

# **The Dow Chemical Company**

# EH&S Management Commitment

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Who we are

#### Vision

To be the most profitable and respected science-driven chemical company in the world

### Mission

To passionately innovate what is essential to human progress by providing sustainable solutions to our customers

**1897** Founded by Herbert H. Dow in Midland, Michigan

~160 Countries in which we serve customers

More than 5,000 products are manufactured at 188 sites in 36 countries

### 54,000 Approximate Employees worldwide

- R&D Centers
  Service Centers
  PU Systems
- Hub Centers
- Headquarters
- Manufacturing
- Dow Facilities
  - Sales Office

Dow's Diverse and Integrated Portfolio

ELECTRONIC & FUNCTIONAL MATERIALS	COATINGS AND INFRASTRUCTURE SOLUTIONS	AGRICULTURAL SCIENCES	PERFORMANCE MATERIALS	PERFORMANCE PLASTICS	FEEDSTOCKS AND ENERGY
<ul> <li>Dow Electronic Materials         <ul> <li>Semiconductor Tech</li> <li>Interconnect Tech</li> <li>Display Technologies</li> <li>Growth Technologies</li> </ul> </li> <li>Functional Materials         <ul> <li>Dow Wolff Cellulosics</li> <li>Dow Consumer &amp; Industrial Solutions</li> <li>Dow Microbial Control</li> </ul> </li> <li>JV: Dow Corning Corporation</li> </ul>	<ul> <li>Dow Building &amp; Construction</li> <li>Dow Coating Materials</li> <li>Dow Water &amp; Process Solutions</li> <li>Performance Monomers</li> <li>JV: Dow Corning Corporation</li> </ul>	<ul> <li>Dow AgroSciences         <ul> <li>Agricultural Chemicals</li> <li>Seeds, Traits &amp; Oils</li> <li>Crop Protection</li> </ul> </li> </ul>	<ul> <li>Amines</li> <li>Chlorinated Organics</li> <li>Dow Automotive Systems</li> <li>Dow Formulated Systems</li> <li>Dow Oil &amp; Gas</li> <li>Dow Plastics Additives</li> <li>Epoxy</li> <li>Oxygenated Solvents</li> <li>Polyglycols, Surfactants &amp; Fluids</li> <li>Polyurethanes</li> <li>Propylene Oxide/Propylene Glycol</li> <li>JV: Map Ta Phut</li> <li>JV: MEGLOBAL</li> <li>JV: Sadara Chemical Company</li> </ul>	<ul> <li>Dow Elastomers</li> <li>Dow Electrical &amp; Telecommunications</li> <li>Dow Hygiene &amp; Medical</li> <li>Dow Performance Packaging</li> <li>JV: EQUATE Petrochemical Company K.S.C</li> <li>JV: The Kuwait Olefins Company K.S.C.</li> <li>JV: The SCG-Dow Group</li> <li>JV: Sadara Chemical Company</li> </ul>	<ul> <li>Chlor-Alkali/Chlor-Vinyl</li> <li>Energy</li> <li>Ethylene Oxide/Ethylene Glycol</li> <li>Hydrocarbons</li> <li>JV: EQUATE Petrochemical Company K.S.C</li> <li>JV: The SCG-Dow Group</li> <li>JV: The Kuwait Olefins Company K.S.C</li> </ul>





Dow's focus on sustainability is embedded in everything we do – our operations, strategy, innovation agenda and daily actions. Our 2015 Sustainability Goals reflect our commitment to use science and technology to address social and environmental challenges and reduce our global footprint as we profitably grow.

#### Recent recognitions illustrate our commitments

- Dow Jones Sustainability World Index
- A+ rating on the Global Reporting Initiative
- Green Cross for Safety Medal
- ACC Responsible Care® Awards
- CK Prahalad Award
- S&P 500 Clean Capitalism Ranking





2015 Sustainability Goals

### Local Protection of Humar Health & the Environment

 By 2015, Dow will achieve on average a 75% improvement of key indicators for EH&S operating excellence from 2005 baseline.



