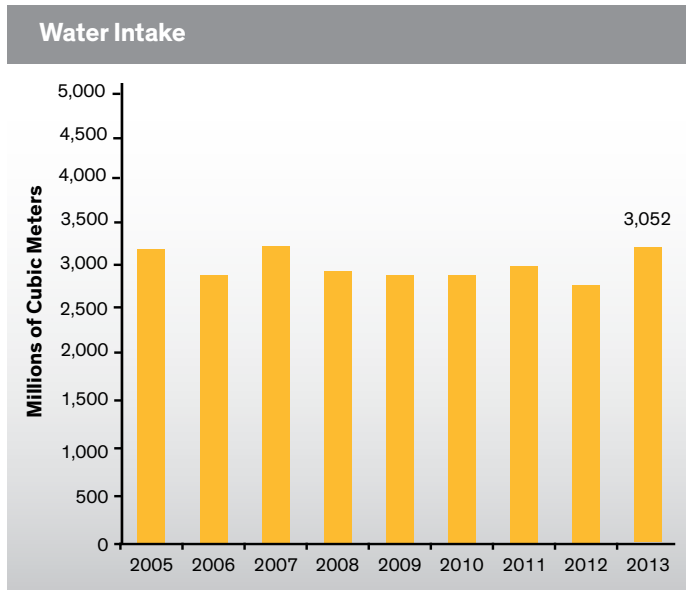
“With a 50-year legacy of providing innovative water and process solutions to both communities and industries, our technologies reduce the chemical use, cost and energy requirements of treating and producing water – translating into less strain on the planet while improving our customers’ bottom lines. We are passionately innovating what is essential to human progress.”

– Snehal Desai, Global Business Director,
Dow Water & Process Solutions

- Bringing in-home water purification to consumers across Asia with DOW FILMTEC™ RO Technology for residential water treatment systems. In 2013, Dow signed on its sixth trademark licensee – Haier Group – as a part of the FILMTEC RO ingredient branding program designed to help improve residential water through collaboration with well-known local brands.
 - Significantly innovating industry technology by introducing multiple leading solutions in 2013:
 - Helping power plants, municipalities and manufacturers put the ocean to work with new SEAMAXX™ RO Elements, which help reduce the large amounts of energy typically needed to create freshwater from saltwater.
 - Introduced the TEQUATIC™ PLUS fine particle filter to the Chinese and European markets in October and November 2013 respectively, one year after its launch in North America. Since then, TEQUATIC has gained momentum in many applications for difficult, high-solids water, including industrial wastewater treatment and reuse, and is supported by a recently opened manufacturing facility in Menlo Park, California.
 - New DOW FILMTEC™ RO 75 and 100 gallon per day (GPD) home drinking water membranes help remove contaminants and impurities in household water systems.
 - DOW IntegraFlo™ UF Modules feature an enhanced, ultra-efficient design that helps deliver up to 85% more flow compared to traditional modules, potentially resulting in reduced capital expenditures by up to 25% (compared to a competitive module with 55 m² active area operative at equivalent flux)
 - Designating DOW FILMTEC™ ECO RO Elements as the Dow’s second “Breakthrough to World Challenges.” Fighting global water scarcity by helping to deliver 40% better purification with 30% less energy, this innovative solution has the potential to impact millions of lives by revolutionizing water treatment. In addition, FILMTEC ECO RO Elements also received Pollution Engineering Editor’s Choice Award, and received the top prize honor of “Market Choice” in a product contest held by the Aquatech China committee and dayuu.com.
- Dow is raising awareness of freshwater sustainability through its collaboration with The Nature Conservancy (TNC). Dow’s Texas Operations in Freeport, Texas, the first of three global pilot sites with The Nature Conservancy, has completed a future freshwater supply study as well as valuation of this critical ecosystem service. Read more about this result from our innovative collaboration at the TNC-Dow Collaboration website, [here](#).
- Read more in EN10 about how Dow is reducing water use at our largest site in Freeport, Texas, including an award recently bestowed on Dow Texas Operations by the Texas Commission on Environmental Quality (TCEQ).

EN8 Total water withdrawal by source

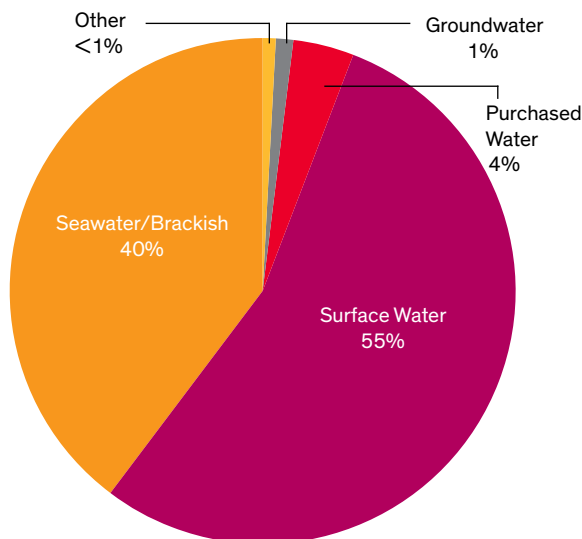
Water intake is from all water sources, including seawater and water for cooling purposes.



Project cuts fresh water usage by 2,500 gallons per minute

The Environmental Operations Technology Center identified a unique opportunity to collaborate with the City of Lake Jackson at Dow's Freeport, Texas, site to reduce waste, conserve water and realize significant cost savings. Wastewater effluent leaving the City of Lake Jackson's wastewater treatment plant is diverted to Dow's raw fresh water canal. The water is then treated, as is all Dow raw water, and used in Dow's operations. For every 40 days of diverting and recycling this effluent, the need to purchase water is reduced by one day. Partnering with the city to deliver a sustainable water supply helps Dow to remain a reliable supplier during times of drought, which is critical to its competitive advantage. This project will reduce Dow's fresh river water usage by 2,500 gallons per minute, while saving the Company an estimated \$20 million over the next 10 years. The City of Lake Jackson will also realize cost savings through the project.

Sources of Water



EN9 Water resources significantly affected by withdrawal of water

Dow manufacturing facilities located in water-stressed regions (as defined by the World Business Council's Global Water Tool) are shown on the left. Terneuzen is demonstrating the effectiveness of developing low cost process water through "mild desalination". The aim of this case study is to find the best way to treat different locally available slightly brackish water sources in a cost effective way to produce a multifunctional water source for agriculture or industrial purposes. The main water quality limit to achieve is an electrical conductivity of less than 1 mS/cm. Three different raw water sources were selected as being most interesting for testing and final reuse: Spuikom water (runoff rainwater from Dow site stored in an open reservoir), biox effluent from Dow's WWTP (wastewater treatment plant) of Dow and cooling tower blowdown water (for the pilot, we use the cooling tower blow down from the neighbouring power plant, Elsta).

Dow location	Source
Seadrift, Texas	Guadalupe River
Candeias, Brazil	Purchased freshwater
Bahia Blanca, Argentina	Purchased freshwater
Terneuzen, The Netherlands	West Schelde
Tarragona, Spain	Purchased freshwater supply, source is Ebro River diversion
Dow Central Germany	River Saale (Schkopau site), River Weisse Elster and Lake Witznitz (Bohlen site)
Freeport, Texas	Brazos River

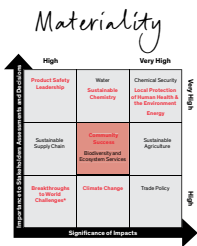
EN10 Percentage and total volume of water recycled and reused

Recycle and reuse totals are not compiled for the total Company.

Over the past few years Dow’s largest manufacturing site in Freeport, Texas implemented several water recycle and reuse projects and on-going conservation measures that reduced the site’s overall water demand more than 15 percent. These efforts provide water supply for the site expansion without requiring new or additional water demand. The Texas Commission on Environmental Quality bestowed one of its 10 Texas Environmental Excellence Awards to Dow Texas Operations in recognition for these water use reduction efforts. It marked the first time the Freeport site has received the state’s top environmental honor.

Aspect: Biodiversity

Summary



The Dow Chemical Company appreciates the impacts we have on nature and our dependencies on the critical services that nature provides. 2013 marks the second year that Dow has compiled its global efforts related to Biodiversity and Ecosystem Services into one report, available online. We have a strong history of philanthropic giving focused

on protecting and preserving nature. In alignment with the company’s 2015 Sustainability Goals, it is common to see Dow volunteers active in their communities and Dow nature preserves in regions where we do business. For years, Dow has been conserving land, donating property and supporting the efforts of local conservation groups and non-governmental organizations through generous grants and donations.

At the heart of our strategy to incorporate the value of nature into decision-making is our collaboration with The Nature Conservancy. The two global organizations are applying scientific knowledge and experience to develop tools for companies to use by examining how Dow’s operations interact with nature. Nature provides benefits, often called “ecosystem services,” on which everyone depends. The Collaboration is exploring opportunities to factor more deliberately the value of nature into business decisions across Dow – at the corporate level and at sites around the world. Initial efforts have focused on large “pilot site” analyses, where the team is investigating tangible examples in detail at Dow sites, starting in Freeport, Texas, and Santa Vitória, Brazil, to develop evidence and tools. The Collaboration’s work will ultimately be incorporated into a broader framework of decision support tools and modules to help address business decisions organization-wide. The Collaboration is committed to sharing results and tools publicly through various communications and peer-reviewed publications for other companies, scientists and interested parties to test and apply. Further, the Collaboration has begun to share our experience with policymaking authorities and key resource stakeholders. As more companies use these methods and tools, greater investment in conservation should follow because such investment makes good business sense.





BESTCAT Tool

Many companies have turned to tools like social and environmental impact assessments, biodiversity action plans, and environmental management systems to identify, assess and plan operations. But a company looking to make biodiversity and ecosystem services a key part of corporate strategy, or to include them within sustainability reporting, requires a broader perspective. It can be challenging for companies to make related regional and global strategic decisions, due to the limited amount of biodiversity and ecosystem services information available on a global scale, difficulty in accessing these global data, and working with data that is often not organized for business risk and opportunity analysis.

In order to address this challenge for businesses, the TNC-Dow collaboration has created a web map tool: the Biodiversity and Ecosystem Services Trends and Conditions Assessment Tool (BESTCAT). It will provide businesses open access to global data and a user interface that allows them to easily compare and prioritize their current or future portfolio of assets with regards to biodiversity and ecosystem services. It will increase usability of these metrics by offering online mapping technologies, simple data input requirements, and production of reports.

In 2013, the TNC-Dow collaboration continued to refine the BESTCAT tool for corporate use. While not yet publicly available, the first version includes a set of five global biodiversity metrics: species diversity (both at the global and biome level), threatened species, habitat intactness, and habitat protection. The data sets contained within the tool were used to develop responses to EN11 and EN14 of this report.

ESII Tool

The Collaboration entered a new phase in 2013 as the team began the development of a second tool, which provides a rapid assessment of ecosystem services at a site level. This tool has been named the Ecosystem Services Identification & Inventory (ESII) Tool, and it will allow businesses to estimate the business value from lands on and adjacent to their sites. The vision for the ESII tool is to develop software for a tablet device that a site technician can use to collect relatively simple ecological data, which can be used to identify and model the rather complex production of ecosystem services at a site. By providing this ecosystem service production data, the tool would enable engineers to estimate the value of those ecosystem services to the business using replacement cost calculations.

In addition to the analytical outputs, the tool should provide broader benefits for companies as well. For example, as Dow staff uses the tool to assess sites, it will help create awareness of ecosystem services and the value of natural assets at Dow sites and adjacent areas. Successful development of this tool would facilitate prioritization of ecosystem services and inform decisions that could protect, restore, or improve these services. Estimates of public value from Dow's natural areas would inform community and other stakeholder conversations, and outputs from the tool will add value to Dow and other company's processes, reporting and analysis.

EN11 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Below is a list of Dow’s global major manufacturing locations that are located within 15 kilometers of a protected area. The closest protected area is noted, ranked by IUCN Category. Size of land owned by the company by location is not available.

Major Production Site	Country	Protected Area Name	Type	IUCN Category
FREEPORT, TEXAS	UNITED STATES	Justin Hurst	Wildlife Management Area	IV
STADE	GERMANY	Unterebbe	Site of Community Importance (Habitats Directive)	Not Applicable
CANDEIAS	BRAZIL	Baia de Todos os Santos	State Environmental Protection Area	V
HAHNVILLE (ST. CHARLES), LA	UNITED STATES	Bayou Labranche	State Wild or Scenic River	V
TERNEUZEN	THE NETHERLANDS	Braakman	Nature Reserve	IV
DOW CENTRAL GERMANY	GERMANY	Ruckhaltebecken Stohna	Nature Reserve	IV
SEADRIFT, TX	UNITED STATES	Guadalupe Delta	State Wildlife Management Area	IV
TEXAS CITY, TX	UNITED STATES	North Deer Island	Audubon Society Preserve or Sanctuary	III
TARRAGONA	SPAIN	Sequia Major	Site of Community Importance (Habitats Directive)	Not Applicable
BOMLITZ	GERMANY	Bomlitztal	Landscape Protection Area	V
LOUISVILLE, KY	UNITED STATES	Brock-Sampson Nature	State Nature Preserve	IV



Dow manufacturing locations within 15 kilometers of IUCN Protected areas classified as I, II or III are listed below. The closest protected area is identified.

Dow Site	Country	Closest - Name	Type	IUCN Category
ALTONA	AUSTRALIA	Laverton Grasslands	Nature Conservation Reserve - Flora Reserve	Ia
LANDSKRONA	SWEDEN	Exercisfaltet	Nature Reserve	Ia
MERAK	INDONESIA	Pulau Sangiang	Nature Reserve	Ia
PISCATAWAY, NJ	UNITED STATES	Delaware & Raritan Canal	State Park	II
KASAOKA	JAPAN	Seto - Naikai	National Park	II
TAOYUAN HSIEN	TAIWAN	Yushan	National Park	II
BARRANQUILLA	COLOMBIA	Isla De Salamanca	Not Reported	II
FRANCO DA ROCHA	BRAZIL	Juquery	State Park	II
KALWA	INDIA	Sanjay Gandhi	National Park	II
GUARUJA	BRAZIL	Serra do Mar	State Park	II
YEOSU	S. KOREA	Hallyeohaesang	National Park	II
SAO PAULO	BRAZIL	Guarapiranga	State Park	II
CHENNAI	INDIA	Guindy	National Park	II
AUCKLAND	NEW ZEALAND	Favona Road	Stewardship Area	III
VARENNES, QC	CANADA	Ile Beaugard	Natural Reserve	III
WOBURN, MA	UNITED STATES	Reedy Meadows	Audubon Society Preserve or Sanctuary	III
TEXAS CITY, TX	UNITED STATES	North Deer Island	Audubon Society Preserve or Sanctuary	III

EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value

The Company is not aware of events in 2013 causing significant impacts on biodiversity in protected areas or areas of high biodiversity value.

EN13 Habitats protected or restored

Philanthropic giving by The Dow Chemical Company to conservation activities and nature-related programs was collected by site from leaders globally. While every effort was made to capture activities initiated in 2013, there may be historic ongoing activities that were not re-submitted for inclusion in this report. The data received represents over 90% of Dow sites and is sorted into the following categories:

- **Wildlife Preservation:** Activities supporting the preservation of wildlife
- **Education and Access:** Activities supporting environmental education and/or access to natural areas
- **Habitat Preservation and Enhancement:** Funds donated for the preservation or enhancement of natural spaces and land set aside by Dow for the direct protection of natural spaces

Summary Results by Category

Ecosystem Services

Methods Development and Valuation \$3,000,000

- The Nature Conservancy / Dow collaboration
- World Resources Institute, Aqueduct Project
- In-kind resources from Dow

Philanthropic Conservation Initiatives

Habitat Preservation and Enhancement \$330,768

- More than 16 sites contributed to projects in more than 5 countries to support habitat preservation and enhancement

Wildlife Preservation \$30,000

- Multiple sites contributed to wildlife preservation projects to support a variety of species in Japan and the United States
- At least three sites routinely have protected bird species return to nesting areas within the manufacturing sites

Education and Access \$143,250

- Several sites supported community partners to provide environmental educational opportunities for children in the local area.

Texas Operations – The Black Skimmer Nesting Ground

- More than 40 years ago, the Black Skimmer Nesting Ground started out as a simple effort to protect the birds and has become one of the great examples of the high regard Texas Operations employees have for local wildlife.
- The black skimmer nesting colony has become a wildlife laboratory for colonial nesting species including gull billed terns (*Sterna nilotica*) and least terns (*Sterna antillarum*).
- Colony management techniques are being leveraged to other agencies and organizations to show how colonial nesting birds can be managed and can prosper in disturbed areas.



2013 Selected Global Conservation Activities



1. Ward Hollow Wildlife Habitat – West Virginia Operations, USA

The Ward Hollow Wildlife Habitat provides educational opportunities for local middle school and high school students. The area is certified as a Wildlife at Work Site by the Wildlife Habitat Council.

2. Bristol Marsh Preserve – Pennsylvania, USA

The Heritage Conservancy has been working with community partners and residents to restore the 33 acre Bristol Marsh Preserve (the Marsh), a freshwater tidal marsh 12 miles north of Philadelphia in the Upper Delaware River Estuary that supports a critical ecosystem surrounded by an urban, industrialized region.

3. Habitat restoration – Mozzanica, Italy

4. Flowering Life at Dow Stade – Stade, Germany

5. Dow Marine Conservation Program – Kuwait

Dow in Kuwait, in partnership with the en.v Initiative, announced the renewal of the Dow Marine Conservation Program, a multi-lateral program that aims to promote greater civic responsibility and encourage communities to engage in environmentally sustainable practices. The program has engaged around 400 volunteers and educated over 2,000 students since 2011.

6. Horseshoe Crab Museum – Kasaoka, Japan

The Horseshoe crab is famous as a “living fossil.” The Japan Horseshoe Crab Conservation Association was established to educate people the importance of horseshoe crab and its conservation.

7. Black Skimmer Nesting Ground – Texas Operations, USA

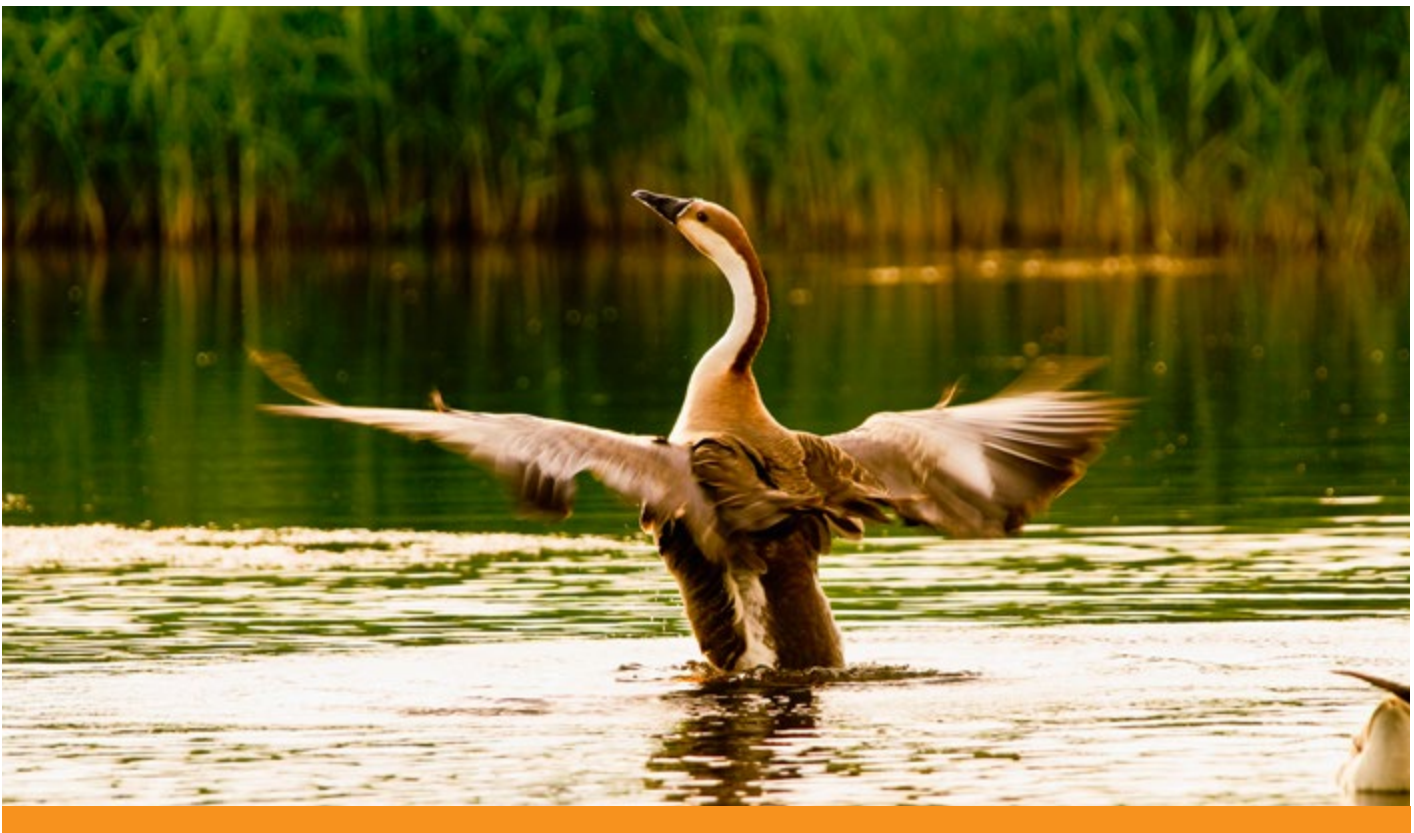
More than 40 years ago, the Black Skimmer Nesting Ground started out as a simple effort to protect the birds and has become one of the great examples of the high regard Texas Operations employees have for local wildlife. This tradition of conserving and protecting wildlife and their habitat inside Texas Operations, and having the skimmers back each year gives us an opportunity to promote Dow’s conservation efforts

8. Eagle Days – Riverside, Missouri, USA

The Riverside plant was recognized for its significant contributions to the conservation and awareness of the United States of America’s national symbol, the Bald Eagle. The announcement was made at Dow’s 20th annual 2013 Eagle Days event – a four-day program engaging more than 900 local fifth grade students from Jefferson County schools in hands-on activities and field experience to learn more about the habitat and conservation of birds of prey.

9. Wissahickon Valley Watershed Association (WVWA) Educational Programs – Delaware Valley Sites, USA

The WVWA’s education program provides a basic knowledge of science – the water cycle, watershed management, water chemistry, aquatic life, pollution biology and environmental science.



