



**WHEREAS:** Plastics, with a lifecycle social cost at least [ten times higher](#) than its market price, actively threaten the world's oceans, wildlife, and public health. Concern about the [growing scale and impact](#) of global plastic pollution has elevated the issue to [crisis levels](#). Of particular concern are [single-use plastics \(SUPs\)](#) which make up the largest component of the [11 million metric tons of plastic](#) ending up in waterways annually. Without drastic action, this amount could [triple by 2040](#).

In response to the plastic pollution crisis, [countries](#) and [major packaging brands](#) are beginning to drive [reductions in virgin plastic use](#).

Several studies demonstrate that a significant [absolute reduction in virgin plastic demand](#) is critical to curbing the flow of plastic into oceans. One of the most robust reduction pathways is presented in the widely-respected report, [Breaking the Plastic Wave](#), which found that plastic leakage into the ocean can be feasibly reduced by 80% under its System Change Scenario (SCS), which is based on a [significant absolute reduction of virgin SUPs](#).

BP has recognized the potential disruption that global SUP reductions could have on the oil industry in its *2019 Outlook*, where it found a global SUP ban by 2040 would [reduce oil demand growth by 60%](#).

The future under the SCS – one built on recycled plastics and circular business models – looks drastically different than today's linear take-make-waste production model. Several implications of the SCS, including a one-third absolute demand reduction (mostly of virgin SUPs) and immediate reduction of new investment in virgin production, are at odds with [Dow's planned investments](#).

Dow was recently identified as the [2<sup>nd</sup> largest global producer of SUP-bound polymers](#), with 5.6 million metric tons produced in 2019, an estimated 60% of its total polymer production. While Dow states a commitment "[to stop the waste and close the loop](#)," it fails to meaningfully address the potential for regulatory restrictions and/or significant disruption in demand for virgin plastic, both of which could [result in stranded assets](#).

**BE IT RESOLVED:** Shareholders request that Dow's Board issue an audited report addressing whether and how a significant reduction in virgin plastic demand, as set forth in *Breaking the Plastic Wave's* System Change Scenario to reduce ocean plastic pollution, would affect the Company's financial position and assumptions underlying its financial statements. The report should be at reasonable cost and omit proprietary information.



**SUPPORTING STATEMENT:** Proponents recommend that, in the Board’s discretion, the report include:

- Quantification (in tons and/or as a percentage of total) of the company’s polymer production for SUP markets;
- A summary or list of the company’s existing and planned investments that may be materially impacted by the SCS;
- Any future plans or goals to shift its business model from virgin to recycled plastics.