

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K**

(Mark One)

 ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**For the fiscal year ended December 31, 2020**

OR

 TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**Commission File Number 001-38710****Corteva, Inc.**

(Exact Name of Registrant as Specified in Its Charter)

Delaware**82-4979096**

(State or other Jurisdiction of Incorporation or Organization)

(I.R.S. Employer Identification No.)

974 Centre Road, Wilmington, Delaware 19805**(302) 485-3000**

(Address of Principal Executive Offices) (Zip Code)

(Registrant's Telephone Number, including area code)

Commission File Number 1-815**E. I. du Pont de Nemours and Company**

(Exact Name of Registrant as Specified in Its Charter)

Delaware**51-0014090**

(State or other Jurisdiction of Incorporation or Organization)

(I.R.S. Employer Identification No.)

974 Centre Road, Wilmington, Delaware 19805**(302) 485-3000**

(Address of Principal Executive Offices) (Zip Code)

(Registrant's Telephone Number, including area code)

Securities registered pursuant to Section 12(b) of the Act for Corteva, Inc.:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	CTVA	New York Stock Exchange

Securities registered pursuant to Section 12(b) of the Act for E. I. du Pont de Nemours and Company:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
\$3.50 Series Preferred Stock	CTAPrA	New York Stock Exchange
\$4.50 Series Preferred Stock	CTAPrB	New York Stock Exchange

No securities are registered pursuant to Section 12(g) of the Act.

Indicate by check mark whether the registrant is a well-known seasoned issuer (as defined in Rule 405 of the Securities Act).

Corteva, Inc. Yes No E. I. du Pont de Nemours and Company Yes No

Indicate by check mark whether the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Corteva, Inc. Yes No
E. I. du Pont de Nemours and Company Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Corteva, Inc. Yes No
E. I. du Pont de Nemours and Company Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Corteva, Inc. Yes No
E. I. du Pont de Nemours and Company Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Corteva, Inc.
E. I. du Pont de Nemours and Company

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Corteva, Inc.	Large Accelerated Filer	<input checked="" type="radio"/>	Accelerated Filer	<input type="radio"/>	Non-Accelerated Filer	<input type="radio"/>	Smaller reporting company	<input type="radio"/>	Emerging growth company	<input type="radio"/>
E. I. du Pont de Nemours and Company	Large Accelerated Filer	<input type="radio"/>	Accelerated Filer	<input type="radio"/>	Non-Accelerated Filer	<input checked="" type="radio"/>	Smaller reporting company	<input type="radio"/>	Emerging growth company	<input type="radio"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Corteva, Inc.
E. I. du Pont de Nemours and Company

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Corteva, Inc. Yes No
E. I. du Pont de Nemours and Company Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Corteva, Inc. Yes No
E. I. du Pont de Nemours and Company Yes No

The aggregate market value of voting stock of Corteva, Inc. held by nonaffiliates of the registrant (excludes outstanding shares beneficially owned by directors and officers and treasury shares) as of June 30, 2020 was \$20.0 billion.

As of February 4, 2021, 744,062,000 shares of Corteva, Inc's common stock, \$0.01 par value, were outstanding.

As of February 4, 2021, all of E. I. du Pont de Nemours and Company's issued and outstanding common stock, comprised of 200 shares, \$0.30 par value per share, is held by Corteva, Inc.

E.I. du Pont de Nemours and Company meets the conditions set forth in General Instruction I(1)(a), (b) and (d) of Form 10-K (as modified by a grant of no-action relief dated February 12, 2018) and is therefore filing this form with reduced disclosure format.

Note on Incorporation by Reference

Information pertaining to certain Items in Part III of this report is incorporated herein by reference to portions of Corteva, Inc.'s definitive 2021 Annual Meeting Proxy Statement to be filed within 120 days after the end of the year covered by this Annual Report on Form 10-K, pursuant to Regulation 14A (the Proxy).

CORTEVA, INC.

Form 10-K

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Explanatory Note

This Annual Report on Form 10-K is a combined report being filed separately by Corteva, Inc. and EID. Corteva, Inc. owns all of the common equity interests in EID, and EID meets the conditions set forth in General Instruction I(1)(a), (b) and (d) of Form 10-K and is therefore filing its information within this Form 10-K with the reduced disclosure format. Each of Corteva, Inc. and EID is filing on its own behalf the information contained in this report that relates to itself, and neither company makes any representation as to information relating to the other company. Where information or an explanation is provided that is substantially the same for each company, such information or explanation has been combined in this report. Where information or an explanation is not substantially the same for each company, separate information and explanation has been provided. In addition, separate consolidated financial statements for each company, along with notes to the consolidated financial statements, are included in this report.