EN14 Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk

The following Dow Major Manufacturing sites fall within the IUCN Red-Listed species range maps.

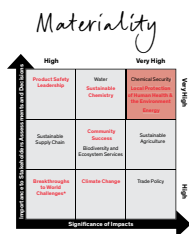
Major Production Site	Country	Critical	Endangered	Vulnerable	Total Threatened
FREEPORT, TX	UNITED STATES	0	0	4	4
PLAQUEMINE, LA	UNITED STATES	0	0	4	4
STADE	GERMANY	0	0	2	2
CANDEIAS	BRAZIL	1	1	4	6
HAHNVILLE (ST. CHARLES), LA	UNITED STATES	0	0	4	4
TERNEUZEN	THE NETHERLANDS	0	0	2	2
MIDLAND, MI	UNITED STATES	0	0	2	2
DOW CENTRAL GERMANY	GERMANY	0	0	2	2
DEER PARK, TX	UNITED STATES	0	1	4	5
SEADRIFT, TX	UNITED STATES	0	1	4	5
TEXAS CITY, TX	UNITED STATES	0	0	4	4
SOUTH CHARLESTON, WV	UNITED STATES	0	1	3	4
TARRAGONA	SPAIN	0	1	4	5
BOMLITZ	GERMANY	0	0	2	2
FORT SASKATCHEWAN, AB	CANADA	0	0	3	3
KANUMA	JAPAN	0	2	4	6
LOUISVILLE, KY	UNITED STATES	0	1	2	3
BAHIA BLANCA	ARGENTINA	0	1	3	4
MAP TA PHUT	THAILAND	1	1	10	12

Environment

The following Dow locations ranked highest in the number of IUCN critical and endangered species range maps that intersected the site location.

Dow Site	Country	IUCN Critical	IUCN Endangered	IUCN Vulnerable	Total Threatened
MEDAN	INDONESIA	0	9	24	33
CANELANDS	SOUTH AFRICA	2	4	8	14
AUCKLAND	NEW ZEALAND	1	6	7	14
DONG GUAN	CHINA	0	7	16	23
GUANGZHOU	CHINA	0	7	15	22
MIN-HSIUNG	TAIWAN	0	7	7	14
PUNE	INDIA	2	2	6	10
GUARUJA	BRAZIL	1	4	11	16
NEW GERMANY	SOUTH AFRICA	1	4	7	12
SASOLBURG	SOUTH AFRICA	1	4	5	10
GEELONG	AUSTRALIA	1	4	4	9
ALTONA	AUSTRALIA	1	4	3	8
ZHONGSHAN	CHINA	0	6	15	21
HSINCHU	TAIWAN	0	6	10	16
NANKANG	CHINA	0	6	8	14
KALWA	INDIA	2	1	9	12
TALOJA	INDIA	2	1	9	12
CHENNAI	INDIA	2	1	5	8
CILEGON	INDONESIA	1	3	11	15
CAMACARI	BRAZIL	1	3	6	10
SHANGHAI	CHINA	0	5	10	15
TAOYUAN HSIEN	TAIWAN	0	5	9	14
SEOUL	KOREA	0	5	7	12

Aspect: Emissions

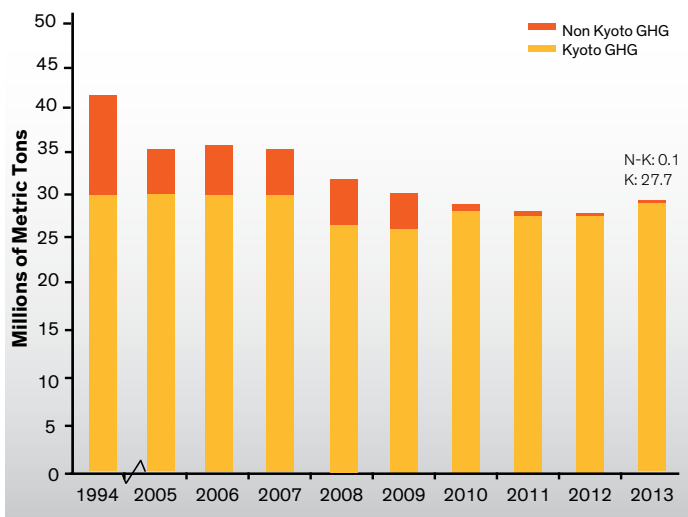


In several of the following Environmental Performance Indicators, a value for 1994 is provided for perspective because it was the base year that marked the beginning of our first 10-year EH&S Sustainability Goals. These 1994 values should NOT be used as an absolute for comparison purposes. The information reported in the following graphs includes data from heritage Rohm and Haas operations, unless noted otherwise. Dow uses standard methods for calculating emissions using industry-wide approved emission factors for the different processes, fuel types, and equipments.

EN15 and 16 Total direct (scope 1) and indirect (scope 2) greenhouse gas emissions

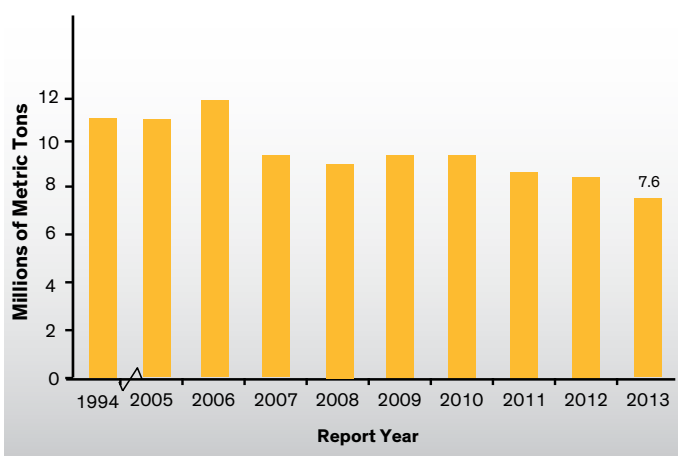
Dow uses The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard for guiding the reporting of greenhouse gas emissions. Direct greenhouse gas (GHG) emissions are from sources controlled by Dow and include Kyoto and non-Kyoto GHGs. Our 2013 direct GHG emissions, expressed as carbon dioxide equivalents, increased about 1 percent from 2012 to 2013.

Direct Greenhouse Gas Emissions as CO₂ Equivalent (Scope 1)



Indirect GHG emissions are the consequence of Dow's consumption of energy, but are emitted from sources controlled by another company for example, by the supplier of purchased power. 2013 indirect emissions were reduced 12% since 2012.

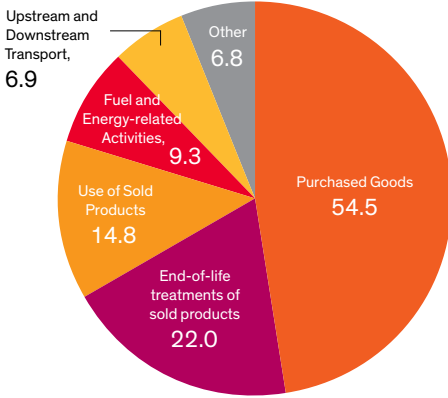
Indirect Greenhouse Gas Emissions as CO₂ Equivalent (Scope 2)



EN17 Other indirect greenhouse gas emissions (scope 3)

Other indirect (scope 3) GHG emissions occur from sources not owned or controlled by Dow. We have assessed all scope 3 categories according to the GHG Protocol Corporate Accounting and Reporting Standard provided by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The results are summarized in the figure on the next page. The Economic Input Output (EIO) method applied to 2013 dollar expenditures was used to calculate most of the scope 3 GHG emissions. This is our best estimate of scope 3 GHG emissions, although it is reasonably possible that the actual scope 3 GHG emissions with respect to each category could vary significantly. See the Dow's Carbon Disclosure Project report for 2013 for more information.

**Scope 3 GHG Emissions
in million metric tons of CO_{2e}**



Avoided emissions resulting from the use of Dow products are important contributions to reduce the overall footprint of human activities. A Life Cycle Assessment documented that emissions saved by Dow insulation products are about seven times greater than total Company direct and indirect Kyoto and non-Kyoto GHG emissions. This calculation was made by quantifying the GHG emissions at all stages of the life cycle of the Dow insulation products and comparing these with the GHG emissions savings from the use of the insulation products in buildings and pipe systems. The estimated GHG avoided emissions for 2013 from the use of Dow’s insulation products is 288 million MT CO_{2e}. From 2005 through 2013, the avoided emissions have steadily increased from 224 million MT CO_{2e} per year.

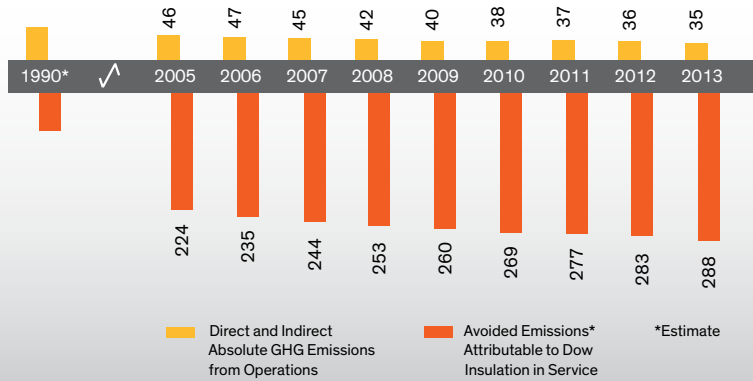
Dow has an ownership position in many joint ventures that are separately held corporations and are operated by the joint venture, not by Dow. Dow considers the emissions from joint ventures separately from scope under the GHG protocol.

“At Dow, we are transforming the way buildings are designed, built and operated, helping to create a more sustainable world with high-performance building solutions and energy-efficient construction technologies.”

– Jane Palmieri, Business President,
Dow Building & Construction



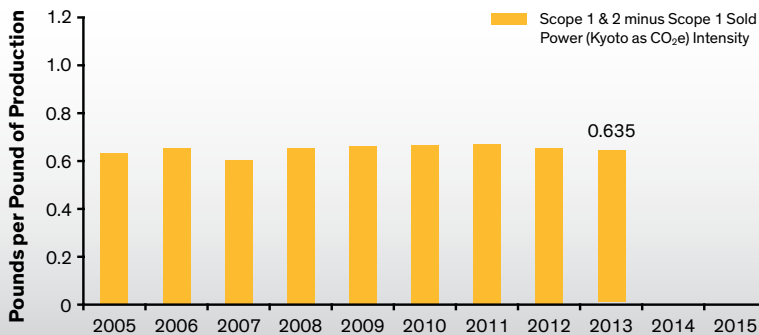
Greenhouse Gas Emissions
(million metric tons of CO₂-equivalent, Kyoto and non-Kyoto)



EN18 Greenhouse gas emissions intensity

During 2013, Dow’s GHG emissions were 0.635 metric tons per metric tons of production, about a 1 percent increase from base year 2005. Kyoto GHG intensity is the sum of CO₂ equivalent direct and indirect emissions of the “Kyoto” family of greenhouse gases divided by unit of production.

Intensity of Kyoto GHG as CO₂ Equivalent



EN19 Reduction of greenhouse gas emissions

We have reduced the Company's absolute GHG emissions by more than 30 percent since 1990, representing a more rapid reduction than required by Kyoto Protocol targets. The energy savings resulting from increased efficiency from 2005 through 2009, as reported in EN6, can be converted to equivalent GHG emissions avoided equaling 4.1 million metric tons of CO₂. The activities described in EN6 and EN7, and implementing new processes that emit less GHGs compared to traditional routes will also be important to driving reductions in the future.

After review of our Climate Change goal, we determined to shift the primary focus for driving improvements from GHG intensity to a focus on absolute emissions. We continue to develop and improve the quantification of our net impact and have engaged the life cycle community in the discussion by presenting our perspective and first pass estimates at the American Center for Life Cycle Assessment - LCA XII Conference; September 26, 2012. In addition, we have chartered several projects to improve that ease and accuracy of data collection used in the estimation of our up and down stream scope 3 emissions. These new tools and resources will enable us to continue to improve both the scale and accuracy of our reporting. The scope of additional goals to soon be announced will include emissions from upstream (suppliers) and downstream through products in use, and will continue to be both Kyoto and non-Kyoto GHG emissions.

Dow is making financial investments in Research & Development to contribute to the slowing and stopping of the rate of GHGs being emitted. Dow participates in the EU emissions trading scheme (ETS).

For more information on Dow's position on addressing the issue of climate change, consult the Dow annual [Carbon Disclosure Project Report](#).

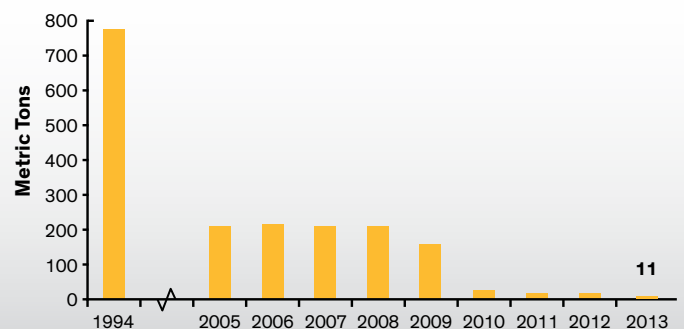
Dow Technology Captures CO₂ from Coal Power Plant in France

A CO₂ capture pilot plant, developed through a co-investment between Alstom Power, Electricite de France SA (EDF) (French electric utility company) and the French Environment and Energy Agency (ADEME), was installed in July 2013 at the Le Havre thermal power plant in France. This new pilot plant uses a technology enabled by UCARSOL™ FGC-3000 – a Dow amine-based solution. Jointly designed by Alstom and Dow, the Le Havre pilot aims at testing the Advanced Amine Process on an industrial scale. This technology allows the CO₂ to be captured from the coal combustion emissions. The plant represents a €22-million investment and captures one ton of CO₂ per hour – about the equivalent of the energy consumption of 1,000 homes.

EN20 Emissions of ozone-depleting substances (ODS)

Ozone-depleting emissions include substances with an ozone depletion potential greater than zero that can deplete the stratospheric ozone layers.

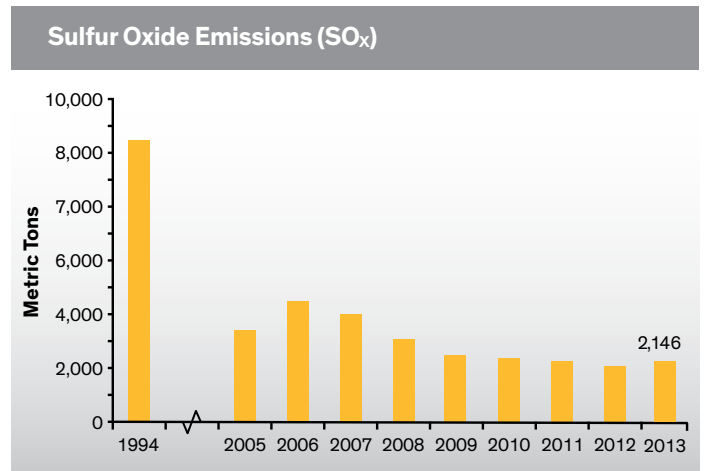
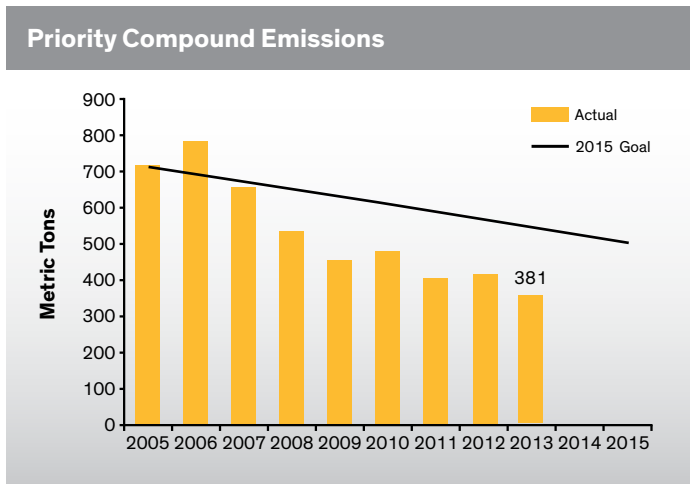
Ozone depleters as CFC-11 Equivalent



EN21 NO_x, SO_x, and other significant air emissions

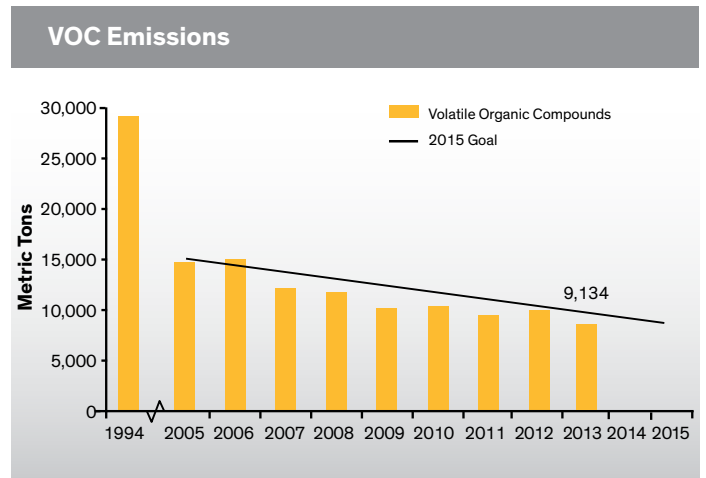
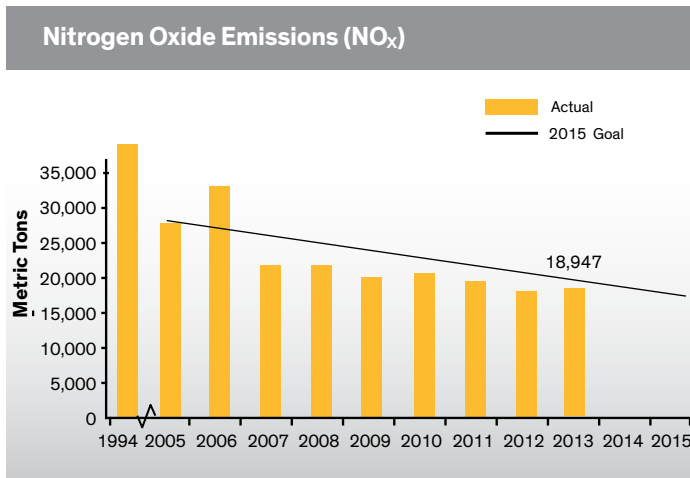
Priority Compounds are a category of chemicals defined by Dow. Priority Compounds are comprised of chemicals with persistent, bioaccumulative, and toxic hazards, and chemicals with carcinogenic, mutagenic, and reproductive hazards. The Priority Compounds total is down by 46% when compared to 2005.

Between 1994 and 2005, Dow achieved a 55 percent reduction in SO_x (sulfur oxides) emissions. SO_x emissions decreased from 2005 to 2013 by 41 percent.



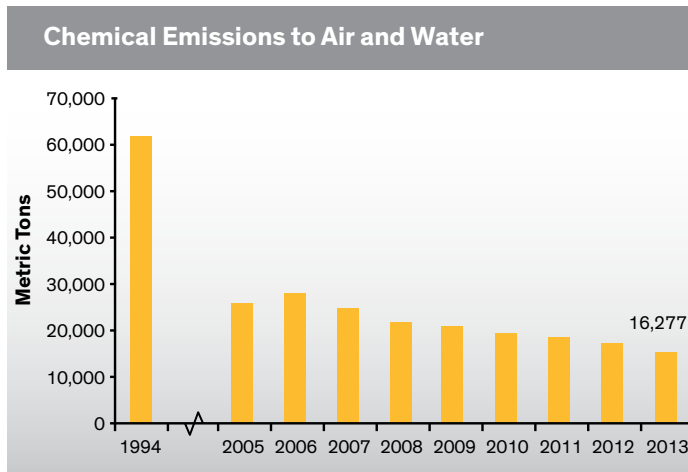
Between 1994 and 2005, Dow has achieved approximately 66 percent in NO_x (nitrogen oxides) reduction. NO_x emissions decreased from 2005 to 2013 by 34 percent. Dow utilizes the AP-42, Compilation of Air Pollutant Emission Factors in addition to on-line measurement systems, performance testing and industry standardized factors to determine emission rates.

Volatile Organic Compounds are organic chemicals with high vapor pressures and react photochemically with the atmosphere. The Volatile Organic Compounds total is down by 36 percent when compared to 2005.



In addition to ozone-depleting substances, Dow tracks chemical emissions (excluding items such as NO_x, SO_x, CO, CO₂, particulates, methane, hydrogen, nitrogen, oxygen, water, aluminum, and certain salts). Between 1994 and 2005,

Dow reduced chemical emissions by approximately 56 percent. Dow has decreased chemical emissions by 39 percent from 2005 to 2013. This metric is compiled for emissions to both air and water.



Improved Water Practices for Hydraulic Fracturing in Texas

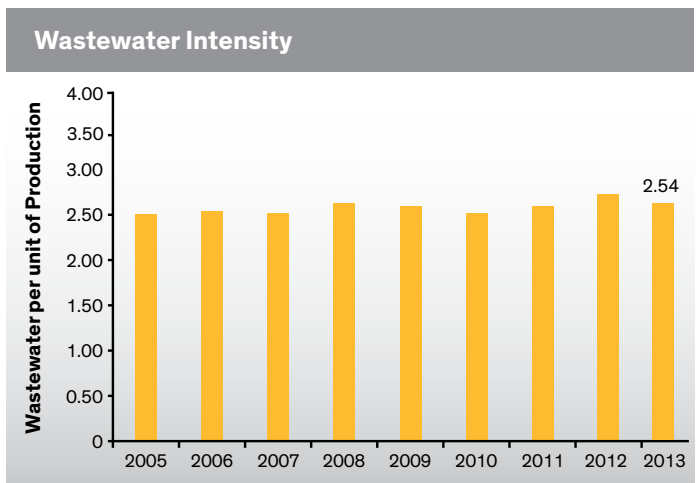
Together, Dow and Omni Water Solutions have treated more than 245,000 barrels of flowback and produced water from Texas' Eagle Ford shale hydraulic fracturing operations. HIPPO® mobile water treatment unit from Omni – which includes both Dow UltraFiltration™ and DOW FILMTEC™ Reverse Osmosis membrane technologies – is being used by a leading operator in Gonzales County to reduce water hardness and boron, and enable reuse of the cleaned water for drilling and fracturing operations. The operator has been using Omni's mobile treatment unit in a water recycling project to convert produced water into freshwater, brine, and hydro-carbon streams. The project's goal is to reduce boron levels from 90 parts per million to less than 5 parts per million in the fresh water stream, so it can be reused in subsequent well operations. Water reuse allows operators to minimize the use and cost of freshwater resources, while reducing complexities surrounding local wastewater disposal and onsite wastewater trucking.

