

The Dow logo, consisting of the word "DOW" in white, bold, sans-serif capital letters, set against a red diamond-shaped background.

# DOWFRIENDS Newsletter



## **Great Place to Work® and *Fortune* names Dow one of the World's Best Workplaces™ for the second consecutive year**

Employee voices propel the Company to elite ranks of 25 top global employers for the second consecutive year.

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### **Dow announces appointment of Karen S. Carter as Chief Operating Officer**

Karen S. Carter, currently president of Dow Packaging & Specialty Plastics, has been appointed to the role of Chief Operating Officer, effective immediately.

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## Dow announces latest business leadership changes

Returning

- ◆ **Keith Cleason named President of Dow Packaging & Specialty Plastics**
- ◆ **Jane Palmieri, President of Dow Industrial Intermediates & Infrastructure, to retire from Dow**
- ◆ **Marco ten Bruggencate named President of Dow Industrial Intermediates & Infrastructure**

Dow today announced a series of business leadership changes.



Following the Company's recent appointment of **Karen S. Carter** as **Chief Operating Officer**, **Keith Cleason** has been named president of Dow's Packaging & Specialty Plastics (P&SP) operating segment, including responsibility for the Packaging and Specialty Plastics business performance. He succeeds Carter. In his new role, Cleason will also assume executive oversight for Latin America. The transition will begin immediately.

Cleason will be responsible for continuing the growth of P&SP in alignment with Dow's sustainability goals and targets. His comprehensive expertise in the industry will be instrumental in driving the business strategy, allocating resources, and managing the Company's assets to maintain Dow's leadership in the market.

"Keith's strategic mindset and his proven leadership make him ideal for this transformative phase of P&SP. His vision and expertise will be crucial in driving our sustainability goals while maintaining our competitive advantage," said Carter. "Keith's extensive experience in the industry and across our operating segment equips him well to drive growth and advance our strategic imperatives."

Cleason brings a wealth of experience to his new position, building on his most recent role as the business vice president for Olefins, Aromatics & Alternatives (OA&A) and Univation Technologies, Dow's wholly owned subsidiary for licensing and catalysts. Since joining Dow in 2001, he has held several significant positions including senior global asset director for Polyethylene, global business director for both Low Density Polyethylene (LDPE) and High-Density Polyethylene (HDPE), and global strategic development director for Dow's Packaging and Specialty Plastics business unit.

**Jane Palmieri**, president of the Industrial Intermediates & Infrastructure business operating segment, will retire from Dow effective March 31, 2025. Palmieri has dedicated more than 30 years to the Company, significantly contributing to its success and growth during her tenure.

Palmieri has guided an industry-leading portfolio of businesses with annual sales exceeding \$16 billion, including Polyurethanes, Chlor-Alkali & Vinyl, Construction Chemicals, and Industrial Solutions. Her strategic oversight extended to Dow's business operations in Asia Pacific and Latin America, as well as the Company's MobilityScience™ platform.

Dow Chair and CEO Jim Fitterling said, "Jane's visionary leadership and unwavering commitment have left an indelible mark on our organization. Her ability to drive innovation, understand and translate customer needs and foster growth has been instrumental in Dow's business success."

Throughout her distinguished career, Palmieri held various roles across Dow's businesses, including Dow Building and Construction, Dow Automotive, Dow Specialty Chemicals, Dow Coating Solutions, Dow Solar and the Sadara Board of Directors. She also serves on the board of directors of Stanley Black & Decker.

In a related move, **Marco ten Bruggencate** has been named president of Dow's Industrial Intermediates & Infrastructure business operating segment succeeding Palmieri. In his new role, ten Bruggencate will also have executive oversight for Europe, the Middle East, Africa and India (EMEAI). The transition will begin immediately.

"Business leadership requires not only a wealth of knowledge and expertise but the ability to inspire and guide their teams towards excellence. Marco has consistently demonstrated these qualities throughout his career, making him an invaluable asset to our organization," said Carter. "Marco's extensive experience and proven leadership make him exceptionally well-suited for this critical role. His deep understanding of our industry and commitment to innovation will undoubtedly drive our strategic initiatives and growth."

Most recently, ten Bruggencate served as the president of Dow EMEAI. Previously he served as commercial vice president for Packaging and Specialty Plastics for Europe, the Middle East and Africa. He joined Dow in 2000 with the acquisition of Flexible Products Company and has held numerous sales, marketing, and commercial roles throughout his career, including positions with Dow Building Solutions and Dow Construction Chemicals.

