



**WHEREAS:** Plastic, with a lifecycle social cost at least ten times its market price, threatens the world’s oceans, wildlife, and public health.<sup>1</sup> Concern about the growing impact of global plastic pollution has elevated the issue to crisis levels.<sup>2</sup> Of particular concern are single-use plastics (SUPs) which make up the bulk of the 14-million metric tons of plastic deposited in waterways annually.<sup>3</sup> Without drastic action, this amount could triple by 2040.<sup>4</sup>

A significant reduction in virgin plastic demand is critical to curbing the flow of plastic waste.<sup>5</sup> The leading peer-reviewed plan for plastic pollution reduction, Pew’s *Breaking the Plastic Wave*, found that plastic leakage into oceans can be reduced by 80% under its System Change Scenario (SCS) by 2040, but requires a significant absolute reduction of virgin SUPs.<sup>6</sup>

While the petrochemical industry has no specific plan to reduce plastic pollution, countries and consumer brands are beginning to drive reductions in virgin plastic use and call for reduced plastic production.<sup>7</sup> A global plastics treaty is being negotiated. Large SUP users including Unilever, Nestle, Walmart, and Coca-Cola, who may use Dow products, state that the top priority of a global plastics treaty should be “reduction of plastic production and use ... focusing on virgin fossil fuel-based plastic.”<sup>8</sup>

Dow (the Company) has been cited as the third largest producer of resins bound for SUPs, resulting in 5.3 million tons of plastic waste annually.<sup>9</sup> It has the fourth largest greenhouse gas emissions among top SUP petrochemical producers.<sup>10</sup> Significant reduction in plastic demand could result in stranded assets, disrupting the

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<sup>1</sup> [https://wwfint.awsassets.panda.org/downloads/wwf\\_pctsee\\_report\\_english.pdf](https://wwfint.awsassets.panda.org/downloads/wwf_pctsee_report_english.pdf), p.15

<sup>2</sup> <https://www.science.org/doi/10.1126/sciadv.1700782>

<sup>3</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L0904&from=EN>;  
<https://cdn.minderoo.org/content/uploads/2023/02/04205527/Plastic-Waste-Makers-Index-2023.pdf>, p.17

<sup>4</sup> <https://www.nationalgeographic.com/science/article/plastic-trash-in-seas-will-nearly-triple-by-2040-if-nothing-done>

<sup>5</sup> <https://www.theguardian.com/environment/2021/jul/01/call-for-global-treaty-to-end-production-of-virgin-plastic-by-2040>

<sup>6</sup> [https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave\\_report.pdf](https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave_report.pdf);  
<https://www.science.org/doi/full/10.1126/science.aba9475>

<sup>7</sup> <https://www.pbs.org/newshour/science/bold-single-use-plastic-ban-kicks-europes-plastic-purge-into-high-gear>;  
<https://www.unep.org/resources/report/legal-limits-single-use-plastics-and-microplastics>;  
<https://www.unilever.com/news/press-releases/2019/unilever-announces-ambitious-new-commitments-for-a-waste-free-world.html>

<sup>8</sup> <https://www.plasticsnews.com/public-policy/plastics-treaty-talks-open-push-restrain-virgin-resins>

<sup>9</sup> <https://cdn.minderoo.org/content/uploads/2023/02/04205527/Plastic-Waste-Makers-Index-2023.pdf>, p.57

<sup>10</sup> <https://cdn.minderoo.org/content/uploads/2023/02/04205527/Plastic-Waste-Makers-Index-2023.pdf>, p.60



petrochemical industry.<sup>11</sup> BP, for instance, has concluded that a global SUP ban by 2040 would reduce oil demand growth by 60%.<sup>12</sup>

A company analysis of the Pew report's SCS, discussing how significant reduction in virgin plastic demand would affect the Company's financial position, would provide shareholders with a better understanding of its demand-related risk assessment and mitigation actions. Further, risks and opportunities associated with the Company's investments in chemical recycling technologies to process plastic waste, which can pose safety, emissions, and efficiency concerns, need to be disclosed.

**BE IT RESOLVED:** Shareholders request that the 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 plastic pollution, would affect the Dow'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, at the Board's discretion, the report include:

- Quantification 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;
- Disclosure of safety, emissions, energy, and process efficiency data associated with planned or operating chemical recycling technologies.

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<sup>11</sup> <https://www.forbes.com/sites/scottcarpenter/2020/09/05/why-the-oil-industrys-400-billion-bet-on-plastics-could-backfire/?sh=6e099bd843fe>

<sup>12</sup> <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy-economics/energy-outlook/bp-energy-outlook-2019.pdf#page=18>