Aspect: Effluents and Waste

EN22 Total water discharge by quality and destination

During 2010 information about the largest freshwater using sites was assessed. On average, more than 85 percent of the source water was returned to its source of origin at equal or greater quality than the quality at time of withdrawal. This indicator is a medium term objective for more detailed reporting in the future.

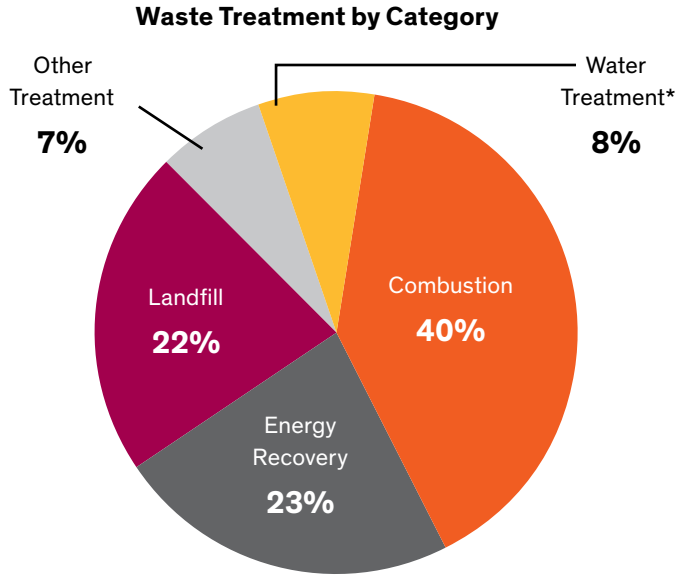
Wastewater is the amount of water sent for treatment before discharge. Wastewater intensity is the ratio of pounds of wastewater per pound of production. Dow is dedicated to implementing innovative ways to conserve water, which includes implementing source reductions as well as identifying creative ways to reuse water. Wastewater intensity remained relatively flat since 2005.



EN23 Total weight of waste by type and disposal method

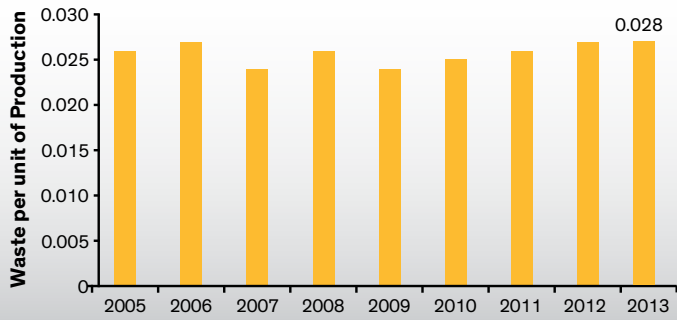
The total treated waste in 2013 was 1.4 million metric tons. Approximately 58 percent of the waste is classified as nonhazardous and 42 percent as hazardous as defined regionally. Wastes are materials that receive treatment and exclude demolition, remediation and certain salts. Dow has placed ongoing emphasis on reducing waste and accomplished great savings through an internal WRAP program (Waste Reduction Always Pays). WRAP reduction includes waste avoidance, source reduction, greenhouse gas emissions reduction, material reuse or recycling, by-product synergy, and water and energy conservation. Compared to 2005 the total waste from operations has been reduced by 14 percent.

A waste intensity metric allows Dow to compare progress from year to year as the Company grows. Waste intensity is the ratio of pounds of waste generated per pound of production. 2013 waste intensity was about the same as in 2012.



*Water portion excluded from waste. Wastewater data is shown in EN22.

Waste Intensity



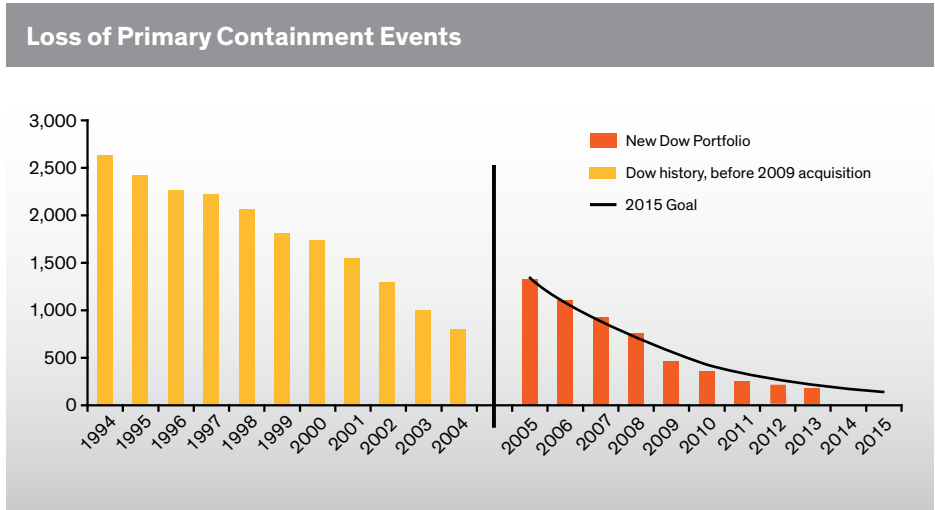
Improved cleaning techniques save \$3.2 million per year

Dow uses a waste management hierarchy that has four levels to eliminate waste at the source, reduce waste, reuse and recycle and treat and dispose. The Midland METHOCEL™ plant produces products used in highly regulated food and pharmaceutical applications. It is critical to clean the process equipment via product flushing between the manufacture of the different products. The plant was generating nearly 1.1 million pounds of waste product from flushing vessels between product runs. A project to recycle the material resulted in some of it being used in construction applications annually. The team also worked to reduce waste by developing a new process that involves smaller flushes that has proven to generate less waste and deliver more effective cleaning, while improving the recycle value of the waste product. To date, the project has reduced annual waste generation by more than 600,000 pounds, diverting it from the landfill to sales and returning an average annual margin savings of \$3.2 million. The process will be leveraged to other cellulose units to increase returns and sustainability globally.

EN24 Total number and volume of significant spills

No spills were of a magnitude that required reporting in the organization's financial statement. Dow has long monitored and set goals to improve performance in the area of spill avoidance.

At the end of 2013, the company had experienced 185 Loss of Primary Containment (LOPC) incidents. This is 17% better than our performance in 2012, and is on track towards the 2015 Goal of 130 or fewer incidents. The 2015 Goal of no more than 130 incidents is a 90% reduction from 2005. This reflects our best annual performance.



EN25 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII and the percentage of transported waste shipped internationally

Dow has a “Right Waste, Right Place” strategy with regard to management of all waste. This involves evaluation of waste situations to see if they can be eliminated or reduced in size. Then, we look for other uses for the streams – either internally or externally – as feedstocks or for reclamation purposes. As a last option, we develop a reliable way to dispose of materials that can't be utilized in any other way.

For hazardous waste, our first choice in most cases is to bring the wastes to one of our own disposal facilities. In some situations it is appropriate to use third-party facilities, but only after they have undergone a thorough audit conducted by a third-party auditor and been reviewed for safety and environmental concerns.

There were approximately 620,000 metric tons of hazardous waste treated in 2013 as defined by regional definitions. Approximately 23 percent of this quantity was transported to locations where treatment by Dow or third parties. A majority of this amount was consumed by thermal treatment. Water content of aqueous hazardous wastewater was subtracted from this total. Dow has a work process to audit third parties.

Hazardous waste shipped across country line is monitored at the local level.

EN26 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by discharges of water and runoff

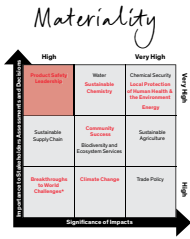
There are no known bodies of water significantly affected by current discharges of runoff from operations.

As a member of the Greater Edwards Aquifer Alliance (an industry-government partnership), Dow provided funding for a study regarding the management and conservation of Greater Edwards Aquifer. The EPA recognizes the Edwards Aquifer Ecosystem as a “Sole Source” water supply. It is the only source of drinking water for millions of Texans.

Dow participated in a unique collaborative process to develop a plan to contribute to the recovery of federally-listed species dependent on the Edwards Aquifer. This process, referred to as the Edwards Aquifer Recovery Implementation Program (EARIP) was legislated and brought together stakeholders from throughout the region in late 2006 to prepare a Fish and Wildlife-approved plan by 2012 for managing the Aquifer to preserve the listed species. The Legislature directed that the plan must include recommendations regarding withdrawal adjustments during critical periods that ensure that federally-listed species associated with the Edwards aquifer will be protected. The Edwards Aquifer Habitat Conservation Plan (EAHCP) was approved and is now in the implementation phase. In 2013, EARIP received the prestigious Department of Interior Partner in Conservation Award presented by Secretary of the Interior Sally Jewell.

Aspect: Products and Services

EN27 Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation



Dow accepts the responsibility to be a good steward of the environment on behalf of current and future generations. Dow identifies chemicals and health as a priority issue. To learn more about our Policy on Chemicals Management, visit the Responsible Operations section on www.dow.com.

One initiative to mitigate the environmental impacts of products is through the 2015 Sustainability Goal of Product Safety Leadership. A primary focus of this goal is to develop Product Safety Assessments (PSAs) for all Dow products by 2015.

At the end of 2013, 526 PSAs had been posted to Dow's product safety website. Dow's published Product Safety Assessments now cover products accounting for over 89% of Dow's annual revenue. Additionally, 100% of Dow's 216 High Priority chemicals are now covered by a PSA. We are on track to meet our 2015 Goal to have a Product Safety Assessment publically available for applicable Dow products.

PSAs are written for the lay public and cover topics such as basic hazards, exposure potential and risk management measures. They complement other product safety, handling and stewardship documents, which are part of the product responsibility package offered by Dow to strengthen relationships with communities and customers. Dow is

dedicated to providing the public with accurate information and building trust as it uses technology to develop better products, and this holistic approach enables Dow customers and the communities in which Dow does business to stay informed about the Company's products and the plants that produce them.

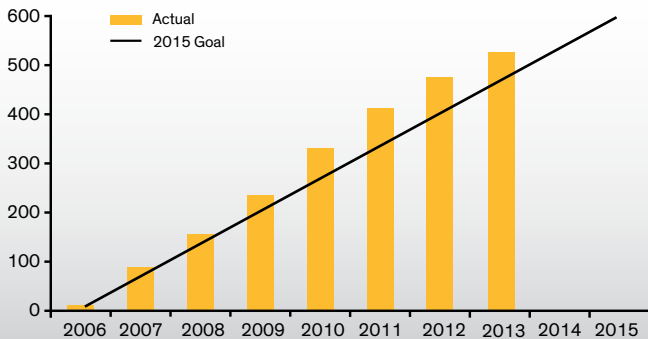
Other mitigation efforts include our Product Stewardship program (See PR1 and PR3) and our commitment to implement the European Union regulation for the Registration, Evaluation, Authorization and Restriction of Chemicals, known as REACH.

EN28 Percentage of products sold and their packaging materials that are reclaimed by category

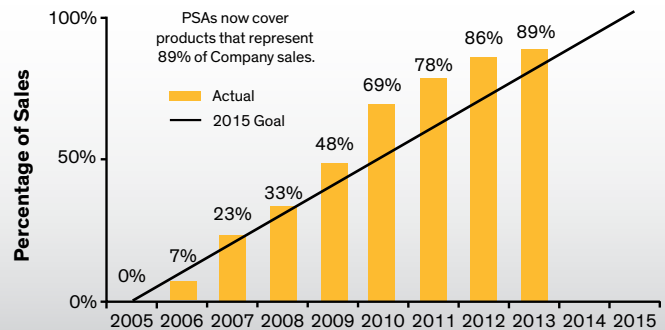
Dow is a provider of a variety of products and solutions for packaging needs. Due to the highly varied uses of Dow products and the frequency of use as a raw material for another manufacturing process, there is often no packaging for the Dow product. The Company does not measure this indicator. We do work to optimize packaging where it saves packaging and raw materials. In 2013, 228,084 reusable metal boxes were used for outbound shipments.

The Company recently collaborated with industrial packaging reconditioning companies to improve their recycling efforts, including one with EarthMinded® Life Cycle Services (LCS). The partnership delivered impressive success in 2013 – collecting 27,500 steel and plastic drums and rigid industrial bulk containers from Dow facilities across the U. S.

Cumulative Product Safety Assessments



Sales Covered by Assessments



"Sustainability is critically important in the packaging marketplace. Dow's leadership in goal-setting, reporting, and science based decision-making helps the Packaging & Specialty Plastics business work more collaboratively with our entire value chain."

– Jeff Wooster, Global Sustainability Manager, Packaging & Specialty Plastics

As the world's largest industrial packaging reconditioner, EarthMinded LCS collects, cleans, reconditions and remanufactures industrial packaging, giving used containers a second chance. In 2013, EarthMinded LCS collected materials from seven Dow facilities, reusing or recycling over 710,400 pounds of steel and 72,000 pounds of plastic, delivering an impressive 83 percent container reuse rate and reducing carbon and other greenhouse gas emissions. Additionally, the partnership has enabled Dow to reduce costs at all the participating facilities, which gives Dow an added financial bonus.



The collaboration has been a positive one. EarthMinded LCS has given Dow real-time access to sustainability data, capturing a detailed picture of the benefits Dow is reaping from the partnership, and the entire team looks forward to seeing what the partnership's future holds. During 2014's first quarter alone, Dow finalized container collections at four additional North American sites.

EarthMinded is a trademark of EarthMinded LLC, registered in the U.S. and other countries and licensed to Container Life Cycle Management, LLC.

EN29 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

Fines paid in the year 2013 were \$807,480 which includes both amounts paid and the value of alternate pay amounts. Fines paid in 2012 were \$215,722. Fines and penalties are captured globally regardless of size or significance, and payment is reported based on the year paid. This incident reporting system does not classify whether a fine is related to product, the environment, or other focus of law.

The Company does not have non-monetary sanctions to report for 2013, nor is there awareness of a case or cases that should be disclosed as events brought through dispute resolution.

EN30 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations and transporting members of the workforce

Dow is fully committed to transportation safety and security advancements, and the reduction of risk to people and the environment. Our actions are centered on reducing risk, which includes improving safety performance, equipment performance and emergency response. In the case of Highly Hazardous Materials (HHMs), our action includes reducing our need to transport these materials. This commitment is evidenced in Dow's Memorandum of Cooperation with the Union Pacific Railroad on Rail Safety and Security (Dow-Union Pacific MOC Update: On Track to Increase Rail Safety and Security), as well as in Dow's collaboration with Union Pacific and Union Tank Car Company to design and build the "Next Generation Rail Tank Car" for chlorine.

Our 2015 Sustainability objectives reflect our commitment to reduce the potential impact of Dow's transportation activities by dramatically reducing in-transit releases – also called loss of primary containment (LOPC) incidents – of Hazardous Materials. Dow has an aggressive, comprehensive program to prevent incidents during transportation; our program collects, investigates, analyzes and develops corrective and preventative actions to incidents globally. These include incidents that occur at contracted Logistics Service Providers (LSPs) such as warehouses and terminals.

From 2005 (baseline year) to 2013, Dow had reduced the number of Hazardous Material LOPCs and HHM tonne-miles each by approximately 45% from baseline. We also continue to reduce the severity of incidents and speed and effectiveness of response to them so potential consequences are lessened. Additionally, Dow continues to support efforts to respond quickly, effectively, and safely to any incidents that do occur in transportation. Information about the Dow [TRANSCAER Training Tour](#) can be found at [TRANSCAER® Training Tours](#). (TRANSCAER®: Transportation Community Awareness and Emergency Response)

In addition to noteworthy progress in the reduction of Dangerous Good transportation and handling incidents and HHM tonne-miles shown here, Dow has delivered on several significant fronts, including:

- Continuous improvement to our comprehensive Distribution Risk Management Process that drives business alignment with our Corporate commitments and ensures risks are being appropriately and effectively managed,
- A new Toxic Inhalation Hazardous (TIH) rail tank car design that will significantly reduce the chance of a release if the car is involved in an accident,
- Rail Safety Act Designation by the U.S. Department of Homeland Security,
- Numerous transportation emergency response training tours (TRANSCAER®) with our rail partners along the major rail corridors for Dow's HHMs,
- Plans developed and being executed to reduce shipments or tonne-miles for 100% of Dow's businesses that ship or receive TIH materials,
- An enhanced risk-based EHS&S qualification, selection, and performance management program for our logistics service providers,
- A comprehensive transportation safety and security standard that clearly defines requirements for shipments made by or on behalf of Dow,
- An improved rail shipment visibility project to ensure that we know the real-time location and lading condition of our TIH rail tank cars, to enable rapid communication and response to potential risks,
- An active advocacy effort to present Dow's industry-leading hazardous materials transportation positions to critical stakeholders, including government, industry, and non-governmental organizations (NGOs), to achieve alignment and support for our goals,
- Implementation of an integrated crisis management plan allowing Dow to quickly and effectively communicate (internally and externally) and respond to pending or actual crisis situations,
- A strong Distribution Emergency Response program – included skilled, knowledgeable and well-equipped responders – that provides assistance at many different levels, including mobilization to an incident scene as requested by the carrier or incident commander.

During 2013, there were 25 events. The Company is striving to reduce the occurrence of Hazmat Transportation LOPC incidents to fewer than 14 per year, with no incidents involving Highly Hazardous Materials by 2015.

A second metric to minimize the potential for impacts from transportation tracks the volumes of Highly Hazardous Materials transported. We have set a 2015 Sustainability Goal to reduce the number of tonne-miles (a measure of how much

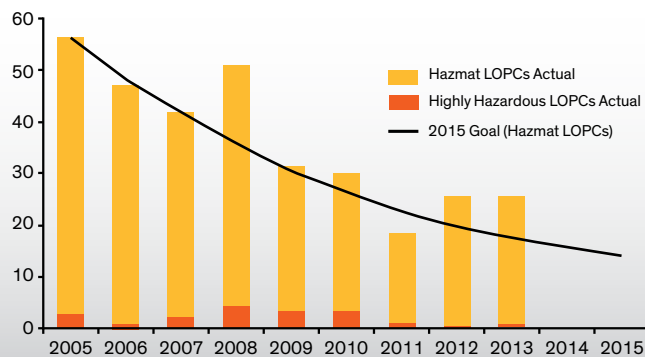
shipped and how far) by 50 percent from levels in 2005, which was 1,410 million tonne-miles. Dow will accomplish this by redesigning our supply chain to reduce or eliminate shipments, or optimizing the distances products travel. (A tonne-mile is one metric ton of freight moved 1 mile or 1.6 km.)

By reducing the number of tonne-miles of Highly Hazardous materials, Dow reduces the chance of in-transit incidents that could impact communities and areas through which Dow's products travel. In 2013, 786 million tonne-miles were shipped via road and rail. The goal for 2015 is to reduce these shipments to less than 705 million tonne-miles, which would be a 50% reduction from the baseline in 2005.

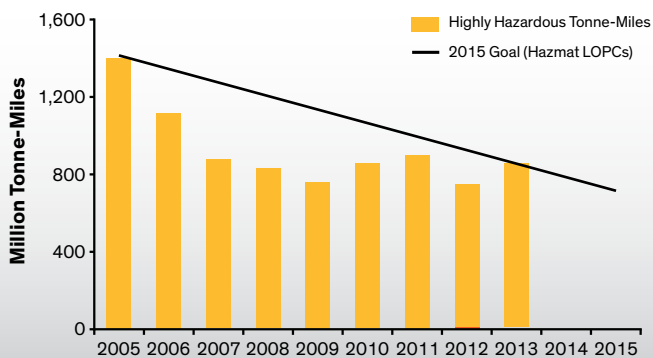
EN31 Total environmental protection expenditures and investments by type

The amounts charged to income on a pretax basis related to environmental remediation totaled \$203 million in 2013. The amounts charged to income on a pretax basis related to operating the Company's current pollution abatement facilities

Hazmat Transportation LOPC Count

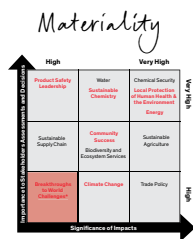


Highly Hazardous Material Tonne-Miles



totaled \$720 million in 2013. Capital expenditures for environmental protection were \$102 million in 2013. The Company is subject to extensive federal, state, local and foreign laws, regulations, rules and ordinances relating to pollution, protection of the environment, greenhouse gas emissions, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. At December 31, 2013, the Company had accrued obligations of \$722 million (\$754 million at December 31, 2012) for probable environmental remediation and restoration costs, including \$73 million for the remediation of Superfund sites. This is management's best estimate of the costs for remediation and restoration with respect to environmental matters for which the Company has accrued liabilities, although it is reasonably possible that the ultimate cost with respect to these particular matters could range up to approximately two and a half times that amount.

EN32 Percentage of new suppliers that were screened using environmental criteria



Dow engages new vendors globally. The supplier selection in each commercial area is done by Sourcing Managers who engage with multiple potential suppliers. All potential suppliers are required to provide about environmental practices, including but not limited to history of odors, spills,

incidents, applicable environmental permits, the usage of banned substances, greenhouse gas emissions, abatement technology, waste management, and other practices. In addition, all Dow's suppliers are compliant with regulations that are passed from time to time, such as REACH compliance for supplies to Europe. The product and service specifications also build in for the right environmental requirements where applicable, and the language of contracts cover for adherence to environmental criteria. In case of External Manufacturing where Dow manufactures their products at a third party site, there are regular audits to ensure adherence to environmental practices as laid down in the Code of Conduct. All of new suppliers selected went through an EH&S assessment conducted by Dow.

EN33 Significant actual and potential negative environmental impacts in the supply chain and actions taken

There are no significant actual and potential negative environmental impacts in the supply chain that have been reported for the year 2013. Dow has processes requiring an EH&S assessment to be conducted for potential new suppliers, and on a recurring periodic frequency audits of existing suppliers. Both audits and assessments utilize environmental criteria as part of the review.