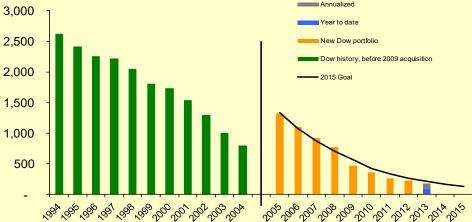


We are proud of our accomplishments in EH&S...

#### **Injury and Illness Rate**







Working at Dow is 15 times safer than working at a grocery store!

**Process Safety Incidents** 





### ... yet it is not about the numbers.

- **Mission:** No one is injured, our plants operate safely and we preserve our planet for future generations
- **Vision:** To be incident free always striving for ZERO.
- Path: Create a culture where safety is a value, not an initiative.





Pittsburg Operations

 Great Western Electro Chemical Company in 1917 The site was purchased by Dow in 1938 First Dow manufacturing facility outside Midland, Michigan On delta of Sacramento and San Joaquin rivers Site size ~1000 acres - 513 active & 500 wetlands preserve & buffer zone Largest West Coast Chemical facility 350 Dow employees +200 Contractors Industry Park

CAL NPP-STAR certified



# January 2013



Our Products







Dow AgroSciences



Dow Consumer & Industrial Solutions





The Dow Wetlands

472 acres

Dozens of prestigious awards including

- Corporate Habitat of the Year (Wildlife Habitat Council)
- Corporate Lands for Learning (WHC)
- EPA Five Star Award