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## We can't miss this opportunity to end plastic pollution

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*With concerted collaboration among stakeholders, a circular economy for plastics is within our reach.*

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Heading into the fifth and final negotiation session of the Intergovernmental Negotiating Committee (INC-5) in Busan, Korea, the world is on the brink of reaching a legally binding agreement to end plastic pollution.

Major plastics and polymers producers like Dow **fully support an agreement** that will eliminate plastic pollution and improve climate change mitigation while preserving the enormous benefits of plastic in our society. With demand for plastic on the rise globally and inadequate waste management systems in many countries, driving more sustainable production and addressing the growing problem of plastic waste are urgent priorities.



At the same time, an agreement must avoid the pitfalls of production limits on a material that is both an essential building block across many sectors and vital for achieving our Sustainable Development Goals, including a low-emissions economy, clean water, and food security.

Truly sustainable production goes beyond how much is produced: it includes leveraging alternative and waste plastic feedstocks, creating products for both sustainability and performance, and embracing lower-emissions production.

Returning plastic waste to the circular economy as feedstock – harnessing the energy and chemistry contained within it – is critical to advancing all forms of sustainable production. To achieve our shared ambitions, we've got to come together to create a circular economy that changes the way the world makes, uses, recycles, and re-uses plastics.

Without the benefit of a global agreement, **\$32 billion** is already invested by the private sector every year to help develop a circular economy. A supportive, clear, and consistent global policy framework would stimulate additional funding. To make a real difference, any agreement must create and nurture an environment that promotes innovation and investments at scale, including circularity drivers like sustainable design standards, recycled content mandates, national recycling targets, and extended producer responsibility (EPR) in national action plans.

Circularity starts with design. As much as 80% of all product-related environmental impacts are influenced by design decisions, from the volume of materials that go into a product to whether it can easily be washed and reused. A global agreement should drive the adoption of international sector-

and application-specific design standards to ensure products can be kept in use for as long as possible—and recycled at end of use. Whether it's recyclable, metal-free **coffee packaging**; **toothpaste tubes**; shrink films; or cable jackets made from recycled material, we are seeing tremendous advances in sustainable design that can change the way plastics are used and managed post-use.

To be most effective, an agreement should also drive demand by setting requirements for the amount of recycled materials used in products. This is a smart policy lever that both triggers an increased volume of plastic waste returning to the production process, and also de-risks investments in circularity by creating a stable market for those materials. Important progress is already being made to accelerate these mandates, including under the Packaging and Packaging Waste Regulation in the European Union and a bipartisan bill in the United States.

Likewise, an agreement can increase the available supply of recycled raw materials by encouraging nations to adopt recycling targets. In Brazil, for example, a National Solid Waste Plan has been established that sets an ambitious goal of increasing recycling rates to 48% by 2040. Plans like this help to stimulate the circular economy.

Progress is happening, but today less than **10%** of plastic is recycled globally, and **32%** of plastic packaging escapes collection systems. Those statistics reflect the unfortunate reality that existing funding and policy frameworks for the waste management ecosystem are insufficient. The global agreement must change that, including by encouraging nations to adopt well-designed EPR or similar policies as part of their national or sub-national action plans to increase the demand for circular plastic and stimulate even more investments in this chain. Done well, EPR policies lead to more recycled content and **higher recycling rates**, while promoting a just transition and creating jobs for those collecting waste around the world today.

Momentum and convergence around EPR policies is growing around the world—and for good reason. Belgium has one of the oldest EPR schemes dating back to the 1990s, under which companies that introduce packaged products bear financial responsibility for the product's end-of-life phase via participation in a Producer Responsibility Organization (PRO) called **FostPlus**. FostPlus pioneered the use of blue "PMD" bags, allowing households to responsibly dispose of plastic packaging, metal packaging, and drink cartons. FostPlus picks up and manages the collection, sorting, and recycling of the waste. It also makes continual investments to expand the types of waste it collects and recycles. Today Belgium recycles **68%** of plastic packaging, outpacing even the EU's objectives.

Finally, as important as what's in the agreement is how it is implemented. Nations may share the same outcome-based goals but start from vastly different places. An effective agreement should ensure transparency, accountability and external reporting, while combining requirements with capacity-building opportunities for countries and the funding necessary to support them.