EN34 Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms

Dow seeks and responds to community concerns in a variety of ways. Community Advisory Panels under Responsible Care® are a primary mechanism for a site to get community input on topics of concern, including environmental grievances. These panels are made up of selected Dow and community leaders for the purposes of conducting ongoing and open communication regarding Dow's operations, safety programs, environmental conditions, community interactions, and many other aspects of the plant that might be of interest to the community. Sites are also commonly contacted directly by the public on topics of concern.

The Company uses various tools and processes as part of Dow's environmental management systems to document any outside call with a complaint (including: complaint about odors, noises, potential health effects, traffic congestion, etc.) received by Dow and confirmed as Dow-related. These tools and processes help Dow efficiently track, evaluate, and, as may be required, report external complaints that occur at Dow facilities. In addition, Dow has developed and implemented global standards and work processes to:

- Provide global consistency in the classification of external complaints
- Collect complaint data for required public communication and internal Dow communications and awareness, including performance indicators, reported to the global businesses, line management and to the EH&S Committee of the Board of Directors
- Establish consistent reporting of complaints at all Dow locations

The number of external complaints recorded in 2013 was 22, a significant reduction from the 64 complaints recorded in 2012 and 118 in 2011.

The Company is subject to extensive federal, state, local and foreign laws, regulations, rules and ordinances relating to pollution, protection of the environment, greenhouse gas emissions, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials; further information on actual or alleged violations of environmental laws or permit requirements are disclosed in PART I, Item 1A – Risk Factors in Dow 2013 10-K. Further information on Dow's environmental matters are disclosed in PART II, Item 7 – Other Matters – Environmental Matters in Dow 2013 10-K. Our Commitments to Sustainability, including the environment, can be found on www.dow.com.

Great Place to Work

Great Place to Work

A Premier Employer around the World



Dow's People Vision – The world's best people working together to make a difference – underscores our belief that a talented, engaged employee workforce is essential to our ability to deliver innovative solutions to our customers, markets and communities.

Our People Strategy is supported by four strategic pillars:

- Attract and Retain a Diverse Workforce
- Engagement of Employees
- Performance Culture
- Superior Leadership

Beneath each pillar is a set of strategies, action plans and metrics. Many of those metrics are included in this report.

Dow measures its progress toward being a great place to work by comparing its Global Employee Opinion and Action Survey (GEOAS) scores against benchmarks established by 40 premier employers in the Mayflower Group. This is a consortium of leading global companies representing a variety of industry sectors. They include 3M, Corning Inc., The Boeing Company, Microsoft Corporation, GE, and Ford Motor Company.

The Company is committed to focusing on three areas of improvement – opportunity to grow in current role, recognition for doing a good job, and work-related stress – as these areas have a significant impact on overall engagement.

Our Values

The Company highlights three overarching values: Integrity, Respect for People, and Protecting Our Planet. These values define our culture and create a focus to help make Dow a great place to work.

Objectives and Performance

Dow's Diversity and Inclusion strategy is championed by the Company's Executive Network Council. The council is chaired by Gregory Freiwald, Chief Human Resources Officer, Aviation, Corporate Affairs, and Executive Vice President, and includes members of the Executive Leadership team. Each member is responsible for leading one of Dow's employee network groups.

The goal of the Executive Network Council is to drive efforts to enhance our workforce so it reflects a truly diverse and inclusive environment similar to our stakeholders, customers, and communities where we operate. The Council meets regularly to review progress, examine ways to collaborate in these efforts, and remove barriers that could impact the successful accomplishment of this goal.

Objective 1: To be the "Employer of Choice" in strategic markets where we recruit talent

Objective 2: Develop a workforce that reflects the places we do business today and tomorrow

Objective 3: Create a workplace characterized by respect and where people value diverse perspectives

Integrity

We believe our promise is our most vital product—our word is our bond. The relationships that are critical to our success depend entirely on maintaining the highest ethical standards around the world.

Respect for People

We believe in the inherent worth of all people. We, the employees of Dow, are the engine of value creation; our imaginations, determination and dedication are essential to growth.

Protecting Our Planet

We believe in protecting the world's resources. Dow's sustainability journey involves the world's best problem solvers working on the world's biggest challenges. The decisions we make, the innovations we deliver and the goals we achieve are all driven by our intent to "Set the Standard for Sustainability," making the world safer, cleaner and greener for generations to come.

Labor Policies and Philosophies

Respect for human rights and dignity is a cornerstone of our business.

- We recognize and respect all labor and employment laws – including those respecting freedom of association, privacy and equal employment opportunity – wherever we operate.
- We believe that working positively and directly with employees best serves their interests.
- We strive to work cooperatively with duly chosen employee representatives in the common pursuit of the interests of the employees and the Company's mission.
- We do not use forced or involuntary labor.
- We comply with all applicable child labor laws.

We maintain a safe and healthy work environment and are committed to eliminating work-related injuries and illnesses. Employees and the Company share the responsibility to make safety and health a daily priority. Each employee is accountable to take corrective action when an unsafe or hazardous situation is brought to their attention. This is an important part of the culture, which makes working at Dow about 24 times safer than working at the average manufacturer in the United States based on available statistics. Dow's Drive to Zero program drives Dow employees and contractors to exceptional safety performance. It reinforces Dow's vision for EH&S – zero injuries and illnesses, zero incidents, and zero environmental harm.

Training and Awareness

Dow's philosophy of continuous learning and development is supported by a robust curricula assigned to leaders and employees. Recognizing that effective leadership is a critical link to employee engagement, the Company's leadership development solutions target employees transitioning to people leader roles. A smooth and successful transition is important for leadership effectiveness. That's why, within the first 90 days, new leaders are expected to participate in training that establishes the "rules of the road" for their new role. Policies and procedures are explained, with the purpose of guiding the new leader to support their new team and lead through inspiration and by example. In addition, the Company offers both structured learning courses and online reference portals for experienced leaders, enabling them to continue to develop their leadership skills.

In 2013, leaders across the Company completed 2,546 leadership training sessions.

Dow encourages continuous learning – in classrooms, on assignment, through mentoring and networking as a way of enabling employees to sharpen their knowledge, skills and abilities. In 2013, 3,336 employees participated in Great Start @ Dow, an on-boarding development program critical to setting new employees up for success – immersing them in Dow's structure, culture, and strategy.

For ongoing training, employees use the online MyLearning system that helps them select and manage curriculum that aligns with their core role responsibilities and personal development interests. Required training is assigned to employees in this same MyLearning development tool. There are now more than 30,000 courses available in the MyLearning system.

In 2013, we introduced the Leadership Effectiveness Survey, which provided upward feedback to our people leaders. With this valuable feedback they have targeted areas for improvement that directly link to improving employee engagement. We will conduct it again in 2014 to continue giving our people leaders annual feedback from their direct reports on their leadership performance.

The Dow Code of Conduct: The Diamond Standard

The Diamond Standard provides clarity on how to address Code and other policy violations using the Dow EthicsLine, which is available globally, with multi-lingual capabilities, 24 hours a day, seven days a week and is operated by an external vendor. All concerns are evaluated and all potential code violations are investigated. In addition to the EthicsLine, employees are encouraged to report their concerns to their own supervisors or other leaders, Legal Department Attorneys, Human Resources, Regional Ethics and Compliance Committee members or directly to the Office of Ethics and Compliance.

Dow's office of Ethics and Compliance works closely with the Dow Regional Ethics and Compliance Committees to conduct periodic Ethics and Compliance Risk Assessments to identify potential risk areas in the Dow regions around the globe and then respond with targeted education and corrective actions.

Equal Employment Policy

Dow is committed to support the principles of Equal Employment Opportunity for all our employees and to eliminating discrimination in the workplace.

The Company will ensure that all present and prospective employees are assessed on their skills, qualifications, abilities and aptitudes. Selection for specific jobs and career progression will be determined only on the basis of personal merit and performance.

Our competitive advantage and continued success depend upon the talents and potential of all our people.

We must all respect and recognise the diverse qualities of our co-workers, and it is therefore the responsibility of every employee to create an environment which is free from discriminatory activities and practices.

Diversity and Inclusion

At Dow, Diversity & Inclusion means delivering a workforce that reflects the places we do business today and tomorrow, and enabling a workplace where everyone is included and performing at their peak, and knows their contributions are valued.

We value the differing experiences, backgrounds and perspectives our employees bring, and rely on those differences to fuel innovation. We are committed to building a vibrant, diverse and talented employee base – investing in each employee's growth and development as part of Dow's inclusive global community.

When we respect the diversity of our workplace, we create an inclusive environment where everyone can perform to their highest potential.

We strive to create an environment of mutual respect, free from harassment and unprofessional behavior. Our Respect and Responsibility Policy demonstrates our commitment to preventing all inappropriate behavior in the workplace. We avoid conduct and statements that are degrading, offensive, humiliating or intimidating to others. Seemingly innocent actions can create an environment that may be offensive, and we should be alert to our own behavior and the effect it may have on others.

Equal remuneration for women and for men:
See LA13 for more information.

The most senior position with responsibility for Labor Aspects is Gregory Freiwald, Chief Human Resources Officer, Aviation, Corporate Affairs, and Executive Vice President.



Labor Performance Indicators

Aspect: Products and Services

LA1 Total number and rate of new employee hires and employee turnover by age group, gender, and region

New Employee Hires, by Gender, by Region*

	Male	Female	Total Number
Globally	69.0%	31.0%	3,092
North America	73.0%	27.0%	1,582
Latin America	65.0%	35.0%	569
Europe	66.0%	34.0%	413
India	75.0%	25.0%	77
ME/Africa	63.0%	37.0%	46
Pacific ex China	71.0%	29.0%	207
China	62.0%	38.0%	198

* Dow does not report new hires by age, but as a result of the Company's hiring practices, there would not be significant differences between the ages of male and female new hires.

Dow reports attrition for both voluntary exits (which includes retirements as well as employees separating for other reasons) and involuntary reductions. In 2013, the global voluntary attrition rate was 5.0% (up from 4.7% in 2012) and the involuntary rate was 4.8% (up from 3.0% in 2012).

The following information by category is based on a breakdown of voluntary attrition rates. Voluntary attrition rates are reported here, as they may be reflective of Company culture, working conditions, and employee satisfaction or dissatisfaction. Involuntary reductions are primarily a reflection of business conditions.

The rates of voluntary attrition by gender:

- 4.7 percent for males
- 5.7 percent for females

Voluntary Attrition by gender, by region:

	EMEA	Latin America	North America	Asia Pacific	Global
Male	3.7%	3.9%	5.1%	6.0%	4.7%
Female	5.0%	7.2%	5.5%	6.0%	5.7%

Dow does not report attrition based on age, but rather on years of service. The rates of attrition for years of service, based on average headcount for these groups, are shown.

- 4.9 percent for 0-1 years of service
- 8.5 percent for 1-3 years of service
- 7.4 percent for 3-5 years of service
- 5.4 percent for 5-10 years of service
- 3.6 percent for 10-15 years of service
- 3.6 percent for 15+ years of service

The rates of attrition by region, based on average headcount for these groups, are:

- 5.0 percent Globally
- 5.2 percent for North America
- 4.8 percent for Latin America
- 4.0 percent for Europe
- 8.7 percent for India
- 3.5 percent for Middle East, and Africa
- 6.5 percent for Pacific excluding China
- 5.0 percent for China

LA2 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations

Dow makes a wide variety of benefits available to all eligible regular full-time and less-than-full-time employees that work 20 or more hours per week. Dow's benefit plans are designed to build on the social security benefits provided in each country and social security systems and as a result vary by country.

Dow offers the following benefits to employees in most of the countries where it does business:

- Pension plans – either defined benefit or defined contribution plans
- Medical plans – often including prescription drug coverage and dental
- Life insurance
- Disability protection
- Accident insurance
- Paid vacation, holiday and leave programs
- Business travel accident
- Stock purchase plan

Aspect: Labor/Management Relations

LA4 Minimum notice periods regarding operation changes, including whether it is specified in collective agreements

Dow keeps employees well informed of operational changes through a variety of channels. Global, business and functional specific news is communicated through our global intranet that can be accessed by any Dow employee in a variety of languages. In addition, leaders cascade communications through the organization to Dow employees. These communications occur in a timely and effective manner.

While there is no global minimum time frame for notifying Dow employees of significant operational changes, Dow makes every effort to give a reasonable amount of notice to all employees in the event of a significant change. Dow has a proven history in recognizing and respecting all labor and employment laws in the countries in which it operates.

LA3 Return to work and retention rates after parental leave, by gender

Dow offers employees, both male and female, the opportunity to take leave for many reasons, including the birth or adoption of a child. Because of differences in global labor laws, the company's leave policies differ around the world. As a result, the data below include employees who either took parental or other family leave, for any reason.

- Between 2009 -2013, 663 employees took parental or family leave. 29% were male and 71% were female.
- Of these employees, 77% returned to work, 11.9% remained on leave. 71% of females returned to work and 93% of males returned to work.
- Of the employees who returned to work following their leave, 15% are no longer with Dow. 71% of these employees are female and 29% are male.

Aspect: Occupational Health and Safety

LA5 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs

Drive to Zero is a journey and continues to be our vision. We will not accept injuries and illnesses; nor will we accept any adverse environmental impact on our operations or surrounding communities. As we approach 2015 our resolve to achieve our goals must intensify. But, Drive to Zero is not mostly about rates, statistics, numbers or metrics, although these are important ways to measure our progress. It is about people, and keeping our people, our facilities, our environment and our communities safe.

In 2005, Dow launched the 2015 Sustainability Goals and the Drive to Zero campaign. Between 2005 and 2013, such efforts prevented over 1,000 injuries and over 8,000 spills. But lives are still being affected by injuries and incidents.

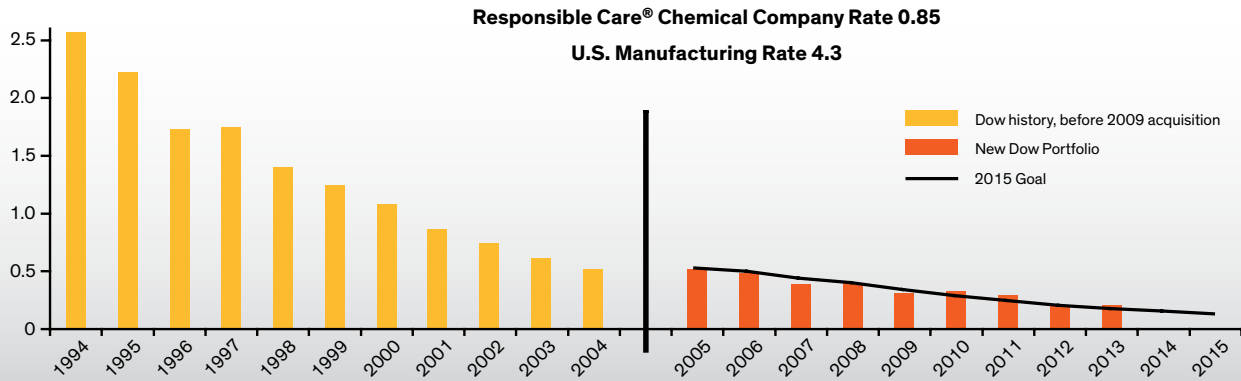
In 2012, the Drive to Zero campaign was revitalized with a new slogan “LIVE IT!” We are taking the strong foundation and organizational commitment of Drive to Zero to the next step with this new campaign and encouraging everyone to “LIVE” the commitments they have made.

Dow also has a well-developed health strategy focused on prevention, quality, health system management and advocacy. Employees are provided with the tools and information they need to take action to invest in their personal health and the health of their families, while the company works to establish a “culture of health” through additional policies and practices.

LA6 Rates of injury, occupational diseases, lost days, and absenteeism and the number of work-related fatalities by region and by gender

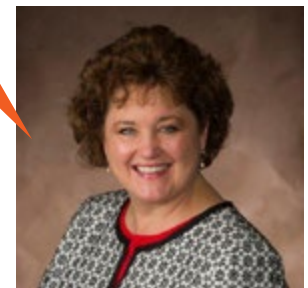
The overall Injury and Illness rate is a highly visible 2015 Sustainability metric for the Company. The goal is to reduce by 2015 the reportable injury and illnesses to no more than 0.12 incidents per 200,000 hours of work time, representing a 75 percent reduction from the rate in 2005. Dividing incidents by a defined cumulative number of hours worked by the employee population is a standard way of viewing the rate of injury and illness for a specific population. The progress made in reducing our rate of injury and illness since 1994 has prevented more than 31,000 reportable incidents involving Dow employees and contractors.

Injury and Illness Rate



“Dow is a leader across virtually every facet of environment, health and safety performance. Our “Vision of Zero” is an attitude and a corporate culture that is committed to zero accidents, zero injuries and zero excuses. We continue to work together to meet the challenge of excellence in EH&S every day, there is no bigger priority.”

– Laura Ambrose, Global Director, EH&S Operations

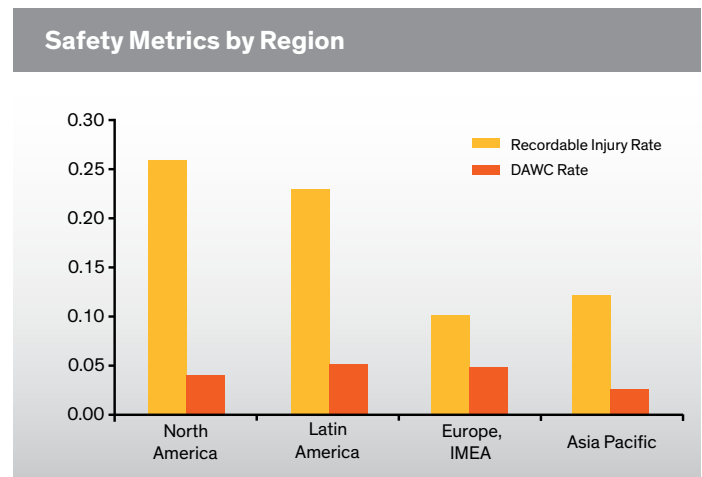


The following information from the U.S. Bureau of Labor Statistics provides context for Injury and Illness performance (for U.S. operations).

Comparative Injury/ Illness rate (incidents / 200,000 hours)

	Values for 2013	Values for 2012
Dow employees and contractors	0.19	0.21
U.S. Chemical Manufacturing (2012 most recent data available)	2.3	
All U.S. Manufacturing* (2012 most recent data available)	4.3	

The safety performance of Dow employees and contractors by region is illustrated in this graph. Variations in culture, employees and contractors make up, and regulatory drivers explain much of these differences.



Safety by gender data for Dow employees in the United States

Gender	2011 Recordable Injury Count	2012 Recordable Injury Count	2013 Recordable Injury Count	2011 Recordable Injury Rate	2012 Recordable Injury Rate	2013 Recordable Injury Rate
Male	78	58	42	0.43	0.32	0.24
Female	23	15	15	0.34	0.22	0.22

The contractor rate of Injury and Illness in 2013 was 0.22, while that of employees was 0.17 injuries per 200,000 hours.

Days Away from Work Injury and Illness Cases (DAWC) are included in the Dow Injury and Illness rate. In 2013, DAWC occurred at a rate of 0.042, down from 0.047 per 200,000 hours in the prior year.

The illness rate in 2013 was 0.008 per 200,000 hours.

In July 2013, there was a fatality at Dow’s Drusenheim Film facility when an employee died during the routine change out of a plastic film product roll on the line winder. The employee was pinned between a support structure, the product roll and the hydraulic arm of the winder. An investigation concluded a restricted area was entered while the equipment was in operation. In October, at Dow’s Fort Saskatchewan site, an independent contractor was fatally injured while pulling casing (pipe) from a hydrocarbon storage well. The investigation concluded the casing became detached from the lifting device and fell, striking the worker resulting in head injuries. Later in October, at Dow’s North Andover site, during normal operation associated with manufacturing a batch of Trimethylindium (TMI), an employee sustained injuries as a result of the overpressure of a small stainless steel manufacturing vessel. An investigation concluded an undesired and unexpected reactive chemical event occurred within the vessel as the employee was carrying the vessel from the glove box to the next manufacturing unit for further processing. The overpressure resulted in a release of reacted and unreacted pyrophoric materials and a fire. There were a total of three work related fatalities for the year, which is up from two in 2012.

Information on absenteeism is not aggregated by the Company.

LA7 Workers with high incidence or high risk of diseases related to their occupation

Dow's health strategy aims to optimize health in employees and their families through an integrated program relying upon the expertise of scientists, health and safety professionals, and supportive benefit options. Protection of workers from occupational health risks is a critical element. Dow controls occupational health risks in our worker's environments. Comprehensive workplace risk assessments are completed to evaluate hazards in the chemical manufacturing, office, and field settings. Workers are provided detailed education and training along with specific procedures for safe operation. General health prevention programs to reduce overall health risk are provided. Risk control measures in the workplace are implemented and emergency planning is coordinated with external medical and public health experts. Detailed exposure controls are implemented as global standards. All workers are provided baseline and periodic medical screening, testing, evaluation, and health counseling to identify and control health problems. Clinical treatment is available, which includes specialized protocols for Dow's workplace. Finally, health results are carefully monitored for trends, including summaries of health trends and directed health epidemiology studies.

Preventive Health Strategy for Workplace Health and Safety

STRATEGY	RISKS	
	Workplace	Community
Risk Identification	X	X
Education and Training	X	X
Prevention Programs	X	X
Public Health Coordination	X	X
Exposure Risk Control	X	X
Medical Screening	X	X
Treatment	X	X
Monitor Results	X	X

In addition, linking to the community is a critical aspect of prevention. Community health risks are examined and opportunities for community health partnership are initiated. An example of Dow/community health partnership is the health alliance MIHIA in central Michigan. Workers in each area and travelers to the region are given specific advice about endemic health problems, such as communicable disease issues, vaccinations, air quality, and social conflicts. Education and prevention programs are implemented, including medication prophylaxis, vaccination, and medical treatment. Pandemic and crisis management planning for emerging risks are implemented when necessary. In some cases, direct support for the community is also provided (e.g. hurricane damage, tsunami, radiation, HIV/AIDS).