**Strategic Partnerships** 

- LMC
- UC Berkeley
- Lindsay Wildlife Museum
- EarthTeam

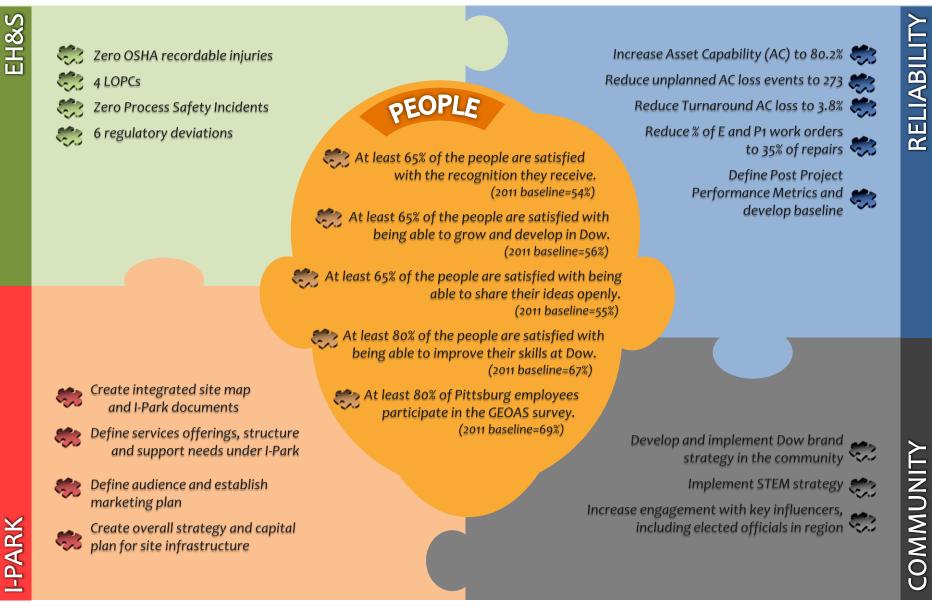




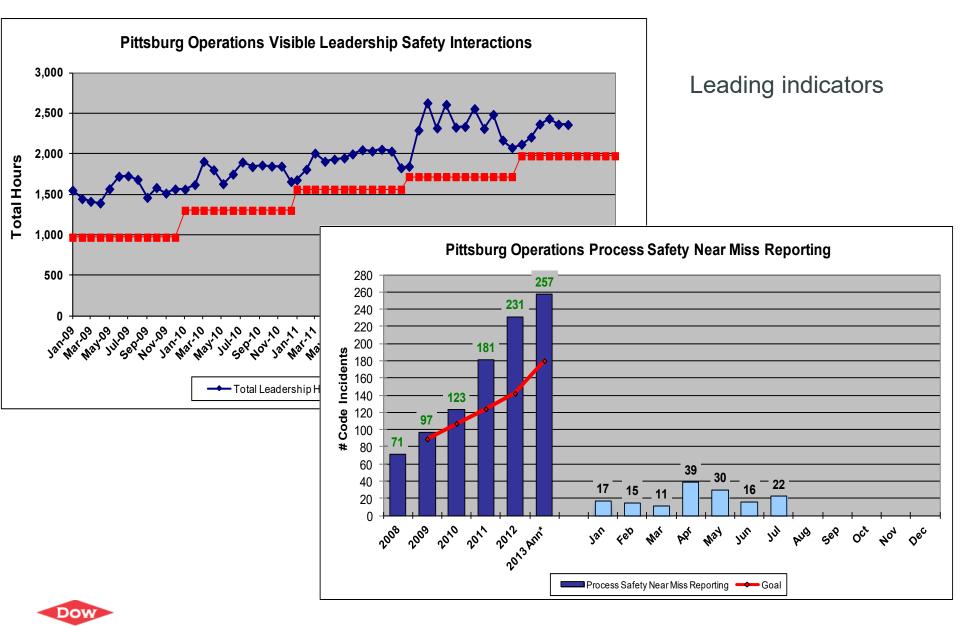


# 2013 Site Strategy

MISSION: We deliver competitive products in a safe, sustainable and reliable manner to enable business success and improve the quality of life.



What we measure to drive the success



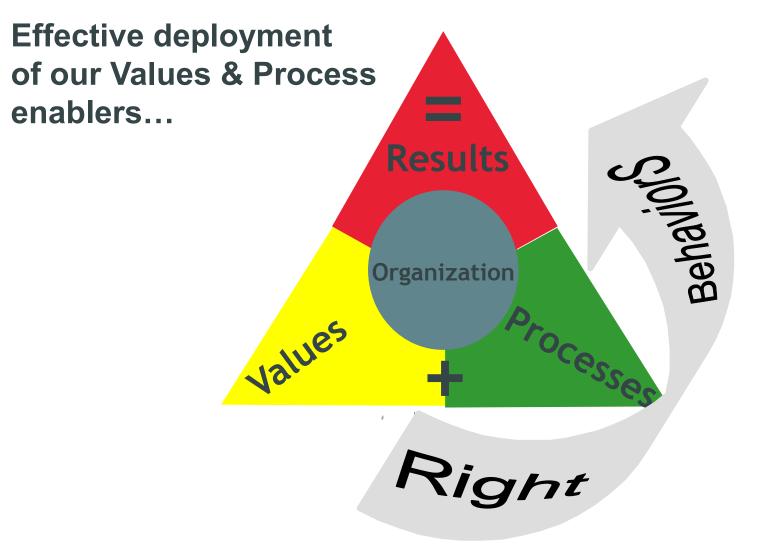


# At Dow We Expect:

EH&S Leadership At All Levels -



Drive for results







Value Enablers

At Dow, protecting the people and the environment will be part of everything we do and every decision we make. Each employee has a responsibility in ensuring that our products and operations meet applicable government or Dow standards, whichever is more stringent.

Our goal is to eliminate all injuries, prevent adverse environmental and health impacts, reduce wastes and emissions and promote resource conservation at every stage of the life cycle of our products. We will report our progress and be responsive to the public.