The primary differences between Corteva and EID's financial statements relate to EID's Preferred Stock - \$4.50 Series and EID's Preferred Stock - \$3.50 Series, a related party loan between EID and Corteva, Inc. and the associated tax deductible interest expense for EID, and the capital structure of Corteva, Inc. (See EID's Note 1 - Basis of Presentation to EID's Consolidated Financial Statements, for additional information for above items). The separate EID financial statements and footnotes for areas that differ from Corteva, are included within this Annual Report on Form 10-K and begin on page F-89. Footnotes of EID that are identical to that of Corteva are cross-referenced accordingly.

Part I

ITEM 1. BUSINESS

Unless otherwise indicated or the context otherwise requires, references in this Annual Report on Form 10-K to:

- "Corteva" or "the company" refers to Corteva, Inc. and its consolidated subsidiaries (including EID);
- "EID" refers to E. I. du Pont de Nemours and Company and its consolidated subsidiaries or E. I. du Pont de Nemours and Company excluding its consolidated subsidiaries, as the context may indicate;
- "DowDuPont" refers to DowDuPont Inc, and its subsidiaries prior to the Separation of Corteva;
- "Historical Dow" refers to the Dow Chemical Company and its consolidated subsidiaries prior to the Internal Reorganization;
- "Historical DuPont" and "Historical EID" refers to EID prior to the Internal Reorganization as defined on page 4;
- "Dow" refers to Dow Inc. after the Dow Distribution defined below;
- "DuPont" refers to DuPont de Nemours, Inc. after the Separation of Corteva; and
- "DAS" refers to the agriculture business of Historical Dow, Dow AgroSciences.
- "Merger" refers to the all-stock merger of equals strategic combination between Historical Dow and Historical DuPont.

Background

On June 1, 2019, Corteva, Inc. became an independent, publicly traded company through the previously announced separation (the "Separation") of the agriculture business of DuPont de Nemours, Inc. (formerly known as DowDuPont Inc.) ("DuPont" or "DowDuPont"). The separation was effectuated through a pro rata distribution (the "Corteva Distribution") of all of the then-issued and outstanding shares of common stock, par value \$0.01 per share, of Corteva, Inc. Refer to the Internal Reorganization discussion below for further information.

Subsequent to the Merger, Historical Dow and EID engaged in a series of internal reorganization and realignment steps to realign their businesses into three divisions: agriculture, materials science and specialty products. As a result of the Internal Reorganization (defined below), on May 31, 2019, EID was contributed to Corteva, Inc. and, as a result, Corteva, Inc. owns 100% of the outstanding common stock of EID. Prior to March 31, 2019, Corteva, Inc. had engaged in no business operations and had no assets or liabilities of any kind, other than those incident to its formation.

EID continues to be a reporting company and is deemed to be the predecessor to Corteva, Inc., with the historical results of EID to be deemed the historical results of Corteva for periods prior to and including May 31, 2019. Shares of EID preferred stock, \$3.50 Series and \$4.50 Series, issued and outstanding immediately prior to the Separation remain issued and outstanding and were unaffected by the Separation.

Corteva is a leading global provider of seed and crop protection solutions focused on the agriculture industry. The company is focused on advancing its science-based innovation, which aims to deliver a wide range of improved products and services to its customers. Through the merger of the EID and DAS innovation pipelines, Corteva has one of the broadest and most productive new product pipelines in the agriculture industry. The company intends to leverage its rich heritage of scientific achievement to advance its robust innovation pipeline and continue to shape the future of responsible agriculture. New products are crucial to solving farmers' productivity challenges amid a growing global population while addressing natural resistance, regulatory changes, safety requirements and competitive dynamics. The company's investment in technology-based and solution-based product offerings allows it to meet farmers' evolving needs while ensuring that its investments generate sufficient returns. Meanwhile, through Corteva's unique routes to market, the company continues to work face-to-face with farmers around the world to deeply understand their needs.

The company's broad portfolio of agriculture solutions fuels farmer productivity in approximately 140 countries. See Note 24 - Geographic Information, to the Consolidated Financial Statements for details on the location of the company's sales and property.

Internal Reorganizations and Business Separations

Subsequent to the Merger, Historical Dow and EID engaged in a series of internal reorganization and realignment steps to realign their businesses into three subgroups: agriculture, materials science and specialty products through a series of tax-efficient transactions (collectively, the "Business Separations"). Effective as of 5:00 pm ET on April 1, 2019, DowDuPont completed the previously announced separation of its materials science business into a separate and independent public company by way of a distribution of Dow Inc. ("Dow") through a pro rata dividend in-kind of all of the then-issued and

Part I

ITEM 1. BUSINESS, *continued*

outstanding shares of Dow's common stock, par value \$0.01 per share, to holders of DowDuPont's common stock, as of the close of business on March 21, 2019 (the "Dow Distribution" and together with the Corteva Distribution, the "Distributions").