Employee / Family Health	Protection of Worker Health <ul style="list-style-type: none"> • Toxicology • Industrial Hygiene • Safety • Health Services • Epidemiology Enhancement of Health for Dow People <ul style="list-style-type: none"> • Healthcare Benefits • Health Promotion
Public Health / Societal Good	Healthy Communities
	Products targeting Health Needs Products that Solve World Challenges

Dow offers medical benefits that cover a range of preventive, diagnostic and treatment services. Programs vary by country and other criteria. Dow Health Services makes the following available in the area of Occupational Health and Health Promotion:

- Employee clinical treatment services are available on-site at approximately 83 Dow clinics globally.
- Periodic Employee Health Assessment examinations screening for a variety of diseases (including heart, lung, liver, kidney, blood, etc.). Specific counseling and follow-up are provided to assist in reducing any identified risks. Review of medical surveillance testing results for specific Dow workgroups has shown an improved health risk profile continuously since baseline of 2004, including a 20 percentage point (25%) reduction in high risk people and a 22 percentage point (19%) increase in low risk people.
- Health Promotion programs are offered to all employees and often retirees and their dependent family members. These programs include education on important health risks such as tobacco use, inactivity, obesity and stress. Employees understand the opportunities to assess those risks and a variety of interventions they can pursue to reduce their risk.
- Employee Assistance Programs are offered globally. These provide assistance for employees and families for issues such as general stress, anxiety, financial, and family relations.

Dow's health program is recognized internationally and is regularly invited to present as a 'benchmark' model program or to provide scientific information to assist regulators and experts evaluate risks. Some examples include: International Neurotoxicology Association, International Commission on Occupational Health, American Cancer Society, Workplace Health Initiatives, U.S. Environmental Protection Agency, California Office of Environmental Health Hazard Assessment, Dutch Health Council, Center for Disease Control, OSHA, NIOSH, and the Health Enhancement Research Organization. Dow efforts were recognized through several awards, including Excellence in Business Action on Health (Global Business Coalition - Africa), SESI Quality in the Workplace Award (Sao Paulo, Brazil), Asia Pacific Business Services Paragon Award (Japan), Bureau of Health Department's, Badge of Accredited Healthy Workplace (Taiwan), and the Alzheimer's Association's Mission Mover Award (U.S.).

In summary, integrated approaches in the workplace and community collectively address occupational health risk and focus on prevention and optimizing health.

LA8 Health and safety topics covered in formal agreements with trade unions

Even though the Company does not collect this information at this time, all employees are covered by Dow's safety processes and work culture.



Aspect: Training and Education

LA9 Average hours of training per year per employee, by gender, and by employee category

The Dow Sustainability Network, made up of employees from around the world, meets throughout the year to focus on educational topics related to sustainability. Often the topics are specific to addressing a sustainability challenge within the Company. The network also hosts external sustainability leaders who share their expertise to inform and inspire our employees on the sustainable solutions for tomorrow. The Sustainability Network provides the opportunity for any Dow employee to engage in an open dialogue on internal and external sustainability topics which promotes the integration of sustainability into our day-to-day to actions. In 2013, Dow added a mandatory sustainability course to our new employee curriculum.

Dow's training opportunities include both traditional classroom and virtual instructor-led training, hands-on training, blended training, and an extensive database of online training courses. Training and education varies by job role and responsibilities. On average, there were 61 hours of training per employee in 2013. Dow has extensive training programs for employees involved in every job category.

Training hours per employee by gender and category

	Male Avg	Female Avg
Admin	22	21
Professional	38	41
Tech	76	40
Other	151	78

LA10 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings

Dow employees have access to materials that support the entire employee life cycle, with the wealth of resources available on Dow's online people resource, My HR Connection. My HR Connection gives employees access to development resources, online internal job postings, compensation and benefit information, health and wellness programs among

"Our focus is on developing leaders who inspire and support a sustainable world. Through real-life development experiences in emerging markets, we challenge future leaders to use their knowledge, skills and expertise to find sustainable solutions that are creating value to the environment, society, business and the world."

– Johanna Söderström
Vice President,
HR Center of Expertise



others, including late stage career planning. Employees take advantage of these offerings to develop their careers, enhance their employee experience and plan for career changes.

Examples include:

- Employee worksheets exploring personal and career values, preferences and orientations
- Forms and guidelines to prepare for employee career development discussions
- Global Educational Assistance supports employees in pursuing external training/educational opportunities for career development
- Access to HR and retiree service call centers for personalized answers to HR questions
- Benefits counseling for employee retirement planning purposes
- Financial planning seminars for all employees
- Total health, nutrition and wellness centers and associated programs and counseling

LA11 Percentage of employees receiving regular performance and career development reviews by gender

Performance Management (PM) strives to maximize the connection between employee development and organizational performance. Both leaders and employees together play a key role in ensuring the effectiveness of PM by establishing SMART goals, encouraging continuous development feedback and dialogue, and reviewing progress on an on-going basis

throughout the year, both formally and informally. PM aligns with Dow's overall Employee Development strategy by building skills that promote change, aligning behaviors with corporate strategies and ethical standards, and providing employees the opportunities to improve their performance and effectiveness.

Our Performance Management cycle provides a structure to facilitate the alignment of expectations and goals, the integration of on-going coaching and feedback, and the summary of contributions – both “What” (core job, goals, impact) and “How” (behaviors/competencies).

The steps below are key elements:

- Aligning Expectations & Establishing Goals
- On-going Coaching, Feedback, and Reviews
- Summarizing the Annual Contribution
- Annual Review

Setting clear, meaningful and challenging performance expectations along with providing regular coaching and feedback are critical leadership skills. Our leaders are encouraged to partner with their employees to identify their strengths as well as opportunities for development. This on-going collaboration is one way we can engage our employees and drive Dow's success.

The performance management cycle concludes with a formal review of annual performance. This discussion features feedback on highlights and areas for development from throughout the year, which employees use to craft personal

development goals for the coming year. In preparation for that discussion, leaders gather multi-rater feedback to enhance the quality of feedback and ensure multiple inputs to performance ratings.

100% of eligible employees receive an Annual Performance Review, and have a performance rating in the system. On our annual engagement survey, we ask our global employee population to self-report whether they have experienced a recent Annual Performance Review and/or employee development discussion. This information is helpful for global Talent Management to understand the effectiveness of the Performance Management process.

Employee Reports having had an Annual Performance Review in last 12 months

2013 Global Dow, %	
Male	89
Female	91
Total	90

Employee reports having had an employee development discussion in last 18 months

2013 Global Dow, %	
Male	80
Female	81
Total	80

Aspect: Diversity and Equal Opportunity

LA12 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity

Diversity and Inclusion Strategy:

To be sustainable, Dow must remain well positioned to attract, develop and retain the best talent from an increasingly diverse and global talent pool, regardless of national origin, gender, age, language, race, religion, disability, sexual orientation, or gender identity. Of course, having a diverse workforce isn't enough. We need to continue in our efforts to create a respectful and inclusive culture where diversity is truly valued and leveraged to its highest potential.

The Company's Diversity and Inclusion agenda is stewarded by the Executive Network Council, which is chaired by Gregory Freiwald, Chief Human Resources Officer, Aviation,

Corporate Affairs, and Executive Vice President. The Council is responsible for improving the diversity mix in the corporation to drive business success. All Executive Sponsors of our Global Employee Networks are standing members of the Council.

Dow continues in its commitment of support to the United Nations (UN) Women's Empowerment Principles (WEP), signed in 2011 by Andrew Liveris, Dow's Chairman and CEO. The WEP is a partnership initiative of the United Nations, supporting the mission to promote gender equality and women's empowerment globally. Signing these principles has complemented Dow's internal efforts around women's advancement. As a result of the WEP, Dow is reporting a broad range of data related to women's equality to create greater transparency around our efforts.

Dow's Diversity and Inclusion objectives are established by Dow's Executive Network Council. Behind each objective is a set of metrics and actions to drive progress:



Objective 1: To be the “Employer of Choice” in strategic markets where we recruit talent

- Target “Best Employer” Awards
- Partnerships to enhance the diversity of the talent pipeline
- Diversity of Hiring Pools and Improved Hiring Rates

Key Results:

Working closely with seven global Employee Diversity Networks, with more than 150 chapters worldwide, we have established a strategic list of “Best Employer” awards that are meaningful to various segments of our population. These awards establish criteria for what it means to be an Employer of Choice within various diverse communities and provide a competitive performance benchmark against “best practices” in the marketplace.

- Marking the ninth consecutive year of recognition for its continued leadership of and commitment to lesbian, gay, bisexual and transgender (LGBT) rights in the workplace; Dow was honored by the Human Rights Campaign (HRC) for achieving a 100 percent rating on its corporate equality index.
- Dow was named among DiversityInc’s 25 Noteworthy Companies for 2013.
- Dow Brazil received the Diversity Seal award for the third consecutive year from the São Paulo State Government.
- National Technical Institute for the Deaf honored Dow as an outstanding employer.
- Dow received a 2013 Work Place Excellence Award for LGBT Equity from Out & Equal.

Dow partners with several organizations globally, through both contributions and employee involvement, to increase the diversity of the talent pipeline, with an emphasis on empowering diverse populations and encouraging girls and underrepresented minorities to pursue Science, Technology, Engineering and Mathematics (STEM) careers. Selected examples include:

- Created the Dow STEM Executive Council to strategically organize STEM education efforts and ensure strategic use of Dow resources to maximize impact at the classroom level.
- Provisioned DowGive Education grants to eight schools across Brazoria County, Texas to take STEM learning to new levels.
- Supported an academic program for at-risk girls in Pittsburg, California that demonstrated how science is integrated into every aspect of life to encourage girls to pursue STEM careers.
- Philadelphia Education Fund recognized Dow’s commitment to STEM education with the presentation of the 2013 EDDY Award for Star Business Commitment to Education.
- Opened Dow Chemistry lab in Tianjin, China in partnership with China Association for Science and Technology.
- 100,000th student visits the Dow Chemical Foundation supported “In Touch with Chemistry” lab in Central Germany.
- Dow is a member of the National Action Council of Minorities in Engineering (NACME) which works to increase the number of successful African American, American Indian, and Latino women and men in STEM education and careers.

- Dow Europe has entered into a multi-year agreement with MyHandicap, with the goal to improving measures to integrate people with disabilities and promoting barrier-free work infrastructures.
- Dow is partnered with the National Society of Black Engineers (NSBE) to bring Summer Engineering Experience for Kids (SEEK) to Philadelphia and Detroit in summer 2013.
- The company has established a great working relationship with National Technical Institute for the Deaf to identify and hire students and graduates for co-ops or permanent jobs.

2013 Diversity Hiring

	Females	Minorities
Entry-level Professional	42%	30%
Mid-level Professional	29%	37%
Leadership	24%	27%

Objective 2: Develop a workforce that reflects the places we do business today and tomorrow

In addition to working to ensure that women and minorities in the United States have equal opportunities, we also work specifically to create an inclusive work place for all employees including Lesbian, Gay, Bisexual, and Transgender (LGBT) employees, people with disabilities, veterans, and employees from all cultural backgrounds.

Diversity indicators for the overall employee population

By gender, globally:		
Male	73%	34,934
Female	27%	13,238
By age:		
Under 30	14%	6,699
30 to 50	57%	27,571
Over 50	29%	13,901

By U.S. ethnic minority (data are gathered only for U.S.)

Minority	21%	4,912
Non minority	79%	18,364
By age:		
Under 30	12%	675
30 to 50	53%	2,885
Over 50	35%	1,352

Progress toward Dow's goal of increasing the representation of women and minorities in leadership roles continues:

Several initiatives support this goal:

- External partnerships with organizations such as the National Society of Black Engineers, Society of Hispanic Engineers, Society of Women Engineers, and the National Council on Business and Disability.
- Active Employee Diversity Networks that help champion an inclusive workforce. Dow currently more than 150 chapters of its seven Employee Networks around the world.
- Mentoring programs.
- Eighteen month women and minority sponsorship program. The purpose and goals are:
 - To invest in the development of female and minority talent to accelerate Dow's transformation by bringing diverse perspectives to the table.
 - To foster the advancement of high performing female and US minority talent from individual contributor to leadership roles.
 - To leverage the critical program component that pairs each participant (Sponsee) with a senior leader (Sponsor) who will serve as an advocate and provide career development coaching.
 - To enhance exposure and visibility of the "Sponsee" to support advancement.
- World-class Leadership Development and Executive Education programs, each of which includes an emphasis on inclusive leadership and cross-cultural competency building.

Objective 3: Create a workplace characterized by respect and where people value diverse perspectives

Dow's Global Employee Opinion and Action Survey (GEOAS) includes a Diversity & Inclusion index that enables Dow to monitor the degree to which its working culture is marked by inclusion and respect. The overall index was 74 percent in 2013, up 2 percentage points from the previous survey.

We are committed to driving these scores higher, and achieving top quartile performance as benchmarked against the Mayflower Group, a consortium of premier companies that provides global survey norms.

Great Place to Work

Several initiatives support this goal:

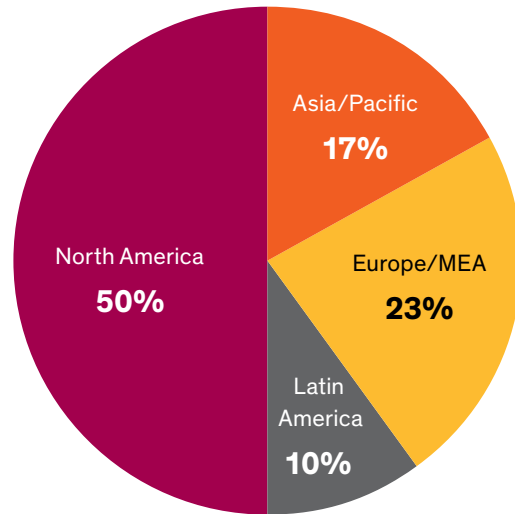
- An enterprise-wide objective to train all leaders on unconscious bias. The course is designed to increase understanding of how unconscious bias can potentially hinder talent utilization, while creating a supportive framework for leaders to build competency and accountability in leading and getting the most out of a diverse workforce.
- Diversity- and inclusion-oriented training that reaches all levels of the organization and is embedded within our new employee orientation and leadership development programs.
- Specialized workshops to meet emerging needs covering gender norms, disability etiquette, and on-demand learning resources around LGBT issues and generational differences.
- Efforts to raise cross-cultural awareness and understanding range from lunch-time language classes, to access to an on line Cultural Navigator.

Progress on all three goals is tracked at the corporate level and reported quarterly to the Company's executive leadership, through the Executive Network Council.

Diversity of Dow's Board of Directors: At year-end 2013, Dow had 10 Directors; 2 are female and 1 is a U.S. ethnic minority.

60 percent are between the ages of 51 and 60, and 40 percent are between the ages of 61 and 70.

The regional distribution of Dow's global female workforce:



Global workforce, by gender by job family

	Female	Male
Administrative	87%	13%
Professional/Manager	33%	67%
Global Leader/Executive	12%	88%
Technical Employees	16%	84%

Representation, by job family and gender, regionally

	Europe, Middle East & Africa		Latin America		North America		Asia Pacific	
	F	M	F	M	F	M	F	M
Administrative	93%	7%	66%	34%	92%	8%	94%	6%
Professionals & Managers	31%	69%	37%	63%	32%	68%	33%	67%
Global Leaders & Executives	3%	97%	0%	100%	16%	84%	0%	100%
Technical Employees	17%	83%	9%	91%	16%	84%	17%	83%

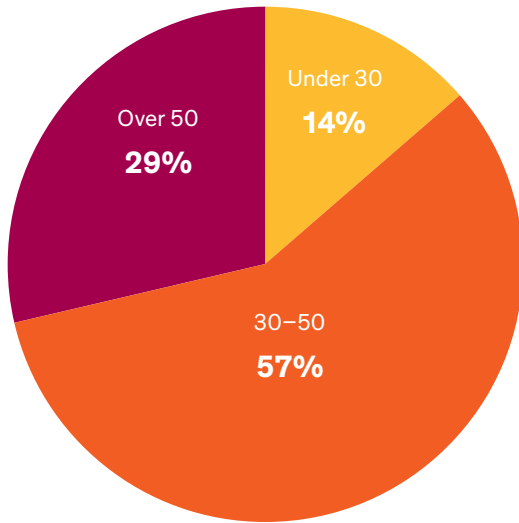
Representation of women in leadership roles, globally

Mid-level Female Leaders	22%
Senior Female Leaders/Executives	18%

Representation of US minorities in leadership roles, US

Mid-level Minority Leaders	16%
Senior Minority Leaders/Executives	15%

The distribution, of Dow's global workforce by age



U.S. Workforce, by ethnic minority

Minority	21%
Non minority	79%

Diversity Indicators for the 22,999 employees in Professional and Management job positions

By gender:	
Male	68%
Female	32%
By age:	
Under 30	14%
30 to 50	61%
Over 50	25%

Diversity Indicators for the 11,142 employees in U.S. Professional and Management job positions

By U.S. ethnic minority:	
Minority	20%
Non minority	80%

Diversity Indicators for the 226 employees in the Global Leader category

By gender:	
Male	88%
Female	12%
By age:	
Under 30	0%
30 to 50	43%
Over 50	57%

Diversity Indicators for the 152 U.S. employees in the Global Leader category

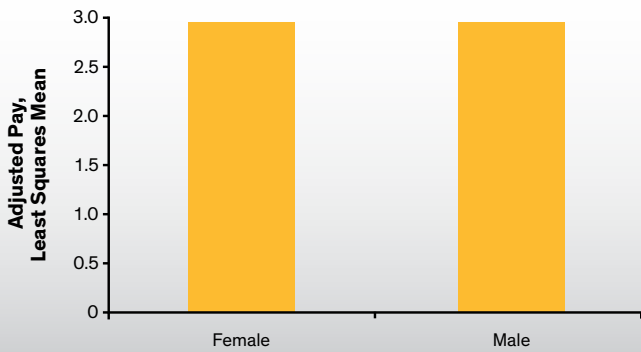
By U.S. ethnic minority:	
Minority	16%
Non minority	84%

LA13 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation

Dow conducts pay equity studies to verify that the Company is compensating employees fairly. The most recent analysis confirms that the basic salary for men and for women is not statistically different when differences for months in grade, age, highest education, years of service and performance rating are considered.¹

Family Grade	Gender	Average Base Salary (USD)	Ratio of Male to Female
Professional I	Male	63,983	99%
	Female	63,428	
Professional II	Male	121,906	98%
	Female	119,792	
Professional III	Male	201,096	95%
	Female	191,109	

Overall Pay Equity Analysis



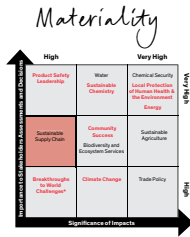
The following provides the unadjusted data by comparing the ratio of male to female base salary within three example grade levels for three job families.

It is important to note that in these tables no adjustment is made for months in grade, age, highest education, years of service and performance rating. The differences in pay are driven by these factors, not by gender.



¹The analysis is conducted every two years.

LA14 Percentage of new suppliers that were screened using labor practices criteria



In 2012, Dow issued a Supplier Code of Conduct to all its suppliers. The Supplier Code of Conduct covers the expectations Dow has from its suppliers across the globe. While Dow has not proactively audited supplier compliance, the requirements of the Code of Conduct are built into supplier contracts to ensure these are contractually enforceable. The Code of Conduct lays down the expectations around legal labor practices. In case of External Manufacturing where Dow manufactures its products at a third party site, there are regular audits to ensure adherence to above practices as laid down in the Code of Conduct. In case of several vendors who provide goods and services across inputs, logistics and warehousing, Dow conducts Safety Trainings to ensure awareness of safety as related to the products / services. This is especially true in instances when products or services involve hazardous cargo. Dow also drives Responsible Care® in the Chemical industry. All of new suppliers selected are in line with acceptable labor practices.

Refer to translations at the website [Code of Business Conduct for Suppliers](#) (available in multiple languages). Refer to [Supplier Responsibilities](#) for more information.

LA15 Significant actual and potential negative impacts for labor practices in the supply chain and actions taken

There are no significant actual and potential negative impacts for labor practices in the supply chain that have been reported for the year 2013.

LA16 Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms

See Strategy & Profile section, item 58 for Ethics and Compliance at Dow.



Human Rights



Human Rights Summary

Dow believes that respect for a person's dignity, rights and aspirations should be the cornerstone of any business's ethics. Integrity, Respect for People, and Protecting Our Planet have always been the core of the way we do business. Global enforcement of Dow's Code of Business Conduct is fundamental to our [human rights position](#) and performance.

- We recognize and respect all labor and employment laws—including those respecting freedom of association, privacy and equal employment opportunity—wherever we operate.
- We believe that working positively and directly with employees best serves their interests.
- We strive to work cooperatively with duly chosen employee representatives in the common pursuit of the interests of the employees and the Company's mission.
- We do not use forced or involuntary labor.
- We comply with all applicable child labor laws.
- Dow will not tolerate acts of violence, including verbal or physical threats, intimidation, harassment and coercion.

The complete Dow [Code of Conduct](#) is available in 24 languages and can be found on Dow's website. Information about relevant training can be found in HR2.

In order to deploy people effectively Dow identifies competency needed to successfully fill specific job roles. The essence of the [Code of Conduct](#) is embedded in most of the competency descriptions. For example, included in the description of competent to lead courageously is: we have the self-confidence to lead by example and listen to a diversity of views.

Regarding investments, Dow recognizes the need to prudently select with whom we choose to enter into business. During 2011, Dow formed a joint venture with Saudi Aramco, one of the leading energy suppliers to the world. The resulting entity, Sadara Chemical Company, now being built in the Eastern Province of Saudi Arabia, will be one of the world's largest integrated chemical facilities, and the largest ever built in a single phase.

[HR1](#), [HR2](#), and [HR10](#) provide information about efforts to assure investment opportunities are managed to avoid compromise of our position on human rights and our expanding activities to define expectations of our suppliers.

Dow accepts the responsibility incumbent on manufacturers that directly or indirectly involve personal risk to utilize well designed and effective security practices. Dow has been a leader in helping the United States design risk-based strategies in several ways and is now helping leverage best practices throughout the rest of the world. See the introduction to [Product Stewardship](#) on page 111 and SO2 for more information. Also relevant is the collective effort of the chemical sector ([Responsible Care® Security Code](#)) to employ security practices that help protect people and the communities in which they live.

See the [Dow Code of Business Conduct for Suppliers](#) for more information about how we assess and manage risk to human rights violations related to our purchasing activities.

GRI G4 guidelines suggest that other potential management approach information be reported, but consistent with our understanding of what is material and of interest to our stakeholders, we point to the performance indicators for information material to our readers. Some reporters who have operations with significant physical labor involvement, or wherein they depend upon suppliers based in countries (or in activities) where labor has a high potential to be at risk will find such topics to be more material. For example, see the [HR8 – HR12](#) for indigenous rights, assessment, remediation comments, and supplier human rights assessments.

The most senior position with responsibility for Human Rights Aspects is the chief sustainability officer, which is held by David Kepler.

Use the index to see indicators that you may find of most interest in this section.