A successful agreement can end the leakage of plastic waste into the environment while preserving the essential benefits of this valuable material to our society, especially while considering social

impacts. With concerted collaboration among stakeholders, a circular economy for plastics is within our reach. We want to see a practical, sustainable and implementable agreement, and cannot miss this opportunity to seize it.

*Jim Fitterling, Chair and Chief Executive Officer, Dow Inc.*

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## **Dow drives social impact in global communities through nine collaborative projects**

- ◆ ***Selected projects are part of Dow’s Business Impact Fund program***
- ◆ ***Since 2016, the Business Impact Fund has supported 65 projects in 23 countries***



Dow announced nine projects that will be supported through its 2024 **Business Impact Fund**. This annual fund, now in its ninth year, brings together NGOs, nonprofit organizations, Dow customers, and employees to help solve social or sustainability challenges within Dow communities around the world via creative, scalable solutions.

“A thriving community is a shared future,” said Bob Plishka, global director of Strategic Corporate Partnerships and Dow Company Foundation president. “That’s why, through the Business Impact Fund, we catalyze the immense passion of our people, and our technical expertise and resources alongside that of diverse partners to address issues like food waste, insufficient or unstable housing, and circularity. We see it as both our responsibility and privilege to help build healthy, safe and sustainable communities.”

Two of this year’s nine projects are a part of a new pilot program where projects from previous years are given additional funding via continuity grants. These grants will allow Dow and partners on the ground to continue to build upon the work already done to create even deeper positive impacts.

### **2024 Business Impact Fund Projects**

#### **New Projects**

- ◆ **Colombia: Communities in Color – The Art of Revitalizing Sport Spaces** – Alongside Pintuco and Fundación Pintuco, Dow is helping transform the quality and accessibility of sports facilities in Bogotá, Cartagena, and Medellín using low VOC, water-based paint solutions tailored for sports floors. The initiative will help instill sense of pride and belonging in residents, and inspire new generations to engage in sports to promote a healthy, safe lifestyle.

- ◆ **Colombia: Cooling 2 Feed** – Food waste and food insecurity are major issues in Colombia, with 10 million tons of food going to waste every year and more than half of households not getting the food they need. Dow and key customers will bolster the efforts of local food banks, helping create new infrastructure for food donations, subsidizing food bank app memberships in addition to engaging in marketing campaigns to increase awareness, volunteers and donations. The project is expected help save 475 tons of food annually.
- ◆ **Kenya: Ujenzi Fiti, Kenya Affordable Houses** – As population and urbanization continue to grow, demand for affordable housing in Kenya has increased and there is significant demand for skilled labor in the construction industry. To address these needs, Dow has partnered with NGOs Habitat for Humanity Kenya, ChildFund and Muguga Vocational Training Institution, along with our customer BASCO Kenya to co-create a value chain model, from Kenyans to Kenyans, for affordable, safer, and more sustainable houses. The project will construct four model affordable homes and two early childhood education (ECD) centers using locally sourced interlocking stabilized soil blocks (ISSBs) and Dow solutions through BASCO. These model constructions will serve as centers for training and development in affordable building and construction technologies.
- ◆ **Mexico: ReBuild: Foundations for the Future** – In collaboration with Habitat for Humanity Mexico and CRDC Global, Dow, along with strategic customers will construct eight sustainable social houses for 50 indigenous Maya people in Chiapas, Mexico. These homes will be equipped with biodigesters, solar heaters, bathrooms featuring rainwater collectors, and wood-saving stoves. The construction will utilize concrete bricks reinforced with 5% of an eco-aggregate additive made from post-consumer plastic waste, which enhances the strength, flexibility, fire resistance, thermal, and acoustic properties of the concrete bricks. By recycling post-consumer plastic waste into valuable construction materials, Dow and its partners look for solutions to minimizing the environmental impact and adding value to recycled materials.
- ◆ **Türkiye: Painting Türkiye Bright Again** – On February 6, 2023, Türkiye experienced a catastrophic earthquake, the strongest since 1668, leaving the country in dire need of construction and painting professionals to help in restoration efforts. This project will bring together key customers Betek (Nippon Paint) and NGO Ahbap Derneği to provide skilled training, employment opportunities and equip locals to become a key part of rebuilding their communities, especially in painting works.
- ◆ **United States: Project Alaska** – Native Alaskans contend with poor indoor air quality, overcrowding, high energy costs and subpar insulation in their homes, which are not suited for the extreme climate. Dow, Michigan State University (MSU), and DAP will work alongside tribal governments to retrofit 20 homes with insulation and sealant advancements, improving the lives of up to 100 people. MSU's expertise in data collection and assessment will help Dow measure the energy efficiency and cost savings of the technology.
- ◆ **United States & Canada: Painting a Sustainable Future** – This project aspires to revitalize over 150 homes and contribute to the reduction of more than 8.4 metric tons of CO<sub>2</sub> emissions.