Process Enablers

What Processes (Management Systems) do we have to enable EH&S success?

- Work Process Examples
  - -Operate Plant
  - -Maintain Facility
  - -Behavior Based Performance
  - -Business Risk Review
  - -Management of Change
  - -Corrective and Preventive Actions
  - -Root Cause Investigation
  - -Self-Assessment
  - -Procedure Use
  - -Training
  - -And....Many, Many More!!





• The expectation is that we will see <u>leadership</u> <u>behaviors from every employee at Dow</u>.

Leadership roles <u>set the example</u> by meeting the standards of excellence.

They are the <u>key architects of the work environment</u> and have the responsibility to <u>create a climate that reflects</u> <u>Dow's values</u>.



## How Does a Leader Establish Culture?

- Using these Culture-Embedding Mechanisms
  - What you <u>regularly</u> pay attention to, measure, and control
  - How you <u>react</u> to critical incidents and organizational crises
  - <u>Observed</u> criteria by you, allocate resources & rewards
  - Deliberate *role modeling*, teaching, and coaching
  - Who you recruit, <u>select</u>, promote, retire, and excommunicate
  - <u>Organizational</u> <u>design</u> and structure
  - Design of *physical space*, facades, and buildings
  - Organizational <u>systems</u> and procedures
  - Organizational <u>rites</u> and rituals
  - Stories, legends, and myths about people and events.
  - Formal <u>statements</u> of philosophy, values, and creed.

from Organizational Culture and Leadership by Edgar H. Schein



Set the tone from the top...

- Business Leader EH&S Review with EH&S Leadership
  - Within 90 days and/or every 3 years
- New production/facility leader reviews
  - Within 90 days
    - Facility Leader EH&S Review
    - Reactive Chemicals/Process Hazard Assessment
- New Responsible Care Leader/Business EH&S Improvement Leader reviews
  - Within 120 days
- Employee Training and Learning Certifications
  - Variable and Ongoing



Set the tone from the top...

## **EH&S First, Pounds Second**

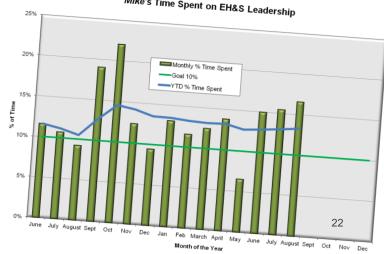
- Every meeting begins with a "safety moment"
- EH&S metrics have same priority as financials
- EH&S performance is updated regularly
  - Internal updates
    - Dow World News
    - Geographic Updates
    - Site Updates
    - Business Updates
    - Facility Updates
  - External Updates
    - Quarterly sustainability reports
    - Responsible Care Metric reporting
    - Annual Reports
- Transparency, consistency are key

Leader updates: Webcasts, face to face sessions, audio messaging, emails, newsletters, etc.



My Management Commitment

- Clear expectations
- Site Strategy
- Walk the talk
- Minimum 10% visible leadership (track it)
- Be in the field: Safety inspection
  - Continuously management system review
  - Involvement of: Site Operation Director, EH&S manager, Facility leader, delivery, shop floor people
  - BOC with a 4:1 (plus:delta) approach, summary at the end
  - Win Win situation (commitment identify well established system and improvement opportunities)
- Measurements drives behaviors







Sustain through local dialogue...

- "PACE" principles
  - Make it Personal
  - Ask open ended questions
  - Create an environment where people are free to ask questions
  - Escalate issues

## Share learning's!

- Root Cause Investigations
- Management System Improvement Assessments
- Learning Experience Reports



Recognize success!

- Say "*Thank you*" and be available (listen)
- Team events
- EH&S Milestone Achievement Awards
- Recognition @Dow for Individuals/Teams
- Reward leading indicator performances
- Responsible Care® Awards
  - Internal and External
- External awards and nominations
  - National Safety Council, etc.
- Leader Performance Management







### **Questions?**