Human Right Performance Indicators

Aspect: Investment and Procurement Practices

HR1 Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

Dow has an established process for due diligence and implementation phases of mergers, acquisitions and joint venture formations, which includes a review of all human rights risks prior to the completion of an acquisition or the formation of a new entity. This review includes the topics of ethical and human rights practices and policies.

HR2 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained

Dow has taken steps to ensure all employees are aware of and understand the Company's Values of Integrity, Respect for People, and Protecting Our Planet and the Company's commitment to human rights. In 2013, all new employees were required to complete the Code of Business Conduct course.



Aspect: Non-Discrimination

HR3 Total number of incidents of discrimination and actions taken

Based on available records, there were no substantiated incidents of illegal discrimination in 2013. Dow defines incidents of discrimination as substantiated findings of a violation of local law and/or Dow's internal policies, which state:

It is Dow's global policy that employees be provided a work environment which is respectful and free from any form of inappropriate or unprofessional behavior, such as harassment including sexual harassment, pestering or bullying and any form of unlawful discrimination. Discrimination is defined in the policy as "employment related actions that adversely impact an employee, have no legitimate business purpose, and are based on unwarranted individual differences or prejudice, such as sex, gender, race, sexual orientation, gender identity, disability, age, ethnic origin or other inherent personal characteristic protected by law." The application of this policy in any particular country will conform to applicable local laws, directives, regulations and/or labor agreements. Retaliation of any kind against an individual who, in good faith, exercises his or her rights under this policy, makes a complaint, or cooperates in an investigation is prohibited.

Dow actively encourages reports of potential policy violations through ongoing communications and training and offers employees several different avenues to report. They may raise concerns with leaders, Human Resources, the Legal Department or through the Dow EthicsLine. The EthicsLine is a safe, reliable and convenient alternative to reporting ethical concerns in person. It is available globally, with multi-lingual capabilities, 24 hours a day, seven days a week. The EthicsLine

is operated externally by EthicsPoint (EP), a professional vendor located in Lake Oswego, Oregon, that specializes in providing similar services to global companies. No call tracing or recording devices are ever used, and callers may remain anonymous if they choose as permitted by the governing jurisdiction. Employees also have the option of reporting to the EthicsLine through the web.

Concerns are promptly reviewed, investigated and depending upon the findings, appropriate actions are taken to address violations and other issues in the work environment. In reviewing concerns raised during this period, Dow did take actions to support a productive work environment. Such actions have included:

- Specific training or communications for particular work groups.
- Individual coaching, communications or counseling as required for leaders and employees.

These case-by-case, as-needed actions supplement our global initiatives around Diversity and Inclusion that include, but are not limited to:

- Training
 - Global workshops on Diversity and Inclusion, as well as online training regarding our policies. [Note: Both of these are embedded into our New Employee Orientation globally, ensuring all employees are aware of Dow's expectations as they join the Company.]
 - Inclusive Leadership training for new people leaders.
- Employee Diversity Networks
- Dow now has approximately 150 chapters of its seven Employee Diversity Networks operating around the world. These networks provide support for employees as they pursue personal and professional development and provide insights to the Company on how to become more inclusive.

Aspect: Freedom of Association and Collective Bargaining

HR4 Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken to support these rights

No operations are identified that put collective bargaining at risk. Dow's position on freedom of association is included in our Code of Business Conduct Labor Policy. Under this policy, employees are free to form collective bargaining agreements in all areas of operation. As noted in Strategy & Profile section, item 11, about 12 percent of the employees globally are covered by collective bargaining agreements.

Aspect: Child Labor

HR5 Operations and significant suppliers identified as having significant risk for incidents of child labor and measures taken to contribute to the elimination of child labor

Dow prohibits unlawful child labor and child exploitation and we comply with all applicable child labor laws. Dow's Position Statement on Child Labor states:

Dow complies with all child labor laws. Dow understands that children may legitimately perform tasks, which do not interfere with their education, do not negatively affect their health, safety, and development, and are in compliance with applicable local, state, national, provincial, and international laws and regulations. Dow will endeavor to make its contractors, vendors and suppliers aware of its expectations and commitments to this policy.



Dow has identified no significant risks for incidents of child labor that would be contrary to our position statement, including young workers exposed to hazardous work either as a function of our type of operations or of the locations where we operate.

Aspect: Forced or Compulsory Labor

HR6 Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor and measures to contribute to the elimination of forced or compulsory labor

Dow's position on forced or compulsory labor is included in our Labor Policy in our Code of Business Conduct. See HR4 for Labor Policy.

We have identified no operations with a significant risk for forced or compulsory labor in either operations or based on geographies with operations that might be more inclined to be at risk.

Aspect: Security Practices

HR7 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations

Reporting processes and response plans are in place to identify and respond to alleged abuse or violence against employees and contractors. Dow employs several hundred employees and contractors in its Emergency Services and Security department worldwide.

Security personnel, whether proprietary or contract company employees, fully comply with the Company's training requirements, policies and procedures concerning human

rights. This training is a condition of employment and is conducted on a repetitive basis. This training includes reinforcing an operating discipline to protect the personal information of our all employees and contractors.

In addition to this baseline training requirement, security personnel are subject to additional functional and situational training in areas relative to human rights. The Company has many secure and anonymous communication methods (as permitted by the governing jurisdiction) for reporting human rights violations, and any reports of such violations are fully investigated and appropriately addressed.

Aspect: Indigenous Rights

HR8 Total number of incidents of violations involving rights of indigenous people and actions taken

No incidents of violations of indigenous people were reported for the reporting period.



Aspect: Assessment

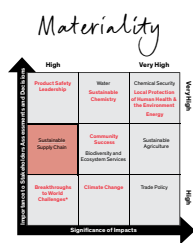
HR9 Total number and percentage of operations that have been subject to human rights reviews or impact assessments

Dow's Regional Ethics and Compliance Committees (RECCs) are in a position to become aware of any human rights violations and review and assess the impacts of alleged violations. They

operate regionally in all geographical areas where Dow conducts business. There were no human rights reviews or assessments initiated due to an alleged violation in 2013. All regions had active compliance activities.

Aspect: Suppliers Human Rights Assessment

HR10 Percentage of new suppliers that were screened using human rights criteria



In 2012, Dow issued a Supplier Code of Conduct to all its Suppliers. The Supplier Code of Conduct covers the expectations Dow has from its suppliers across the globe. While Dow has not proactively audited supplier compliance, the requirements of the Code of Conduct are built into supplier contracts to ensure

these are contractually enforceable. The Code of Conduct lays down the expectations around Human rights practices. In case of External Manufacturing where Dow manufactures their products at a third-party site, there are regular audits to ensure adherence to above practices as laid down in the Code of Conduct. All of new suppliers selected are in line with acceptable human rights practices.

Refer to translations at the website Code of Business Conduct for Suppliers (available in multiple languages). Refer to [Supplier Responsibilities](#) and this [FAQ](#) document for more information.

HR11 Significant actual and potential negative human rights impacts in the supply chain and actions taken

Assessments and audits have identified less than adequate supplier practices that resulted in not selecting the supplier or discontinuing business with the supplier. Examples include but are not limited to: identification of poor housekeeping and management of combustible dust hazards which also had a potential negative impact on employees, inadequate programs to protect employees from exposure to chemicals, and inadequate emergency procedures to protect employees and the public.

HR12 Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms

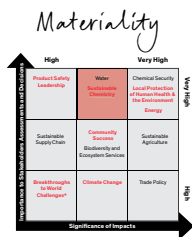
No incidents of grievances related to human rights were filed in 2013.

Society

Dow is deploying its research and development skills to help solve the world's most pressing challenges through the lens of the United Nations Millennium Development goals and four market defined megatrends. By focusing on the needs of society, Dow creates solutions that are both far-reaching and broad in benefit. From the food on the table to the technology in our homes, from the glass of water your drink in the morning to the light switch you flip on at night, Dow science is making it possible for people everywhere to live better and more sustainably.



Dow Water & Process Solutions: Delivering Solutions to Promote Sustainable Water Management



In every corner of the globe, from developing countries to industrialized nations, clean water is essential to sustain life. From providing hydration and nourishment, to lighting up our cities and manufacturing goods, water is the lifeblood of human progress. With the world population estimated to grow from 7 billion in 2011 to more than 9 billion by 2050, profound stress has been placed on the world's limited water supply. As the global leader in sustainable separation and purification technology, Dow Water & Process Solutions (DW&PS) is committed to making water safer and more accessible, food taste better, pharmaceuticals more effective, and industries more efficient, by spearheading the development of sustainable technologies that integrate water and energy requirements.

Our Commitments

Our innovative products and solutions provide positive contributions and benefits to industry, consumers, and the environment. DW&PS offers a diverse portfolio of ion exchange resins, reverse osmosis membranes, ultrafiltration membranes, fine particle filters and electrodeionization products, with strong positions in a number of major application areas, including industrial and municipal water, industrial processes, pharmaceuticals, power, oil and gas, residential water and waste and water reuse.

The industrial use of water is one of the largest uses of treated water, and increasing water scarcity has driven companies to seek out new ways to purify water and promote water reuse that are cost-effective and environmentally conscious. With this in mind, DW&PS has invented a new polymer chemistry, resulting in best-in-class performance from a new family of reverse osmosis (RO) products. Designated as Dow's second "Breakthrough to World Challenges," DOW FILMTEC™ ECO RO Elements are being used to produce freshwater, and recycle wastewater around the globe, delivering up to 40 percent higher water quality, while consuming 30 percent less energy.¹ New membrane chemistry allows for a new kind of water treatment plant to emerge – one that runs on less energy, operates more efficiently, and reduces environmental impact.

FILMTEC ECO Elements are helping to save water and energy, while at the same time reducing operational costs in facilities by 16-19 percent. In the first ten years of use, FILMTEC™ ECO Elements will produce 15 trillion m³ of clean water (more than 6 million Olympic-sized swimming pools), while providing more than 2 billion kWh (Kilowatt hours) of energy savings and reducing carbon dioxide (CO₂) emissions by 1.5 million metric tons. By using FILMTEC ECO Elements, utility

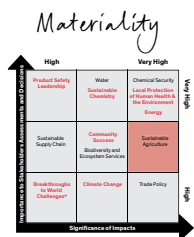
providers are able to reduce their chemical usage and improve their power production time; electronic manufacturers are increasing water purity for higher performing tablets, smartphones and computers brewers are able to brew beer more sustainability; and the list of applications and uses goes on.

Gaining attention and international notoriety, FILMTEC ECO RO Elements have won the 2013 Innovation Award at Aquatech China, 2013 Pollution Engineering Editor's Choice Award, and a Bronze Edison Award in the Energy/Sustainability and Commercial Resource Management category.



¹ Compared to industry standard RO elements.

Dow AgroSciences: Delivering Solutions for Sustainable Agriculture



By 2050, the world's food production systems must support an estimated 9 billion people, with a shrinking base of agricultural land and limited water resources. Dow AgroSciences combines science and technology to discover and develop innovative agricultural solutions for a more sustainable world. We are committed to increasing crop productivity through higher yields, better varieties, and more targeted pest management control. We use innovative chemical and biotechnology solutions to meet the food, feed, and fiber needs of the world.

The world will have to produce 70 percent more food for an additional 2.3 billion people by 2050.

Our Commitments

We focus on the discovery and development of greener and more sustainable solutions. As a result of this focus, Dow AgroSciences has been awarded four U.S. EPA Presidential Green Chemistry Awards and two U.S. EPA Stratospheric Ozone Awards for solutions that meet market needs while minimizing the environmental impact.

Our innovative products and solutions provide positive contributions to the lives of farmers, ranchers and consumers. Dow AgroSciences has a diverse portfolio of leading-edge insecticide, herbicide, fungicide, fumigant and seed technologies for customers around the world. ISOCLAST™, our newest insecticide for use in multiple crops and geographies, controls sap-feeding insects, such as aphids and whiteflies, yet has minimal effect on beneficial insects. Like many products in development, it is effective at low use rates and is an excellent fit in integrated pest management systems, which provide economically and environmentally sensitive approaches to insect control. As part of a healthy oils platform, we also develop seeds used in Omega-9 Canola Oils that have zero trans fat and the lowest saturated fat among currently available vegetable oils and new Omega-9 Sunflower Oils that will be the first vegetable oils to qualify for a claim of “zero grams of saturated fat per serving.”

New Tools for Weed and Insect Management

Monsanto and Dow AgroSciences have reached new cross-licensing agreements for creation of the next generation of advanced weed and insect control technology in corn. Monsanto will license the herbicide-tolerant trait of ENLIST™ Weed Control System from Dow AgroSciences for use in field corn, and Dow AgroSciences will license Monsanto's third-generation corn rootworm technology, Corn Rootworm III, which offers a new mode of action for rootworm control. The agreement paves the way for introduction of next generation products that build off the current SmartStax® platform. This creates a first-time opportunity to bring together three different modes of action for below-ground insect control in a corn product.



SMARTSTAX® multi-event technology developed by Dow AgroSciences and Monsanto. SMARTSTAX® is the trademark of Monsanto Technology LLC.

STEMMING the Gap for Education

Dow is a company built on innovation, which is at the foundation of everything we do. Education is the fundamental enabler of innovation in today's knowledge economy and if we are to meet the challenge of preparing our youth for 21st Century jobs, we need a new generation of discoverers and innovators, scientists and engineers. We are responding to this challenge by developing a growing number of initiatives to help STEMtheGAP™ in science, technology, engineering, and mathematics (STEM) education.

Through our partnerships with leading organizations, the involvement of our employees as volunteers, and sponsorship of countless programs, we strive to help equip our future workforce with the skills they need for success.

As part of Dow's commitment, we partner with National Science Teachers Association (NSTA). Dow's impact is multi-faceted, and includes support of the New Science Teacher Academy, a program for teachers who have been in the field for less than five years that helps build knowledge, skills and commitment to teaching science. In 2013, 182 Dow-sponsored science educators participated in the NSTA.

Dow also is a national sponsor of The Chemical Educational Foundation's (CEF) You Be The Chemist (YBTC) Challenge, a national question-and-answer competition that promotes STEM education for students in grades 5–8. Dow employee volunteers serve as host, mentor, planner and organizer for the challenges, and play an integral role in recruiting students to participate. In 2013, 1,742 students participated in local Dow sponsored Challenges. Dow's support of CEF also includes curriculum Activity Guides and the Essential Elements professional development program for teachers.

In other activities, Dow employees and company support are the lifeblood of initiatives around the world. In Pennsylvania, Dow is a presenting sponsor of the Philadelphia Science Festival in Pennsylvania, which is organized by The Franklin Institute. The commitment is part of Dow's ongoing effort to get youth, educators, businesses and the general public excited about innovations in STEM, as well as to advance the greater Philadelphia region as a hub for cutting-edge science and technology.

In China, as part of Dow's outreach to communities, employees are championing a unique program, "Our City," which teaches third- and fourth-grade students about city life and the importance of sustainability in one's lifestyle. The program, developed with Junior Achievement, involves lectures, tools and games to help students learn how to design, create and maintain a sustainable city.

In India, an innovative partnership is underway between Dow and Trailblazers, an Indian organization focused on providing environmental education training to teachers and students across the country. The program, "Multiply the Message," focuses on training teachers in environmental education and sustainability so they are better equipped to share relevant knowledge.

Talent Meets Need through Dow Sustainability Corps

Dow Sustainability Corps (DSC) is part of Dow's overall approach to helping to meet the world's most challenging problems. DSC is focused on matching the skills of Dow employees with NGOs, social entrepreneurs and local government agencies that need support for sustainable development projects, especially in emerging geographies and areas of growth for the company.

Employees who participate as part of DSC apply their time, skills and expertise to projects around the world. Since its inception, DSC has supported initiatives in countries such as Haiti, Ghana, Tanzania, Honduras, the Dominican Republic, India and the United States. For employees involved in these projects, the experience has a life-changing impact on the way they view their role as a global citizen and Dow's role as a corporation that can affect change.

For example, Dow partnered recently with Aqua Clara International (ACI), a Michigan-based non-profit corporation whose mission is to develop sustainable and scalable technologies that provide those who live on less than \$2 per day with affordable, clean water.

ACI's flagship product is the Aqua Clara Water Purifier, a highly efficient and inexpensive bio-sand purifier that produces safe and affordable drinking water. In this unique partnership, Dow Information/Technology employees are helping design, build and implement a comprehensive data base system for tracking and monitoring ACI's water purification technologies, and for assessing water quality and health/behavior outcomes in Africa and Nicaragua.

Leadership in Action – Ghana

In another effort, DSC partnered in 2013 with Dow's Human Resources function to provide a unique leadership development opportunity for 36 Dow employees. The group collaborated virtually for five months with academia and non-government organizations (NGOs) in Accra, Ghana, to implement seven projects addressing issues related to agriculture, housing, education, access to clean water and more. The group's efforts culminated with a week-long cultural immersion in-country – invaluable training that proved beneficial for the participants both personally and professionally.

The Leadership in Action program continues in 2014 with 41 employees representing 17 countries who are being deployed to Addis Ababa, Ethiopia, to work with eight nonprofits and NGOs to address challenges related to agriculture, economic development, education and sanitation/hygiene.

Acumen Fund

In May 2013, Dow partnered with Acumen to host the first Technical Assistance (TA) Initiative Summit, a gathering to share ideas about the opportunities and challenges in social entrepreneurship. As founding partners of the TA Initiative, Dow and Acumen saw the vast potential of this truly grassroots effort to address the vital issue of alleviating poverty and the growing need for employment and economic development in East and West Africa. By pairing societal need with the risk-taking of social entrepreneurship and the range of resources of multi-national corporations, the Summit sought to create a new approach to impact investing. This model brings together our collective best to create an environment where solutions can be scaled for long-term, sustainable growth.

2014 marks the second full year of partnership with the Initiative. Our aim is to broaden the network of corporations and participating social entrepreneurs. We are learning by

doing, and our intentional yet programmatic approach is a model we feel will serve us well for the long term.

Making a Global Impact

Dow is a member of the United Nations (UN) Global Compact, the world's largest voluntary corporate citizenship initiative. The Compact is comprised of more than 8,700 corporate participants from more than 130 countries, working to achieve advances in the areas of human rights, labor, environment and anti-corruption. As a part of Dow's Global Compact involvement, the Company also supports the UN CEO Water Mandate and Caring for Climate initiatives. The CEO Water Mandate is a private-public initiative with a focus on developing strategies and solutions to contribute positively to the emerging global water crisis. Caring for Climate is a voluntary action platform for those UN Global Compact participants who seek to demonstrate leadership on the issue of climate change.

Another way Dow contributes to society is through The Dow Chemical Company Foundation. The Foundation provides charitable gifts to eligible non-profit organizations that contribute to community success and support sustainability, while fostering science in society and stimulating innovation. In 2013, Dow and The Dow Chemical Company Foundation contributed \$39.7 million including grants of \$21.5 million from The Dow Chemical Company Foundation and more than \$18 million directly from Dow. See EC7 for more information.

Taking Action in Government

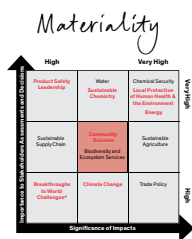
Dow Government Affairs professionals, located around the world, offer expertise in essential areas of the public and international policy process, including policy development, process expertise and relationships. They identify legislative issues of importance to Dow and develop strategies to positively affect the outcome for our Company. Dow's Government Affairs professionals build relationships with key government stakeholders, policy influencers, lawmakers, coalitions, and trade and business associations that impact Dow's interests and business concerns.

The most senior position with responsibility for Society Aspects is the chief sustainability officer, which is David Kepler.

Use the [index](#) to see indicators that you may find of most interest in this section.

Society Performance Indicators

Aspect: Community



SO1 Percentage of operations with implemented local community engagement, impact assessments, and development programs

Guided by the materiality principle as defined in GRI Reporting Guidelines, Dow’s mission has been to be a good neighbor and a trusted collaborator, making sure we leave a positive impact on every community where we have operations. We use the Contributing to Community Success process as a model and guide for supporting the well-being of the communities in which we operate.

As part of our 2015 Community Success 10 year Goal, we are implementing custom Community Success plans in the following locations:

- Pittsburg, California, United States
- Zhangjiagang, China
- Plaquemine, Louisiana, United States
- Midland, Michigan, United States
- Rhine Center, Germany
- Terneuzen, The Netherlands
- Freeport, Texas, United States
- St. Charles, Louisiana, United States
- Stade, Germany
- Candeias, Brazil

These sites represent only 5 percent of Dow’s manufacturing locations as defined in Strategy & Profile section, item 9, but they represent about 70 percent of the product output of the Company. Progress in our Community Success Goal is reported quarterly.

“Dow’s corporate citizenship initiatives are fully integrated into our Sustainability strategy and illustrate our commitment to preserve and invest in our communities, create products that advance human progress, and generate shared value to both our business and society.”

Bo Miller,
Global Director, Corporate Citizenship,
President, The Dow Chemical Company Foundation



Supporting the communities where we live and work is an integral part of the Dow culture – one we enthusiastically embrace globally. In 2014 a comprehensive Community Success Process Guide and tutorial video was created to ensure Dow sites are actively engaged in implementing the “Contributing to Community Success” best practices in their

respective communities. Additional sites are following the Contributing to Community Success method in developing their own plans and actions:

- Philadelphia, Pennsylvania, United States hub sites (various)
- Map Ta Phut, Thailand
- Tarragona, Spain
- Several sites throughout Europe
- Bahia Blanca, Argentina
- U.S. Independent Sites

Sustainability Education with Junior Achievement China



Dow Greater China and Junior Achievement China have once again partnered to bring sustainable development concepts to students at the Chengdu Zongbei School. Dow volunteers shared their thoughts on sustainable development and brought an ultrafiltration sample to demonstrate Dow’s “Green Ideas.” Forty-five students learned how to select green products and how Dow helps customers produce sustainable products. Since launching the “Our City” program in Chengdu last year, hundreds of local students have been afforded the opportunity to learn about environmental awareness and sustainability. Dow was recently honored with the “20th Anniversary Partnership Award” from the organization for its ongoing dedication and support for sustainability education. In September, “Our City” will become official curriculum of the local school system in Beijing.

In addition to customized plans to help create successful communities, Dow has been a long time user of Community Advisory Panels (CAPs) to understand issues and foster engagement.

The purpose of a CAP is to:

- Provide a means for open, honest, two-way communication in order to build trust and credibility
- Enable community members to ask questions or comment upon the Company's operations and activities
- Provide a way for Company representatives to learn about community concerns
- Provide information and get feedback about Company goals and operations

CAP members represent a well-rounded cross-section of the community and may include business persons, local government representatives, retirees, and homemakers. CAPs are active in 20 percent of the communities where Dow has operations.