With Habitat for Humanity and Dow’s brand partners, Dow will leverage our newest and most sustainable architectural polymer technology to help bring 2,500 gallons of paint to the homes of families facing housing insecurity in the U.S. and Canada. With this project we also hope to influence the market on Dow’s bio-based products for more sustainable coatings.

## Continuity Grant Projects

- ◆ **Brazil: Project Ybá** – Conservation that Transforms supports the local community in Breu Branco by promoting the commercialization of non-timber forest products (NTFPs), which helps conserve the Amazon Rainforest. Launch in May 2021, Project Yba is creating value through conservation, strengthening families, and driving social innovation in the region. With this continuity grant, Dow and NGO partner Instituto Peabiru will enhance work conditions, improve local facilities, and install additional resources.
- ◆ **South Africa: Empowering Oliver’s Village** – Since 2021, Dow has supported the sustainable agricultural efforts of local nonprofit Oliver’s Village who for more than 20 years has provided food, potable water, childcare and education for more than 200,000 people annually. In 2024, Dow will continue this support by providing funding to enable Oliver’s Village agricultural students to expand their skills and knowledge in growing their own vegetables in the organization’s garden and selling them to the community.

Since launching in **2016**, the Impact Fund has supported **65** projects in **23** countries totaling nearly **\$14 million** in investments. To date, the Fund’s projects have achieved the following outcomes:

- ◆ **>2,000** jobs created
- ◆ **>13,600 MT** (metric tons) materials recycled
- ◆ **>36,000 MT** of CO2 emissions avoided
- ◆ **>9,500 MT** of plastic diverted from a landfill or environment

To learn more about Dow’s Business Impact Fund and other Global Citizenship initiatives, visit <https://corporate.dow.com/en-us/purpose-in-action/global-citizenship.html>.

[Link to online article](#)

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## **Four Dow Leaders recognized on 2024 Outstanding Role Model Lists**

***Dow leaders highlighted for their significant contributions to advancing LGBTQ+ inclusion within and outside of the workplace***



**Dow** announced that four of its leaders have been recognized in the 2024 Outstanding Role Model Lists supported by YouTube. This recognition is an indication of the Company's culture where leading with inclusion enables Dow to create innovative solutions for our customers and deliver long-term business growth and success.

Compiled by **INvolve**, a global network that celebrates and supports LGBTQ+ executives and allies, the lists acknowledge the impactful contributions of the four Dow leaders to champion LGBTQ+ inclusion.

"Inclusion has been embedded in our culture for decades to ensure that we are unlocking the full potential of our teams and attracting the best and brightest talent. These colleagues are courageous and authentic leaders," said Dr. Alveda J. Williams, chief inclusion officer at Dow. "Their work to advance inclusion sets a great example and helps Dow adapt, innovate, and stay competitive in today's global market. Congratulations to all our Outstanding honorees."



## Outstanding Executives Role Model List

### ***Javier Constante***, former President, Latin America

Javier Constante is the former president of Dow Latin America and will retire in December 2024. He is keenly aware of the responsibility he has as an influential LGBTQ+ Executive and uses his position to advocate for others and focuses his attention on challenges faced by the LGBTQ+ community. Javier has been an active member of Dow's President Inclusion Council and has championed inclusion, diversity and equity as a key part of Dow's Latin American strategy. Externally, Javier serves on the board of the Brazilian organization, "Forum de Empresas e Direitos LGBT" and is currently leading a public policy initiative to ensure a better and more inclusive environment across Brazil. In February 2023, he was appointed a board member of Out & Equal Organization. In July 2023, Javier hosted the "6th LGBTI Political Leaders Conference of the Americas and the Caribbean" in collaboration with the Victory Institute, in Mexico City.

