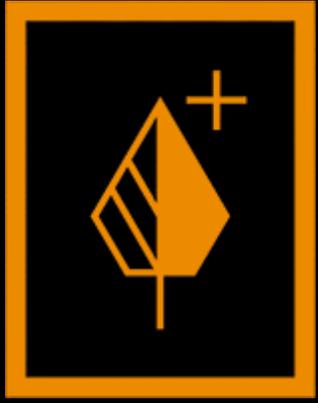




A Breakthrough Collaboration:
The Economics of Ecosystems

Natural & Nature-Based Features Symposium
September 20, 2018



Dow Valuing Nature Goal

Dow will identify and implement business-driven project alternatives that will best enhance nature and deliver \$1 billion in net present value.

The Nature Conservancy: Our Priorities



Tackle Climate Change

Implement and increase emphasis on readily available, cost-effective natural climate solutions, such as reforestation, and drive policy changes to accelerate our transition to a clean energy future



Protect Land and Water

Complete large protection deals using innovative finance, share smart infrastructure siting principles to encourage sustainable development and partner with indigenous people to strengthen their rights as environmental stewards



Provide Food and Water Sustainably

Work with farmers, ranchers, fishers and water managers to create sustainable supplies of food and water, reduce negative environmental impacts and promote economic growth



Build Healthy Cities

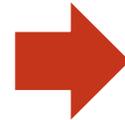
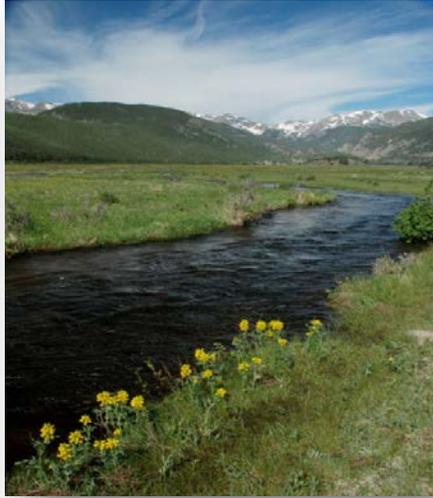
Demonstrate how green infrastructure, such as planting trees, can address urban challenges, including stormwater run-off, air pollution and heat islands

TNC-Dow Collaboration Objectives

- Demonstrate how an NGO and Fortune 50 corporation can work together
- Serve as a model to other companies
- Develop tools
- Encourage action from policymakers and other leaders
- Increase investment in protecting natural systems and services



A Win-Win Proposition



**Improved
Conservation
Outcomes**

**Improved
Business
Performance**





Freeport, Texas



Fresh Water



Air Quality



Coastal Hazards

Key Drivers of Natural Infrastructure

Meet Regulatory
Requirements

Natural Disaster
Mitigation

Community
Engagement and
Outreach

Financial Savings

Achieve
Sustainability
Goals

Tools & Methodologies to Value Nature

Nature Screen

Identify

2025 Sustainability Goal: Valuing Nature

 We will apply a business decision process that values nature. We will deliver business value and natural capital value through projects that are good for business and good for ecosystems.

Project Description

* Required field

Project Name*

Project Site*

Project Manager Name*

Project Owner*
 Regulatory Cost Savings Revenues Multiple

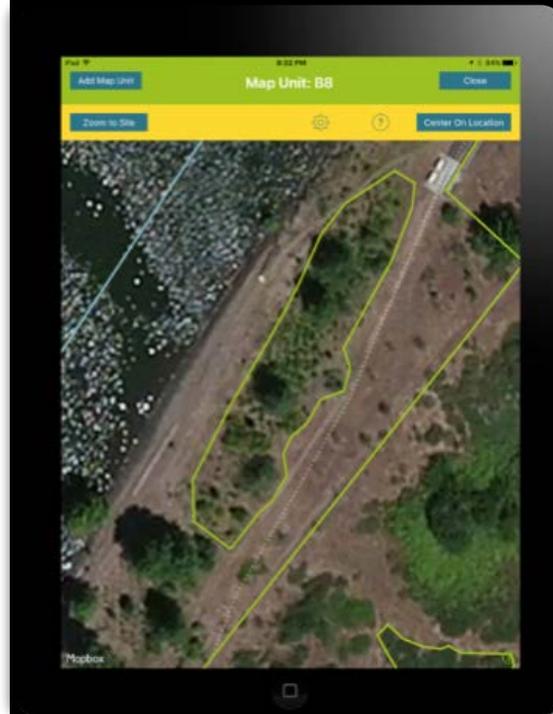
Project Boundary* --SELECT AN VISIBL--

Nature Screen

Initial Screening Questions	Action	Project Comment
What is the anticipated total installed cost of the proposed project? 2	<input type="text"/>	<input type="text"/>
Will the proposed project significantly impact the water profile (i.e. fresh water consumption, storm process water management, discharges) of the affected site? 2	<input type="text"/>	<input type="text"/>
Will the proposed project significantly impact the consumption of raw materials including energy and/or discharge of waste including an emissions of the affected site (CO2e and non-CO2e)? 2	<input type="text"/>	<input type="text"/>
Does the proposed project include any land use change in such a way that could adversely affect health or ecosystem services that may be impacted? 2	<input type="text"/>	<input type="text"/>
Have you considered engineered natural technologies (ENT) in your proposed project? Screen plan of ENT are provided below? 2	<input type="text"/>	<input type="text"/>

ESII Tool

Measure & Compare



Nature Scorecard

Understand

Dow Nature Scorecard Responsible: Luisa Bergami
Date: Monday, June 11, 2018

Results Tab

ASSET INFORMATION		ENT PROJECT INFORMATION	
Name	FREEMPORT	Project Name:	Wetlands
Country	United States	Project Description:	0
Ecoregion	Gulf Coast Prairies And Marshes	ENT Solution:	0
Ecoregion Crisis Class	Vulnerable	End use:	0
Water Intake Type	Purchased	Proposed land cover:	0
		Native species:	0
		Project CAPEX:	5 500,000

Indicators

NATURE PILLARS		
	Pillars Relevance Index	Project's Performance Relative to Dow
Clean Water	23%	20%
Clean Air	30%	15%
Healthy Soil	30%	60%
Healthy Ecosystem	17%	20%

BUSINESS

Does it reduce	Regulatory risk	High
Does it reduce	Risk to operations	Medium
Does it help to get	License to operate	Low
Does it open a new	Market opportunity	High
Does it benefit	Public Relations	Medium

Weight for Nature: 30.61%

Business Relevance Index: 74%

Nature Value Markup: 22.65%

Transformative NGO-Corporate Partnerships

Six Keys to Success

1

Develop a compelling business case

2

Affirm common vision

3

Leverage existing relationships

4

Build trust and buy-in, maintain comms

5

Set expectations

6

Evolve the collaboration