SO2 Operations with significant potential or actual negative impacts on local communities

Dow implements the American Chemistry Council (ACC) Responsible Care® Guiding Principles at all Dow sites globally. This process identifies the potential for negative impacts on communities, the characteristics of most risk within the individual location, the points of vulnerability and leads to an improvement plan where needed to reduce the potential for negative impacts. For security reasons information about specific sites is not reported. More information can be found in the Responsible Care® Security Code at the American Chemistry Council website.

Public and political attention continues to be placed on the protection of critical infrastructure, including the chemical industry, from security threats. Terrorist attacks and natural disasters have increased concern about the security and safety of chemical production and distribution. Many, including Dow and the American Chemistry Council, have called for uniform risk-based and performance-based national standards for securing the U.S. chemical industry. The Company is complying with the requirements of the Rail Transportation Security Rule issued by the U.S. Transportation Security Administration TSA. Dow continues to support uniform risk-based national standards for securing the chemical industry.



The focus on security is not new to Dow. A comprehensive, multi-level security plan for the Company has been maintained since 1988. This plan, which has been activated in response to significant world and national events since then, is reviewed on an annual basis. Dow continues to improve its security plans, placing emphasis on the safety of Dow communities and people by being prepared to meet risks at any level and to address both internal and external identifiable risks. The security plan includes regular vulnerability assessments, security audits, mitigation efforts and physical security upgrades designed to reduce vulnerability. Dow's security plans also are developed to avert interruptions of normal business work operations that could materially and adversely affect the Company's results of operations, liquidity and financial condition.

Dow played a key role in the development and implementation of the American Chemistry Council's Responsible Care® Security Code, which requires that all aspects of security – including facility, transportation and cyberspace – be assessed and gaps addressed. Through the Company's global implementation of the Security Code, Dow has permanently heightened the level of security – not just in the United States, but worldwide. Dow employs several hundred employees and contractors in its Emergency Services and Security department worldwide.

Through the implementation of the Security Code, including voluntary security enhancements and upgrades made since 2002, Dow is well-positioned to comply with the new U.S. chemical facility regulations and other regulatory security frameworks. In addition, Dow was the first chemical company to receive coverage under the Support Anti-terrorism by Fostering Effective Technologies Act (“SAFETY Act”) from the DHS in 2007 for the Company’s MTSA regulated sites, and the first to receive coverage under the SAFETY Act in 2008 for the Company’s Rail Transportation Security Services. This unprecedented certification helps validate Dow’s efforts and provides additional liability coverage in the event of a terrorist attack.

Dow has been a leader in chemical industry security assessment and preparedness and participates in regular independent third-party Responsible Care® management system reviews to ensure compliance. Included under the Responsible Care umbrella are site-based initiatives such as the Community Awareness and Emergency Response (CAER) and TRANSCAER initiatives which engage in awareness and training for local community advisory panels, the general

public and emergency response organizations. In addition Dow has signed the [Responsible Care® Global Charter](#) which expands and sustains this effort on a global basis.

Dow has specifically implemented the ACC Responsible Care® Security Code including repetitive security vulnerability assessments at all Dow sites globally, and has included security scenarios in all emergency plans. All sites, businesses and geographies are fully integrated in the corporate crisis management process.

This document, published by the Department of Homeland Security, is an example of how a Chemical Security Vulnerability Assessment (SVA) is accomplished.

Further, Dow’s Distribution Risk Review process that has been in place for decades was expanded to address potential threats in all modes of transportation across the Company’s supply chain. To reduce vulnerabilities, Dow maintains security measures that meet or exceed regulatory and industry security standards in all areas in which the Company operates.

Aspect: Corruption

S03 Total number and percentage of operations assessed for risks related to corruption and the significant risks identified

Risk reviews are an integral part of Dow’s Ethics and Compliance program. Dow’s CEO has appointed key Dow personnel to serve as members of Dow’s Regional Ethics and Compliance Committees (RECCs) to address all the geographical areas where Dow conducts business. Dow’s Office of Ethics and Compliance maintains an ongoing dialogue with all RECCs regarding the potential risks in the regions, including the risk of corruption. In addition, the Office of Ethics and Compliance stresses the importance of an ongoing risk analysis in each of the RECCs.

The efforts of the Office of Ethics and Compliance and the RECCs are in addition to the Dow Enterprise Risk Management Process and the ongoing efforts of the Dow Legal Department to counsel the businesses on potential risks.

S04 Communication and training on anti-corruption policies and procedures

Dow periodically requires all employees to complete an on line Code of Business Conduct training module that includes two anti-corruption-related sections: “Bribery and Corruption” and “Business and Financial Records.” In addition, Dow’s Office of Ethics and Compliance and Dow’s Legal Department conduct on going training for employees at all levels of the Company who may encounter the potential for bribery or corruption. Finally, Dow requires online corruption and anti-bribery training for a certain subset of employees based on a perceived elevated risk of corruption due to by the type of role and the region where the employee works. Dow’s Office of Ethics

and Compliance periodically provides the Regional Ethics Compliance Committees (RECCs) with highlights of major/ noteworthy Foreign Corrupt Practices Act (FCPA)/Anti-bribery enforcements actions as an additional means of education and awareness.

Each year, the Office of Ethics and Compliance rolls out the “Annual Ethics and Compliance Certification” which includes questions employees are required to answer relating to potential conflicts of interest, questionable payments, and gifts and entertainment. In addition, the Certification also allows employees to report any conduct which may be inconsistent with the Code or the law. The final question is a means for employees to acknowledge they have read and understand Dow’s Code and they agree to comply with Dow’s expectations for ethical business conduct.

SO5 Confirmed incidents of corruption and actions taken

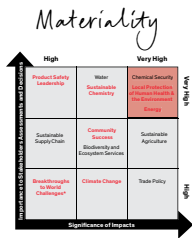
A review of the complaints and completed investigations in 2013 revealed that:

- No Dow employees were terminated for corruption-related behavior.
- No Dow employees were formally disciplined for corruption-related behavior.

For the purposes of this SO5, Dow is defining “corruption” as any form of bribery involving private parties or government officials.

Dow continues with its internal control practices, training and due diligence to identify potential risk areas and to implement risk-mitigation practices within the Company. Examples of such risk-mitigation practices include, but are not limited to: FCPA and anti-bribery training, acquisition due diligence, internal financial controls, an Ethics and Compliance program that includes a strong local presence through the Regional Ethics and Compliance Committees (RECCs), and intermediary review processes.

Aspect: Public Policy



Global Commitment, Local Responsiveness

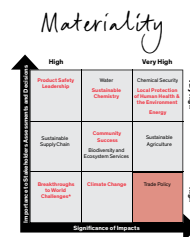
Public Policy at The Dow Chemical Company is based on an unwavering commitment to solving global problems while effectively responding to regional and local needs. As the world’s largest chemical company, Dow is actively

engaged in public policy in a number of ways:

- Global industry leadership – demonstrating a relentless focus on excellence, innovation and sustainable performance
- External focus – conducting business with responsiveness to public issues and concerns
- Community commitment – strengthening relationships within the countries, regions and cities where we operate
- Public and organizational engagement – building relationships with governmental and non-governmental organizations dedicated to trade, sustainability and various other humanitarian issues around the world

Dow is uniquely positioned to provide innovations that lead to energy alternatives and less carbon-intensive raw material sources. Our products are used in solar power photovoltaics, concentrated solar power thermal systems, wind turbines and in energy saving building systems.

Information related to how these products are part of a more sustainable world can be found at: [Dow’s Position on Energy & Climate Change](#).



Trade

Sound trade and investment policies help to raise standards of living and increase consumer choice. Trade liberalization supports advanced manufacturing by reducing operations costs, expanding investment opportunities, and opening access to rapidly-growing consumer markets around the world. Good trade policy establishes a level playing field and supports commitment to a global, rules-based, transparent trading system so that businesses can all compete fairly.



Dow products are made in a range of countries and shipped to markets all over the world – products that are used by customers to make finished goods are also shipped all over the world. Trade and global supply chains enable access to products around the world – raising the standard of living, quality of choice and opportunities for consumers.

Additionally, countries with open trade policies benefit from foreign direct investment, which brings new technologies, high standards of working safety and practices and job creation. Foreign investments in emerging countries create new local enterprises, but also open new opportunities into the global value chain. Suppliers and partners in emerging economies frequently become new exporters and innovative partners, in cooperation with foreign suppliers.

Dow is an advocate of free trade. The company supports all trade liberalization activities, including the continued implementation of a global, rules-based trading system to foster economic growth and sustainable development around the world.

Energy

A sustainable energy future requires us to all rethink the energy equation – working together as individuals, governments and businesses to develop breakthrough solutions for clean, sustainable and affordable energy. No one energy source can be viewed in isolation and a comprehensive approach is best. Dow's integrated approach to energy is represented through the acronym COAT.

We should:

- Conserve energy by aggressively pursuing energy efficiency and conservation;
- Optimize, increase and diversify domestic hydrocarbon energy resources;
- Accelerate development of clean and renewable energy alternatives; and
- Transition to a sustainable energy future.

Natural Gas

Innovation has made it possible for us to reach previously uneconomic natural gas reserves, and now natural gas prices are competitive or advantaged in North America versus other major competing regions in the world. Dow believes that hydraulic fracturing, which has allowed for access to this vast supply, can be done safely and responsibly.

As a major manufacturer, Dow is a significant consumer of natural gas for use as a raw material in the high-value products we make and for energy to power our operations. Abundant, affordable natural gas has lowered our energy and raw material costs and, therefore, has a positive impact on our business and creates jobs across the economy.

However, it is not only manufacturers that are benefiting from this newly available resource. The recent discovery and development of domestic shale gas will help to contain energy costs for individuals and businesses. More energy companies are adding affordable natural gas to their energy mix of traditional and renewable energy sources, which is helping to limit cost increases and is reducing greenhouse gas emissions. Lower energy bills benefit all consumers, particularly low-income families, and ultimately the overall economy. This has also improved the trade balance of the US, and for the first time in several decades, fossil fuel import dependency is rapidly declining.

Dow believes affordable and abundant natural gas, which has been brought about by shale development, is vital to a renaissance in the manufacturing sector, lowering greenhouse gas emissions, reducing energy costs for consumers, and increasing overall energy security for the US and indeed the global economy.

Chemicals and Health

The public is increasingly interested and concerned about the presence of chemicals in people and the environment due to NGO allegations that certain “chemicals of concern” have potential to cause harm at low levels. To address these challenges, Dow is engaged in collaborative work with industry, academics and government scientists to understand human and environmental risk. Leading the industry in endocrine screening, development of predictive toxicology capabilities and risk assessment of mixtures, Dow understands that historical testing and risk assessment methodology is not sufficient to address the questions being raised in the 21st century. We are investing more time in outreach to our downstream value chain partners to confirm our understanding of their use/exposure and to ensure that we are in a position to support them in addressing questions from consumers. With the increasing focus on green chemistry and more sustainable products to replace “chemicals of concern”, Dow is investing significantly in research to develop alternatives with an improved environment and health profile. We use comprehensive sustainability screening to ensure that alternative materials are indeed improved over existing products. Dow believes these collective efforts have the potential to increase consumers’ confidence in our materials and result in a competitive advantage.

Biotechnology

By 2050, the world’s food production systems must support an estimated 9 billion people, with a shrinking base of agricultural land and limited water resources. Visit [Dow AgroSciences](#) to learn more about how innovative chemical and biotechnology solutions are helping to meet the food, feed, and fiber needs of the world. Dow AgroSciences has adopted [principles to guide](#) decision-making using biological knowledge and techniques to develop products and services for the benefit of our customers, shareholders and society.

Excellence Through Stewardship® is the trademark of Excellence Through Stewardship.

Dow AgroSciences is a Founding Member of Excellence Through Stewardship® (ETS), a non-profit educational organization established to promote the responsible management of plant biotechnology. As a member of ETS, Dow AgroSciences is committed to the ETS Stewardship Objectives, Principles and Management Practices and having independent third-party audits of its plant biotechnology activities. In addition, Dow AgroSciences participates in the USDA-APHIS Biotechnology Quality Management System (BQMS) Program, whereby the organization's BQMS has been verified by third-party audits as conforming to the USDA-APHIS BQMS Program Audit Standard for the import, interstate movement, and field release of regulated materials.

Historical Issues

While collaboration with external stakeholders will continue to help Dow build a sustainable future, Dow also recognizes the need to engage stakeholders in the ongoing public debate around historical issues and challenges. These issues and challenges include Agent Orange, asbestos, Bhopal and dioxin. Although we are committed to engaging in dialogue with others who are similarly dedicated to respecting diversity of opinion and constructive exchange of ideas, our ability to engage is oftentimes limited by the existence of pending litigation. To learn more about these issues and challenges, visit Issues and Challenges on www.dow.com.

SO6 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country

Political Action Committees (PACs) provide for United States employee participation in the US election process. In 2013, DowPAC contributed \$277,500 to 96 federal candidates, \$32,000 to seven leadership committees, \$25,000 to 5 PACs; \$30,000 to two national political party committees, and \$15,750 to 24 state candidates and state parties in Texas and Pennsylvania. Contributions from DowPAC totaled \$365,250. In 2013, Dow's corporate political contributions (non-PAC related) totaled \$325,475 going to state political candidates, parties and political advocacy organizations (where allowed by law).

In 2013 DowPAC Michigan contributed \$9,250 to nine state candidates and \$400 to a political party committee. Contributions from DowPAC Michigan totaled \$9,650.



Aspect: Anti-Competitive Behavior

S07 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes

See Dow 2013 10-K for the fiscal year ending December 31, 2013–PART II, Item 8, Note 14 – Commitments and Contingent Liabilities.

Aspect: Compliance

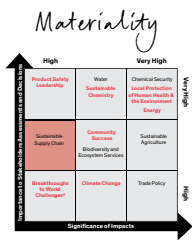
S08 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

Additional information is also provided in Dow's 2013 10-K for the fiscal year ending December 31, 2013 –Note 14 – Commitments and Contingent Liabilities.

We did not identify any material events which were not covered by EN29–30 and PR9 after an internal review for the reporting period. See these sections for more information.



Aspect: Supplier Assessment for Impacts on Society



SO9 Percentage of new suppliers that were screened using criteria for impacts on society

All of external manufacturing suppliers are screened. Onsite audits help to uncover potential risks in EH&S but also potential local concerns. Contract agreements also specify requirements for “Manufacturer” to comply with Dow’s “Supplier Code of Conduct.” Dow also utilizes tools to measure inherent process risks and implements mitigating measures when established criteria is triggered. Criteria includes the potential for offsite impact based on the type and quantity of chemical utilized by the supplier.

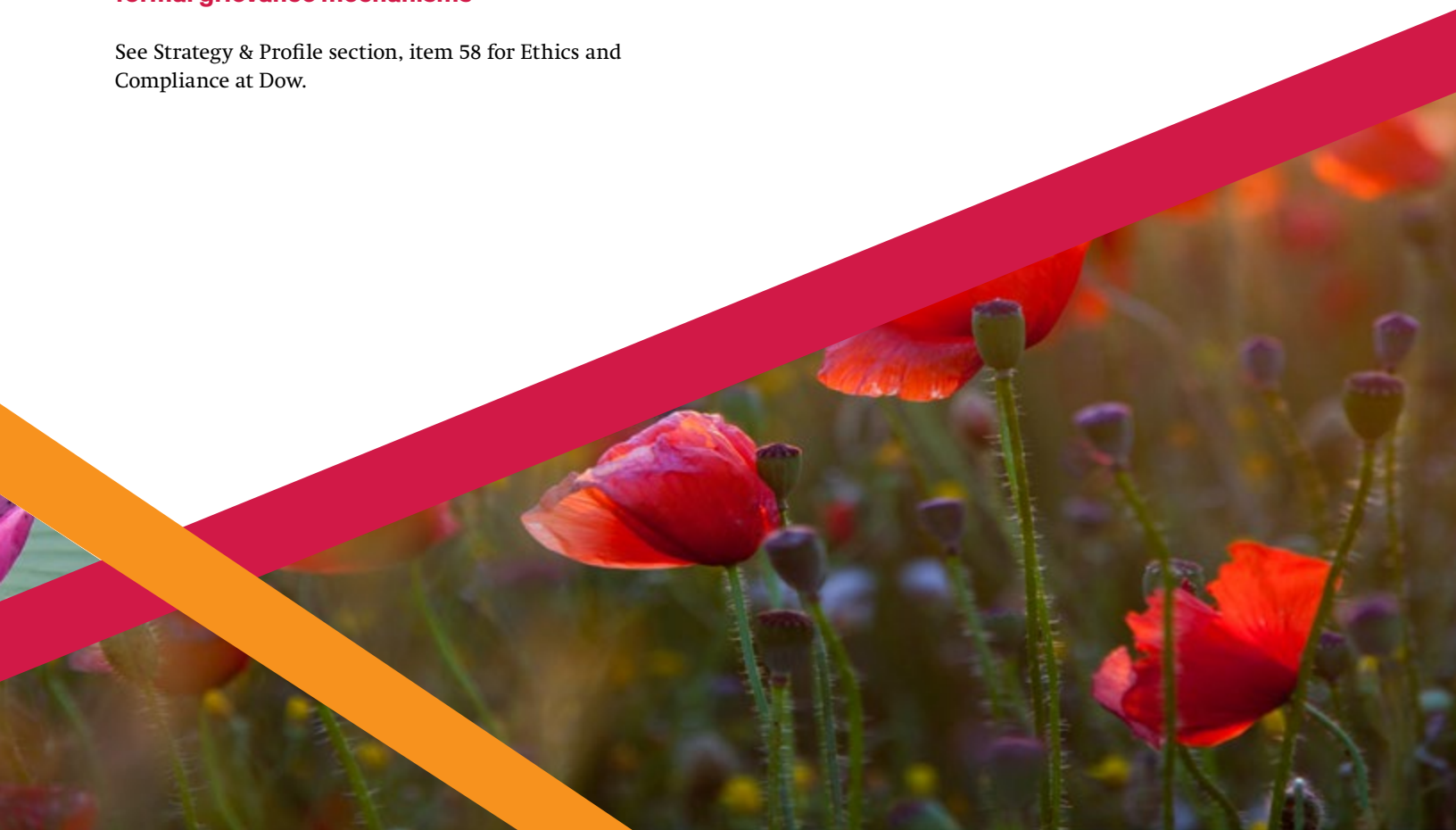
SO10 Significant actual and potential negative impacts on society in the supply chain and actions taken

Utilizing a set of tools Dow screens potential process risks associated with external manufacturing suppliers it plans to use. If established trigger criteria is exceeded, additional reviews and approvals are required before proceeding with a supplier. These reviews aid in verifying materials are handled appropriately and risks are mitigated. When risks cannot be managed appropriately, a supplier is not selected or business with an existing supplier may be discontinued.

Aspect: Grievance Mechanisms for Impacts on Society

SO11 Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms

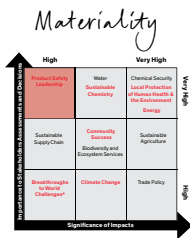
See Strategy & Profile section, item 58 for Ethics and Compliance at Dow.



Product Stewardship

Three of the 2015 Sustainability Goals (Sustainable Chemistry, Product Safety Leadership, Breakthroughs to World Challenges) help us drive our product offering to be the supplier of solutions that will help the world meet needs in a sustainable way. Progress during 2013 can be found in the Sustainability Summary section.





Dow Product Stewardship standards and practices cover all stages of a product's life cycle and are closely monitored via Dow's governance program through a combination of self-assessments, annual management system reviews, and corporate audits to ensure continuous improvement. Detailed guidelines are in place for addressing the complicated challenges of research, development, manufacture, quality assurance, transportation, distribution and marketing of Dow products and services. See Product Stewardship Management Standards on www.dow.com for more detail. Dow, as part of our 2015 Product Safety Leadership goal, contracted with a third-party to conduct an independent assessment of our product safety program and to make recommendations for improvement; the assessment was recently completed. Dow is addressing the identified improvement opportunities as part of the actions taken to enhance our Business Risk Review work process. In March of this year, Dow has made public a summary of the findings and its actions to respond. See Goals Third-Party Review for more detail.

During 2013, Dow began implementation of our Global Product Stewardship Management Standard. The updated Standard aligns with the American Chemistry Council's new Product Safety Code. It strengthens our hazard communication and risk assessment programs by establishing differing information requirements depending upon the risk tier. Our Standard also provides further focus on increasing transparency across the value chain. Improvements in our Business Risk Review work process will ensure more consistent utilization of the process and leveraging of best practices on assessment and documentation.

Dow strongly supports the United Nations Environment Programme (UNEP) Strategic Approach to International Chemicals Management (SAICM) and its vision that "By the year 2020, chemicals are produced and used in ways that minimize significant adverse impacts on the environment and human health." Dow contributes to SAICM through its own EH&S and Sustainability improvement initiatives, and especially through its leadership at the International Council of Chemical Associations (ICCA). Within ICCA, Dow continues to work on the implementation of the Global Product Strategy (GPS), which is focused on strengthening chemical management, especially in those countries without formal chemical management programs. Dow personnel continue to be involved in leading GPS training workshops in developing countries, of which there were 12 across Asia, Eastern Europe and Latin America in 2013. Dow is also engaged in working with ICCA in strengthening our engagement of the value chain, focusing on working to ensure chemical products can be safely used from inception to end of life. In 2013, Dow personnel played an active role in establishing principles to guide industry's engagement with the value chain.

Training and Awareness

Dow has programs to ensure that employees who have a role in product safety are regularly trained so that they have the knowledge and skills necessary to successfully carry out their responsibilities. Such training includes topics such as toxicology and environmental sciences, risk assessment and management, and regulatory requirements. Concepts of sustainability are included in this training. During 2013, a multi-functional group including representatives from our Product Stewardship and Operations EH&S organization enhanced our Business Risk Review work process and developed new training materials for our entire Product Stewardship organization and other functions that play key roles in the implementation of this process. These training programs have been made available to employees via conference call sessions and through Dow's electronic MyLearning training program.

Customer Health and Safety

Dow offers training for customer employees so that they understand the hazards and safe-handling practices necessary to prevent harm to human health and the environment with respect to the products they purchase. Dow continues to look for opportunities to strengthen the product stewardship programs of our distributors and began work on a new training program in 2013. Dow also strengthened the product stewardship requirements within Distributor Agreements for certain hazardous products, specifying applications where our products should not be sold.