## Outstanding Advocates Role Model List

### ***Amy Wilson, General Counsel and Corporate Secretary, #4***

**Amy Wilson** is the general counsel and corporate secretary at Dow. She is also the Executive Sponsor of GLAD, Dow's LGBTQ+ Employee Resource Group. As a strong advocate for inclusion, diversity, and equity, she has hosted numerous sessions and events highlighting topics relevant to LGBTQ+ inclusion over the years, including joining a discussion panel at Dow's 2023 LEAD conference to highlight the importance of diversity and inclusion at all levels of the organization. Amy has been a key driver in diversifying and refreshing Dow's Board of Directors, emphasizing diverse experiences and backgrounds. Outside of Dow, Amy is a member of the Leadership Counsel on Legal Diversity, which is striving to build a more equitable and diverse legal profession. Amy has been named an Ally or Advocate Role Model by Outstanding for five consecutive years.

## Outstanding Future Leaders Role Model List

### ***Elizabeth Firestone, Associate Research Scientist, #9***

Elizabeth Firestone is an associate research scientist at Dow, where she launched the LGBTQ+ Leadership Series in 2022, attracting more than 200 participants quarterly. She co-lead the development of Dow's U.S. LGBTQ+ Benefits Guide, launched in 2023. She identified gaps in benefits for transgender and nonbinary employees, advocating for a new plan design to be implemented in January 2024, which aligns with SOC-8 guidance. As a steering committee member with OutLeadership, Elizabeth helped launch the inaugural Trans and Nonbinary Leadership Summit in 2024 and facilitated Dow's support for major pro-LGBTQ+ initiatives. Named a Diverse Leaders Fellow by Out and Equal in 2022. She also volunteers at the Attic Youth Center, providing meals to at-risk LGBTQ+ youth, and has mentored students through Out 4 Undergrad. Elizabeth's advocacy focuses on inclusivity, emphasizing the intersections of LGBTQ+ identity with (dis)ability and socio-economic status, helping to increase accessibility within her field.

### ***Erica Everett, Global Autonomous Vehicles Platform Leader***

Erica Everett is the Global Autonomous Vehicle Platform leader at Dow and an influential advocate for the LGBTQ+ community. As the global chair of Dow's LGBTQ+ and ally Employee Resource Group (ERG), GLAD, she oversees a network of more than 6,500 participants worldwide. Under her leadership, GLAD has revitalized its strategy and vision, aligning it with Dow's ambition and business objectives while positioning the ERG for future growth. Erica works at the intersection of inclusion and innovation, driving high-level collaborations with customers and partners to accelerate positive change. Through sharing her own coming out story and journey as an out working mother, she inspires others. Erica has successfully advocated for LGBTQ+ inclusive fertility and parental benefits at Dow, leading to

updated policies that have a tangible impact on employees and their families. Her authentic leadership continues to inspire and foster a more inclusive workplace and world.

## Dow leader inducted into INvolve's Hall of Fame in 2024

In August 2024, Louis A. Vega, the president of Dow North America and vice president of Government Affairs and Advocacy at Dow, was inducted into the INvolve Hall of Fame for his ongoing work to champion LGBTQ+ inclusion within the workplace and around the world.

Louis serves as executive advisor to GLAD, Dow's Employee Resource Group for LGBTQ+ employees and allies. He is also an active member of councils within the company that advance inclusion across Dow's global workforce. Outside of the office, Louis has served as a board member of various nonprofit organizations, like the LGBTQ+ Victory Institute and Athlete Ally.

In this honor, Louis joined Dow chair and CEO, **Jim Fitterling**, who was inducted to the INvolve Hall of Fame in 2020.

[Link to online article](#)

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## Adapting to change: How to chart a clear path toward mobility compliance

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*At Dow, we not only pursue the latest certifications across our facilities but also actively collaborate with our suppliers to enhance their quality standards and engage with OEMs to shape regulatory frameworks.*

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**Mobility** looks a lot different these days than it did five years ago. And no brand, supplier, government, or consulting firm is forecasting that pace of change to slow down in the next five. The focus for all of us continues to be accelerating the transition to electric, hybrid and autonomous vehicles, improving infrastructure, reducing emissions throughout the full **vehicle lifecycle**, and last but certainly not least, safety.

Globally, the latest propositions by governments and regulatory bodies in response to this changing landscape illustrate this:

- The U.S. is aiming for at least **50% of vehicle sales to be electric by 2030**.
- In Europe, the CAFE (corporate average fuel economy) rules target **55% CO2 emission reductions for new cars and 50% for new vans from 2030 to 2034 compared to 2021 levels**.
- Thailand's 30@30 EV Production Policy aims for **30% of domestic vehicle production by 2030**.

