

Immediate Release

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Investors Challenge Dow Chemical Management on the Worst Chemical Disaster in History Shareholders Say New Dow Initiatives on Bhopal Would be a Smart Business Move

(Midland, MI)- Shareholders of Dow Chemical (NYSE: DOW) will challenge CEO Andrew Liveris and the company's top management at its **annual meeting of stockholders on Thursday, May 11, 2006** to take new initiatives regarding the 1984 Bhopal chemical disaster. Twenty two years after the disaster, current developments related to it threaten Dow's reputation and business in India. A shareholder resolution on the agenda for this year's annual meeting asserts that it would be respectful of human rights, and also a good business decision, for Dow to undertake new initiatives to address the needs of survivors.

Dow Chemical shareholders have filed a resolution requesting the company produce a report on new initiatives instituted by management to address health, environmental and social concerns of the Bhopal, India survivors. The shareholders who filed the resolution representing 4.5 million shares total (current value: \$186 million), including the New York City Fire Department (NYCFD) Pension Fund, New York State Common Retirement Fund (NYSCRF), Boston Common Asset Management, Amnesty International USA (AIUSA), Dominican Sisters: Grand Rapids, Sisters of Holy Cross and Sisters of Mercy Regional Community of Detroit Charitable Trust.

"Boston Common Asset Management has been pushing Dow Chemical for more than three years to address the clean up and medical concerns of the Bhopal survivors and Dow has still not stepped up to the plate while the risks to the company's reputation and to its ability to do business in India may be increasing," said Lauren Compere Director of Shareholder Advocacy.

"The Bhopal tragedy is still taking an awful toll on the people of India. The longer Dow Chemical fails to address the lingering human issues related to the Bhopal tragedy, the greater the potential negative impact to its long-term profitability. As a fiduciary, I am concerned that if Dow does not put this problem to rest, it could hurt the company's current and future business relationships in India's huge and rapidly expanding market and around the world," said New York State Comptroller Alan G. Hevesi, sole trustee of the New York State Common Retirement Fund.

On the night of December 2nd, 1984, 27 tons of poisonous gas including methyl isocyanate leaked from a storage tank at a Union Carbide pesticide plant in Bhopal, India, and took the lives of more than 7,000 people within a matter of days -- the worst chemical disaster in history. Union Carbide is now a wholly owned subsidiary of Dow Chemical. Today the exposure to toxins has resulted in additional deaths of 15,000 people as well as chronic illness for over 100,000 more. Contamination of soil and groundwater at the surrounding facility continues to this day. Survivors of the disaster are working to pressure Dow Chemical to address the remaining social and environmental issues in Bhopal, and have built alliances with student and environmental activists worldwide to pressure Dow to cooperate.

Neil Sardana, a representative from AIUSA's Corporate Action Network, who will present the Bhopal resolution at the annual meeting said, "Dow has an obligation to address the ongoing environmental and human rights impacts of the UCC disaster; we will not rest until this happens."

As shareholders meet in Midland, Michigan at the Dow Center to cast a final vote on Bhopal resolution on the 2006 Proxy Ballot, shareholder proponents believe that if this issue remains unresolved it may undermine future growth of Dow Chemical business in Asia.

Recently as result of intensified pressure from a group of survivors of the Bhopal disaster and supporters, India's Prime Minister agreed to demands to remedy the contamination and to provide water to the community, and also said he would explore whatever options existed within the law to hold UCC/Dow Chemical accountable.

Although the Indian government is overseeing the development of remedial plans, the future liabilities of Union Carbide and Dow Chemical remain unresolved.

New York City Comptroller William C. Thompson, Jr. said, "Given our long investment horizon, we believe that it is our fiduciary obligation to urge companies in which we invest to be responsible corporate citizens in the communities in which they operate. This approach is critical for ensuring the viability and sustainability of business in this rapidly growing global economy. Successful companies most likely will be the ones that incorporate sustainable use of environmental and social capital in their business decisions."

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