Monitoring and Follow Up

Dow's internal product stewardship management standard requires our businesses to monitor the effectiveness of their programs and to promptly respond to any evidence that customers may be having difficulty handling their products. Dow sales representatives have been trained to ask their customers about product stewardship issues. In updating our Product Stewardship Management Standard, we have further clarified responsibilities of various business roles and developed training to ensure responsibilities are understood. Dow sales representatives call on Dow's Product Stewardship organization to assist customers when further information is needed or to resolve any issues. If, in Dow's opinion, the customer is not making sufficient progress to address any health and safety issues, Dow reserves the right to stop sales until the situation has been remedied. Dow also maintains emergency response numbers in every country where we sell products that are published on our Safety Data Sheets sent to every customer with the shipment. In addition, Dow web sites contain up-to-date technical and health and safety information on each product. The most senior position with responsibility for Product Aspects is the corporate vice president, Sustainability, which is currently held by Neil Hawkins.

Use the index to see indicators that you may find of most interest in this section.

Product Stewardship Performance Indicators

Aspect: Customer Health and Safety

PR1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

All products (100%) are assessed in an appropriate manner – depending upon EH&S profile, application, and exposure potential – for improvement opportunities as part of the Dow EH&S management approach at each of the stages of the product life cycle shown below.

Dow businesses use the Business Risk Review process to assess and minimize possible adverse impacts on people, property and the environment as a result of Dow’s business activity, including minimizing EH&S impacts associated with new and existing operations, products, applications and services throughout the products’ life cycle.

	Yes	No
Development of product concept	x	
R & D	x	
Certification	x	
Manufacturing	x	
Marketing and promotion	x	
Storage distribution and supply	x	
Use and service	x	
Disposal, reuse, or recycling	x	

Businesses are required to conduct risk reviews when material new information is received, including material changes in product uses, regulations, raw materials, etc., or when triggered, in certain cases, by the passage of time. Improvement opportunities have been identified to clarify and strengthen these triggers. Dow is implementing a product risk characterization tool to advise the business on the frequency

on which risk reviews should be repeated. In the process, and through use of supporting processes and tools, health and safety impacts are assessed with respect to new product development, manufacture of product, transportation and distribution, use of product at customer facilities, and recycle, reuse or disposal. Risk mitigation measures are identified and implemented as a direct result of the Business Risk Review work process. Various Product Stewardship efforts such as distributor and customer qualifications and industry advocacy work are just a couple examples of involvement in the storage, distribution, supply and use steps of product life. With increasing interest of the value chain in chemical identity and use, working with these stakeholders to support their users and address their questions is a priority.

“The incorporation of sustainability in our product stewardship programs not only positions Dow to fulfill its mission to be the most respected science company in the world but supports our customers’ sustainability goals.”

– Connie Deford, Director, Product Sustainability and Compliance



PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes

This indicator requests the number of non-compliance events identified for products that are ready for use and therefore subject to regulations concerning health and safety.

The company is aware that Dow was found to be in violation of the Korea Toxic Chemical Control Act. There were four shipments (3 products) identified as being imported without the appropriate import licenses in place due to confusion on requirements, which were recently modified. This violation led to a small fine.

One of the ways in which Dow strives to protect human health and the environment throughout the life cycle of its products is through Responsible Care®. Dow’s commitment to this voluntary initiative has led to the implementation of Dow’s Responsible Care® Management System, which has been certified externally regarding adherence to the principles of Responsible Care®. For more information about health and safety management over the life cycle of products, see guiding principles at the Responsible Care® website.

Aspect: Product and Service Labeling

PR3 Types of product and service information required by the organization’s procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements

The following information is provided for all significant products where subject to national laws or the Organization for Economic Co-operation and Development (OECD) Guidelines.

	Yes	No
Sourcing of components	x	
Content that might produce environmental impact	x	
Safe use of product	x	
Disposal of product and impacts	x	

Dow’s products must comply with all applicable hazard communication program requirements, including appropriate labeling and Material Safety Data Sheets (MSDSs), for all countries in which Dow sells them. The content of the label and safety data sheet is specified in local laws and regulations and includes such information as product composition, safe use recommendations, and appropriate disposal practices. While not all Dow products are governed by such regulations, Dow’s Global Product Stewardship Management Standard establishes that MSDSs will be generated for 100% of our products, which requires an assessment of health and environmental impact.

In addition, Dow provides direct customer support when additional handling or safety information is requested; including information that supports the use of product in critical applications (food contact, pharmaceuticals, biocidal applications, etc.) and for customs purposes. For certain products, Dow requires that customers be qualified through inspection of their operations and training of their employees before we support first shipment of product. We provide technical data (physical properties, performance in application) and recommendations for safe handling and storage and give specific guidance regarding product uses that Dow supports.

Dow is in compliance with all applicable country chemical inventory control laws. Currently, the most comprehensive requirement is the European Union REACH regulation, which does require information on the chemical properties, hazard profile, and uses of all products manufactured in or imported into the EU that have met the criteria for inclusion. We are now preparing for other countries, i.e. Korea and Taiwan, who have passed into law similar programs to the EU.

Dow also has a significant program underway to ensure compliance with the Globally Harmonized System for Classification and Labeling, which has been implemented in many countries across the globe. With U.S. implementation required in June 2015, a comprehensive plan was compiled in 2013 and implementation was initiated.

Dow's 2015 Sustainability Goal for Product Safety Leadership commits the Company to make Product Safety Assessments (PSAs) publicly accessible for all saleable products globally and to address relevant gaps in information. Dow has completed PSAs on all high priority products and has made significant progress in developing PSAs across all of our businesses, expecting to complete PSAs for all products by early 2015. See Sustainability Overview section for more information on Product Safety Leadership.

PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes

The company is unaware of non-compliance with product labeling information in the reporting period. There were fines paid in 2013 that were the result of non-compliant activity in 2012.

PR5 Results of surveys measuring customer satisfaction

Customer Service Organization satisfaction metrics are used to evaluate and improve the customer's experience in doing business with Dow. Key Performance Metrics are now visible to all employees and are updated each quarter to track performance. The overall Ease of Doing Business is tracked through survey instruments that gain insights about customer experience with different aspects of doing business with Dow. During the first half of 2013, the Ease of Doing Business indicator of Customer Satisfaction was 8.5, exceeding Dow's target of 8.0 (scale of 1 to 10). In the second half of 2013, Customer Service re-evaluated the Customer Satisfaction Survey. As the version was more than 4 years old there was an increased risk of customer survey fatigue noted by a reduced response rate. As Dow is also in the midst of implementing Diamond Systems, Customer Service took the approach to revamp the current survey with an objective of increasing response rate, providing actionable measurements and reducing effort of our customers to respond. The scale was reduced to 6 points as recommended by benchmark data, and capabilities were introduced to insure the frequency of surveys to our customers was not more than once every 120 days. We also expanded the languages available to 20 (from 15 languages) as a more comprehensive offering



reflective of the variety of cultures Dow is proud to serve as our customers. The revised version of the Customer Satisfaction Survey will debut in 2014. Our target Ease of Doing Business indicator of Customer Satisfaction is > 4.0 (Scale of 1 to 6).

In addition to the Global Customer Satisfaction Survey, customer perception is being evaluated against results of Global Key Performance Metrics, which show we are meeting goals for customer impact metrics: Ease of doing business (noted above), invoice accuracy (99.56% performance with a target of 98%) and order entry accuracy for both Legacy (98.56% performance with a target of 98%) and Next Enterprise Architecture/Diamond Systems (99.76% performance with a target of 99%). The highly positive results for Customer Service against deliverables important to the customer supports Leadership's conclusion that perception of Dow Customer Service is very positive. The voluntary customer comments from the Customer Service Global Survey also support this conclusion.

Aspect: Marketing Communications

PR6 Sale of banned or disputed products

Dow does sell several compounds, which have been banned in other applications or in other regions. Dow takes very seriously any decision to sell products restricted in other markets by conducting comprehensive risk assessments to validate that such products can be used without harm to people and the environment. When chemicals are restricted in certain areas but allowed in others, it often has to do with a different use pattern or lack of infrastructure to manage waste or wastewater.

Dow also sells products, that are the subject of stakeholder questions or public debate. As the trigger for such questions can vary, Dow's approach to responding to these challenges also varies. For such products, Dow ensures the availability of hazard and use/exposure information to support a comprehensive risk assessment to validate the intended uses. Dow engages with stakeholders challenging products in individual meetings or as part of broader industry association discussions. There have been situations where Dow has decided to voluntarily discontinue selling products into

certain applications or into certain countries because of questions, that we have about the ability of users to implement product stewardship programs.

Dow tracks chemicals, which are the subject of stakeholder questions, through a variety of mechanisms. We receive input from customers through the commercial organization. Through Dow Public Affairs, we track media coverage, and through regulatory and government affairs, we become aware of concerns of government and other authoritative bodies. There is also an opportunity to learn of such challenges through industry associations.

PR7 Total number of incidents of non-compliance with regulations and codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes

No incidents of non-compliance concerning marketing communications were identified for the reporting period.

Aspect: Customer Privacy

PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

We have internal controls to prevent the release of customer information. To the best of our knowledge, there were no customer privacy complaints raised or pending against Dow in 2013.

Aspect: Compliance

PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

We did not identify any material fines resulting from our products' use in 2013. We have enhanced our existing regulatory tracking systems to include product events in

the future. Our internal auditing is used to ensure that internal and external requirements are met.

Additional information is also provided in [Dow's Form 10-K](#) for the fiscal year ending December 31, 2013 – Note 14 – Commitments and Contingent Liabilities.

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Introduction

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M	'Materiality Matters' Check by GRI
OECD	Linkage to OECD Guidelines for Multi-national Enterprises
UNGC	Linkage to UN Global Compact 'Ten Principles'
Index/Report	Sections G4-1 to 58 align with report sections 1 to 58.
External Assurance**	✓1, ✓2, ✓3 and ✓4: See ERM CVS Assurance Statement for details of the assurance procedures undertaken.

Strategy & Profile of The Dow Chemical Company

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
G4-1	Statement from CEO presenting overall vision	23	Reported		✓1
G4-2	Key Impacts, Risks, and Opportunities	24	Reported		✓1
ORGANIZATIONAL PROFILE					
G4-3	Name of reporting organization	26	Reported		✓4
G4-4	Primary brands, products and/or services	26	Reported		✓4
G4-5	Location of organization's headquarters	26	Reported		✓4
G4-6	Countries of operation	26	Reported		✓4
G4-7	Nature of ownership and legal form	26	Reported		✓4
G4-8	Markets served	26	Reported		✓4
G4-9	Scale of reporting organization (year-end 2012 data)	27	Reported	See Proxy 2013	✓4
G4-10	Total workforce by employment type, employment contract, and region	28	Reported		✓2/UNGC
G4-11	Percentage of total employees covered by collective bargaining agreements	27	Reported		✓2/OECD/UNGC
G4-12	Describe the organization's supply chain	28	Reported		✓1
G4-13	Significant changes during the reporting period	29	Reported		✓1
G4-14	Whether and how the precautionary approach or principle is addressed by the organization	30	Reported	Visit www.dow.com/prod uctsafety/faq/ for more information.	✓1
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	30	Reported		
G4-16	Memberships in associations and/or advocacy organizations	32	Reported		

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES					
G4-17	Entities included in the organization's consolidated financial statements	34	Reported		✓2 / M
G4-18	Process for determining report content	34	Reported		✓2 / M
G4-19	Materiality map	35	Reported		✓2 / M
G4-20	Aspect Boundary within the organization	36	Reported		✓2 / M
G4-21	Aspect boundary outside the organization	37	Reported		✓2 / M
G4-22	Explanation of any re-statements of information provided in earlier reports	37	Reported		✓2 / M
G4-23	Significant changes from previous reporting	37	Reported	Assurance for the report has been provided by ERM	✓2 / M
STAKEHOLDER ENGAGEMENT					
G4-24	List of stakeholder groups engaged by the organization	38	Reported		✓2 / M
G4-25	Basis for identification and selection of stakeholders with whom to engage	38	Reported		✓2 / M
G4-26	Approaches to stakeholder engagement	38	Reported		✓2 / M
G4-27	Key topics and concerns raised through stakeholder engagement and how the organization has responded to those key topics and concerns	42	Reported		✓2 / M
REPORT PROFILE					
G4-28	Reporting Period	43	Reported		✓1
G4-29	Date of most recent previous report	43	Reported		✓1
G4-30	Reporting cycle	43	Reported		✓1
G4-31	Contact for questions regarding the report or its content	43	Reported		✓1
G4-32	Table identifying the location of the Standard Disclosures in the report	43	Reported	See Table on page 140-147.	✓1
G4-33	Policy and practice with regard to external assurance for the report	43	Reported	Assurance for the report has been provided by ERM CVS.	✓1
GOVERNANCE					
G4-34	Governance structure of the organization	46	Reported		✓1
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	47	Reported		✓1
G4-36	Executive-level position with responsibility for economic, environmental and social topics	47	Reported		✓1
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	47	Reported		✓1
G4-38	Composition of the highest governance body and its committees	48	Reported		✓1
G4-39	Is the Chair of the Board of Directors also an executive officer?	48	Reported		✓1
G4-40	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	48	Reported		✓1
G4-41	Processes in place for the highest governance body to ensure conflicts of interest are avoided	48	Reported		✓1

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
GOVERNANCE					
G4-42	The highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	49	Reported		✓1
G4-43	The measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	49	Reported		✓1
G4-44	Process for evaluating the highest governance body's performance, particularly with respect to economic, environmental, and social performance	49	Reported		✓1
G4-45	The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities	50	Reported		✓1
G4-46	The highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	50	Partially Reported		✓1
G4-47	The frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	50	Reported		✓1
G4-48	The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	51	Reported		✓1
G4-49	Process for communicating critical concerns to the highest governance body	51	Reported		✓1
G4-50	The nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	51	Reported		✓1
G4-51	Remuneration policies for the highest governance body and senior executives	52	Reported		✓1
G4-52	Process for determining remuneration	52	Reported		✓1
G4-53	How stakeholders' views are sought and taken into account regarding remuneration	53	Reported		✓1
G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country	53	Partial Response	In the interest of confidentiality, Dow does not report ratios based on individual compensation, or make pay decisions based on these ratios.	✓1
G4-55	Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country	53	Partial Response	In the interest of confidentiality, Dow does not report ratios based on individual compensation, or make pay decisions based on these ratios.	✓1
ETHICS AND INTEGRITY					
G4-56	Describe the organization's values, principles, standards, and norms of behavior such as codes of conduct and codes of ethics	54	Reported		✓1
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines	54	Reported		✓1
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	54	Reported		✓1
SPECIFIC STANDARD DISCLOSURES, G4-DMA					✓1
<small>For Dow's description of management approach, please see "Governance" on page 46 to 53; "2015 Sustainability Goals" on page 17; "Sustainable Supply Chain" on page 28; "Water" on page 73; "Biodiversity and Ecosystem Services" on page 76; "Great Place to Work" on page 97; "Human Rights" on page 115; "Sustainable Agriculture" on page 122; "Chemical Security" on page 126; and "Trade Policy" on page 128.</small>					

The Economic Impact of Sustainability

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
ECONOMIC PERFORMANCE					OECD
G4-EC1	Direct economic value generated and distributed including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers.	58	Reported		Reliance on audited financial accounts
G4-EC2	Financial implications and other risks and opportunities due to climate change	58	Reported	Visit www.cdp.net for more information.	✓1
G4-EC3	Coverage of the organization's defined benefit plan obligations	59	Reported		✓4
G4-EC4	Significant financial assistance received from government	60	Reported		Reliance on audited financial accounts
MARKET PRESENCE					
G4-EC5	Ratio of standard entry level wage by gender compared to local minimum wage at a significant locations of operation.	62	Reported	Entry level wages are offered in accordance with the value of the work being performed in a similar job, at a similar company, in a similar location, in the external marketplace. The Company does not currently benchmark against minimum wage.	✓1
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	62	Reported		✓1
INDIRECT ECONOMIC IMPACTS					
G4-EC7	Development and impact of infrastructure investments and services supported	62	Reported		✓1
G4-EC8	Significant indirect economic impacts, including the extent of impacts	63	Reported		✓1
PROCUREMENT PRACTICES					
G4-EC9	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	63	Reported		✓1



Taking Responsibility for our Impact on the Environment

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
MATERIALS					
G4-EN1	Materials used by weight or volume	67	Reported		✓1
G4-EN2	Percentage of materials used that are recycled input materials	67	Reported		✓2
ENERGY					
G4-EN3	Energy consumption within the organization	68	Reported		✓3
G4-EN4	Energy consumption outside of the organization	69	Reported		✓3
G4-EN5	Energy intensity	69	Reported		✓3
G4-EN6	Reduction of energy consumption	70	Reported		✓3
G4-EN7	Reductions in energy requirements of products and services	70	Reported		✓1
WATER					
G4-EN8	Total water withdrawal by source	75	Reported		✓3
G4-EN9	Water resources significantly affected by withdrawal of water	75	Reported		✓1
G4-EN10	Percentage and total volume of water recycled and reused	76	Partial Response	Not all recycled or reused water is currently tracked at the corporate level.	✓1
BIODIVERSITY					
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	78	Partial Response	Dow does not report on the size of land because land owned by the Company is not always contiguous, and is not an accurate measure of impact.	✓3
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value	79	Reported		✓1
G4-EN13	Habitats protected or restored	79	Reported		✓3
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	83	Reported		✓3
EMISSIONS					
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	85	Reported		✓3
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	85	Reported		✓3
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	85	Reported		✓3
G4-EN18	Greenhouse gas (GHG) emissions intensity	86	Reported		✓3
G4-EN19	Reduction of greenhouse gas (GHG) emissions	87	Reported		✓1
G4-EN20	Emissions of ozone-depleting substances (ODS)	87	Reported		✓3

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
G4-EN21	NOx, SOx, and other significant air emissions	88	Reported		✓3
EFFLUENTS AND WASTE					
G4-EN22	Total water discharge by quality and destination	89	Partial Response		✓3
G4-EN23	Total weight of waste by type and disposal method	90	Reported		✓3
G4-EN24	Total number and volume of significant spills	91	Reported		✓3
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	91	Reported		✓3
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	91	Reported		✓3
PRODUCTS AND SERVICES					
G4-EN27	Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation	92	Reported		✓1
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	92	Reported		✓2
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	93	Reported		✓1
TRANSPORT					
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	93	Reported		✓3
OVERALL					
G4-EN31	Total environmental protection expenditures and investments by type	94	Reported		✓4
SUPPLIER ENVIRONMENTAL ASSESSMENT					
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	95	Reported		
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	95	Reported		
ENVIRONMENTAL GRIEVANCE MECHANISMS					
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	95	Reported		✓3

A Great Place To Work: A Premier Employer Around The World

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
EMPLOYMENT					
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	100	Reported		✓2
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	101	Reported		✓1
G4-LA3	Return to work and retention rates after parental leave, by gender	101	Reported		✓2
LABOR/MANAGEMENT RELATIONS					UNGC
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	101	Reported		✓1
OCCUPATIONAL HEALTH AND SAFETY					OECD
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	101	Reported	All Dow's employees and contractors are covered by Drive to Zero, which is the formal joint management-worker health and safety program.	✓2
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	102	Reported	Reporting absenteeism is not material because expectations about attendance are clear and sufficient.	✓3
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	104	Reported	Even though the Company does not collect this information at this time, all employees are covered by Dow's safety processes and work culture.	
G4-LA8	Health and safety topics covered in formal agreements with trade unions	105	Not Applicable		✓1
TRAINING AND EDUCATION					OECD
G4-LA9	Average hours of training per year per employee by gender, and by employee category	106	Reported		✓2
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	106	Reported		✓2
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	106	Reported		✓2
DIVERSITY AND EQUAL OPPORTUNITY					
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	107	Reported		✓2
EQUAL REMUNERATION FOR WOMEN AND MEN					
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	112	Reported		✓2
SUPPLIER ASSESSMENT FOR LABOR PRACTICES					
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	113	Reported		
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	113	Reported		
LABOR PRACTICES GRIEVANCE MECHANISMS					OECD
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	113	Reported		✓1

Human Rights

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
INVESTMENTS					
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	116	Reported		
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	116	Reported		
NON-DISCRIMINATION					
G4-HR3	Total number of incidents of discrimination and actions taken	117	Reported		OECD/UNGC ✓1
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	117	Reported		OECD/UNGC
CHILD LABOR					
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	118	Reported		OECD/UNGC
FORCED OR COMPULSORY LABOR					
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	118	Reported		OECD/UNGC
SECURITY PRACTICES					
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	118	Reported		✓1
INDIGENOUS RIGHTS					
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	119	Reported		✓1
ASSESSMENT					
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	119	Reported		✓1
SUPPLIER HUMAN RIGHTS ASSESSMENT					
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	119	Reported		
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	119	Reported		
HUMAN RIGHTS GRIEVANCE MECHANISMS					
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	119	Reported		✓1

Society

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
LOCAL COMMUNITIES					OECD/UNGC
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	125	Reported		✓2
G4-SO2	Operations with significant actual or potential negative impacts on local communities	126	Reported		✓2
ANTI-CORRUPTION					OECD/UNGC
G4-SO3	Operations with significant actual or potential negative impacts on local communities	127	Reported	Dow assesses and manages risk issues through a regional approach. All business units are within the management scope.	✓1
G4-SO4	Communication and training on anti-corruption policies and procedures	127	Reported		✓1
G4-SO5	Confirmed incidents of corruption and actions taken	128	Reported		✓1
PUBLIC POLICY					OECD/UNGC
G4-SO6	Total value of political contributions by country and recipient/beneficiary	131	Reported		✓1
ANTI-COMPETITIVE BEHAVIOR					OECD
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	132	Reported		✓1
COMPLIANCE					OECD
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	132	Reported		✓1
SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY					OECD
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	133	Reported		
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	133	Reported		
GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY					OECD
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	133	Reported		✓1



Product Stewardship

Profile	Description	Page No.	Reporting Level	Comment	External Assurance** page 43-45
CUSTOMER HEALTH AND SAFETY					OECD
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	136	Reported		✓1
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	136	Reported		✓1
PRODUCT AND SERVICE LABELING					
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant products and service categories subject to such information requirements	137	Reported		✓1
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	138	Reported		✓1
G4-PR5	Results of surveys measuring customer satisfaction	139	Reported		✓1
MARKETING COMMUNICATIONS					
G4-PR6	Sale of banned or disputed products	139	Reported		✓1
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	139	Reported		✓1
CUSTOMER PRIVACY					
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	139	Reported		✓1
COMPLIANCE					
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	139	Reported		✓1



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