You can hear more about Dow's approach to supporting electrification from my colleague, **Selamawit Belli**.

In short, Original Equipment Manufacturers (OEMs) and their partners find themselves amidst a frenetic race against time as they work to meet environmental regulations for the automotive industry as well as government regulations on carbon emissions.

Entities like the **International Automotive Task Force (IATF)**, comprising automotive manufacturers and their respective National Automotive Industry Associations, play a role of heightened significance in this shifting landscape as they push to elevate product quality standards.



Consider automotive electronics – a market that only gained recognition within mobility in the latter part of the 20th century. Projections indicate that by 2030, the global automotive software and electronics market will surge to \$462 billion, indicative of a robust 5.5% Compound Annual Growth Rate (CAGR) from 2019 to 2030 (**McKinsey**). This burgeoning market attracts a plethora of new players (many of whom boast valuations surpassing those of established OEMs!).

However, their familiarity with traditional automotive quality standards may be lacking, leading to potential disparities in product quality and safety standards across the industry. There's also trepidation at the government level related to data privacy as “Big Tech” deepens its roots within automotive. Given these concerns, OEM compliance becomes not just a “nice to have” but a crucial element of operations.

The IATF establishes guidelines and rules for quality management system certification with its Tier 1 and sub-suppliers and respective production processes. This ensures that – amid industry changes – there is a streamlined level of vehicle quality, safety, and reliability upheld across the supply chain. IATF 16949 Certification, for example, provides for continuous improvement with an emphasis on defect prevention and the reduction of variation and waste in the supply chain.

These certifications also serve as a North Star for global OEMs. What do I mean by that? Having worked in mobility for nearly four decades, I can attest that beyond the convergence of traditional manufacturing and technology, one of the greatest hallmarks of this new automotive age is the breaking down of traditional siloes to allow for an ecosystem of new business models grounded in collaboration. By adhering to the standards set forth by international and regional regulatory bodies, companies can establish themselves as good candidates for that deeper work of real-time partnership.

## **Our Commitment to Meeting and Advancing OEM Regulations**

At Dow, we not only pursue the latest certifications across our facilities but also actively collaborate with our suppliers to enhance their quality standards and engage with OEMs to shape regulatory frameworks. We also are actively working to raise awareness around the application of standards with bulk materials such as chemicals/fluids, etc.

For instance, our collaboration with a key OEM contributed to input into the development of International Standard IATF 16949, a certification now held by Dow, which provides bulk materials to OEMs and other Tier suppliers. This standard is extremely rigorous – and is not stand-alone. It must be comprehended as a supplement to use in conjunction with ISO 9001:2015 and ISO 9000:2015 along with customer-specific requirements. Having solid partners across your ecosystem and continuous interaction across business functions, from sales to materials sourcing to design, provides a huge leg-up when working to manage risk and meet needs set forth by these standards.

No matter where you sit in the supply chain, we must all remain steadfast in keeping pace with emerging standards. It's a tall order, to be sure, but the potential for accelerating innovation is great indeed.

If you have any questions related to Dow's work in compliance, any of the certifications we hold across our facilities, or how we collaborate with our suppliers to streamline quality for our OEM partners, please reach out to us by visiting <https://www.dow.com/en-us/support.html>.

*Keith Middleton, Quality Systems Associate*

[Link to online article](#)

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## **Dow completes \$150MM sale of flexible packaging laminating adhesives business**

- ◆ **Transaction enables the Company to further focus on core, high-value downstream markets**
- ◆ **Proceeds will be used to support Dow's capital allocation priorities, including value-creating growth investments**

Dow announced the completion of its previously announced sale of the Company's flexible packaging laminating adhesives business, within Dow's Packaging & Specialty Plastics segment, for \$150 million to Arkema, a specialty materials leader.

The sale, announced **May 2, 2024**, includes five manufacturing sites in Italy, the United States, and Mexico. The business includes Solvent-Based and Solventless Laminating Adhesives and Heat Seal Coating product portfolios.

Proceeds from the transaction will support Dow's capital allocation priorities, including accelerating our growth strategies and delivering long-term shareholder value. The completion of this sale, along with the acquisition earlier this year of **Circulus**, a mechanical recycler, exemplifies Dow's commitment to aligning the Company's portfolio with its growth strategy and circularity platforms.



