

DOW EUROPE GMBH

Modern Slavery Act Transparency Statement

Introduction

Dow Europe GmbH makes this statement pursuant to section 54(1) of the Modern Slavery Act 2015. It constitutes the slavery and human trafficking statement of Dow Europe GmbH for the financial year ending 31 December 2016. This statement delineates the actions Dow Europe GmbH has taken during the period to identify potential modern slavery risks in its business operations and the steps implemented which are aimed at ensuring there is no slavery or human trafficking in its supply chains. Respect for people is one of our core values. Our ultimate parent company (The Dow Chemical Company) is signatory to the United Nations Global Compact and we are committed to combatting slavery and human trafficking in its own business and supply chains.

Dow Europe GmbH's Organization

Dow Europe GmbH is a Swiss incorporated subsidiary of The Dow Chemical Company, a U.S. incorporated company (Dow) and has a consignment manufacturing agreement with its UK affiliated company, Dow Chemical Company Limited. Dow is a leader in specialty chemicals, driving innovations that extract value from material, polymer, chemical and biological science and supplying a variety of diverse applications including Agriculture, Automotive, Construction, Electronics, Energy, Infrastructure, Packaging and Product Safety. Dow has in excess of 6,000 product families which are manufactured at 179 sites in 35 countries across the globe. On June 1, 2016, Dow became the 100 percent owner of Dow Corning Corporation's silicones business, a global company with 25 manufacturing sites in 9 countries. The whole group comprises more than 49,000 employees worldwide.

Dow's Supply Chains

Dow's supply chain consists of more than 10,000 active suppliers around the world and more than 48,000 within the wider Dow Group. This supply chain is managed by our Group Procurement which operates as a single global function, structured across all Business Lines. We develop and implement best-fit strategies for each category to deliver maximum value from the supply base in the areas of cost and risk management, sustainability, innovation, and growth.

Dow's Relevant Policies

Our commitment to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business is embodied in the following Group Policies and Codes:

- Group Human Rights Policy
- Group Code of Business Conduct
- Group HR and Employment Policies
- Group Procurement Policies including
 - Supplier Code of Conduct
 - Dow's "Expectations of Suppliers" statement

Dow's Due Diligence Processes for Slavery and Human Trafficking

Suppliers

- Our Supplier Code of Conduct and “Expectations of Suppliers” statement specifically address this aspect. The SCC is communicated to all current and new direct suppliers and the majority of our purchase orders and contract templates have been updated to include compliance as a contractual requirement.
- Dow expects suppliers to implement systems and controls to promote compliance with applicable laws and the principles set forth in this Code, including policies, training, monitoring and auditing mechanisms. Suppliers also should apply these or similar principles to the subcontractors and suppliers they work with in providing goods and services to Dow. Dow reserves the right to assess and monitor suppliers' compliance with this Code. Suppliers who are not in compliance with this Code are expected to implement corrective actions or may not be considered for future business.
- We audit significant direct suppliers according to our business requirements. We have begun to evaluate whether to require compliance certifications, self-assessments and/or compliance audits.
- We have a helpline (phone and web-based available in multiple languages) which is available to employees and third parties which can be used to seek guidance on specific situations, report violations of Dow's Code of Business Conduct including our Human Rights Policy and Supplier Code of Conduct or other unethical business practices. Calls may be made anonymously in most countries and callers are protected from retaliation.
- The outcomes of our programmes are generally communicated via our annual sustainability report.

Employees

The principles of human rights are woven throughout our employee Code of Conduct. All employees of Dow and its subsidiaries, including those with direct responsibility for supply chain management, are expected to know and abide by this Code. Rigorous training on the content and application of the Code is mandatory for each and every employee, and each employee must periodically acknowledge that they have read and agree to comply with the Code. Dow takes seriously and fully investigates all potential legal or Code violations, in a respectful, confidential and fair manner and takes action consistent with the severity of the violation.

This statement has been approved by the Managing Directors of Dow Europe GmbH. It will be reviewed, updated and approved annually.



Heinz Haller
Chairman of the Managing Directors
Dow Europe GmbH
21 June 2017