"We are pleased to announce the successful completion of this divestiture, a strategic move that aligns with Dow's long-term vision. This transaction not only strengthens our core business but also positions us for future growth and innovation," said **Karen S. Carter**, president of Packaging & Specialty Plastics at Dow. "By focusing on our key strengths, we can enhance our ability to deliver value to our customers and stakeholders."

Dow retains its water-based laminating adhesives, acrylic adhesives, and adhesive solutions businesses, which remain core to its growth and sustainability strategies.

[Link to online article](#)

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## **Dow announces partnership with Macquarie Asset Management to launch Diamond Infrastructure Solutions**

- ◆ *A fund managed by Macquarie Asset Management to acquire an initial 40% stake in select Dow U.S. Gulf Coast infrastructure assets with an option to increase its equity stake to 49% within six months of closing*
- ◆ *Dow is expected to receive initial cash proceeds of approximately \$2.4 billion based on the initial transaction, with potential to receive up to approximately \$3.0 billion in total*
- ◆ *Diamond Infrastructure Solutions will leverage Dow's operational excellence and Macquarie Asset Management's world-leading infrastructure expertise to generate growth opportunities by opening access to Dow's U.S. Gulf Coast sites to third party customers*
- ◆ *Proceeds to be deployed towards higher value-creating growth investments*

**Dow** announced that it has entered into a definitive agreement to sell a 40% equity stake in select U.S. Gulf Coast infrastructure assets to a fund managed by Macquarie Asset Management, a leading global infrastructure and energy asset manager.

This new partnership, **Diamond Infrastructure Solutions** ("Diamond"), will be a specialist infrastructure provider to Dow and other industrial customers at its five locations in Texas and Louisiana, offering comprehensive services to its tenants with a focus on world class efficiency, reliability and safety. As a dedicated infrastructure company, Diamond will be a new business model with greater strategic focus on operational efficiencies and new customer acquisition. Profitable growth for Diamond will benefit both Dow and Macquarie Asset Management's future bottom-line results.

Dow expects to receive initial cash proceeds of approximately \$2.4 billion based on the sale of its 40% minority equity stake with the potential to generate cash proceeds up to approximately \$3.0 billion for a 49% minority equity stake. Macquarie Asset Management will have

the option to increase its equity share to 49% within six months of closing. Dow and Macquarie Asset Management expect to close the transaction in the first half of 2025, subject to customary regulatory approvals and other closing conditions.

"Today's announcement demonstrates Dow's ongoing commitment to value maximizing actions across our portfolio," said **Jim Fitterling**, chair and chief executive officer of Dow. "This transaction further strengthens our financial flexibility and enables continued cash deployment towards the most attractive opportunities that will create long-term value for our stakeholders. We are confident that Macquarie is the right industrially minded partner due to our shared values to ensure the ongoing safe and reliable operations of these assets to support Dow and industrial customers across the U.S. Gulf Coast."



Diamond is comprised of certain non-product producing assets (power and steam production, pipelines, environmental operations and general site infrastructure) located at five of Dow's manufacturing sites in the U.S. Gulf Coast (USGC): Freeport, Texas City, and Seadrift in Texas, as well as Plaquemine and St. Charles in Louisiana. Pipeline and storage assets span across the USGC with connections to major natural gas, NGL and olefin hubs. Dow will maintain control as the majority owner of Diamond to help ensure the continuity of safe and reliable operations.

Macquarie Asset Management is a leading global infrastructure asset manager with a focus on operational excellence. It prioritizes investments in high quality, essential assets that can be improved over time and deliver growth and reliable service to customers, as well as the health and safety of employees. Macquarie Asset Management has specific experience in managing and operating industrial parks, regulated utilities and other industry-oriented infrastructure platforms.

"As a long-term owner of essential infrastructure, we recognize the value that can be unlocked through the development of infrastructure platforms like Diamond Infrastructure Solutions," said Ben Way, Global Head of Macquarie Asset Management. "We believe that our significant infrastructure experience and capabilities, coupled with Dow's operational excellence, will deliver additional efficiencies and long-term growth."

This transaction is another step in Dow's continued actions to evaluate its ownership of non-product producing assets across its global portfolio. It builds on the previous sale of the Company's **rail infrastructure assets at six North American sites** in September, 2020, and the sale of its **U.S. Gulf Coast marine and terminal operations and assets** in December, 2020.

Citi and Goldman Sachs acted as financial advisor to Dow, and Linklaters provided legal support.

[Link to online article](#)

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