Prior to the Dow Distribution, Historical Dow conveyed or transferred the assets and liabilities aligned with Historical Dow's agriculture business to separate legal entities ("Dow Ag Entities") and the assets and liabilities associated with its specialty products business to separate legal entities (the "Dow SP Entities"). On April 1, 2019, Dow Ag Entities and the Dow SP Entities were transferred and conveyed to DowDuPont.

In furtherance of the Business Separations, EID engaged in a series of internal reorganization and realignment steps (the "Internal Reorganization" and the "Business Realignment," respectively) to realign its businesses into three subgroups: agriculture, materials science and specialty products. As part of the Internal Reorganization:

- the assets and liabilities aligned with EID's materials science business, including EID's ethylene and ethylene copolymers business, excluding its ethylene acrylic elastomers business, ("EID ECP") were transferred or conveyed to separate legal entities (the "Materials Science Entities") that were ultimately conveyed by DowDuPont to Dow;
- the assets and liabilities aligned with EID's specialty products business were transferred or conveyed to separate legal entities ("EID Specialty Products Entities");
- on April 1, 2019, EID transferred and conveyed its Materials Science Entities to Dow;
- on May 1, 2019, EID distributed its Specialty Products Entities to DowDuPont;
- on May 2, 2019, DowDuPont conveyed Dow Ag Entities to EID and in connection with the foregoing, EID issued additional shares of its common stock to DowDuPont; and
- on May 31, 2019, DowDuPont contributed EID to Corteva, Inc.

On May 6, 2019, the Board of Directors of DowDuPont approved the distribution of all the then issued and outstanding shares of common stock of Corteva, Inc., a wholly-owned subsidiary of DowDuPont, to DowDuPont stockholders. On June 1, 2019, DowDuPont completed the Separation. Each DowDuPont stockholder received one share of Corteva, Inc. common stock for every three shares of DowDuPont common stock held at the close of business on May 24, 2019, the record date of distribution. Corteva, Inc.'s common stock began trading the "regular way" under the ticker symbol "CTVA" on June 3, 2019, the first business day after June 1, 2019. Upon becoming an independent company, the capital structure of Corteva consisted of 748,815,000 authorized shares of common stock (par value of \$0.01 per share), which represents the number of common shares issued on June 3, 2019.

As a result of the Business Realignment and the Internal Reorganization discussed above, Corteva owns 100% of the outstanding common stock of EID, and EID owns 100% of DAS. EID is a subsidiary of Corteva, Inc. and continues to be a reporting company, subject to the requirements of the Securities Exchange Act of 1934, as amended.

Separation Agreements

In connection with the Distributions, DuPont, Corteva, and Dow (together, the "Parties" and each a "Party") have entered into certain agreements to effect the separation, provide for the allocation of DowDuPont's assets, employees, liabilities and obligations (including its investments, property and employee benefits and tax-related assets and liabilities) among the Parties, and provide a framework for Corteva's relationship with Dow and DuPont following the separations and Distributions. Effective April 1, 2019, the Parties entered into the following agreements:

- Separation and Distribution Agreement - Effective April 1, 2019, the Parties entered into an agreement that sets forth, among other things, the agreements among the Parties regarding the principal transactions necessary to effect the Distributions. It also sets forth other agreements that govern certain aspects of the Parties' ongoing relationships after the completion of the Distributions (the "Corteva Separation Agreement").
- Tax Matters Agreement - The Parties entered into an agreement effective as of April 1, 2019, as amended on June 1, 2019, that governs their respective rights, responsibilities and obligations with respect to tax liabilities and benefits, tax

Part I

ITEM 1. BUSINESS, *continued*

attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and other matters regarding taxes.

- Employee Matters Agreement - The Parties entered into an agreement that identifies employees and employee-related liabilities (and attributable assets) to be allocated (either retained, transferred and accepted, or assigned and assumed, as applicable) to the Parties as part of the Distributions and describes when and how the relevant transfers and assignments would occur.
- Intellectual Property Cross-License Agreement - Effective as of April 1, 2019 Corteva and Dow, and effective June 1, 2019, Corteva and DuPont, entered into Intellectual Property Cross-License Agreements. The Intellectual Property Cross-License Agreements set forth the terms and conditions under which the applicable Parties may use in their respective businesses, following each of the Distributions, certain know-how (including trade secrets), copyrights, and software, and certain patents and standards, allocated to another Party pursuant to the Corteva Separation Agreement.
- Letter Agreement - DuPont and Corteva entered into a Letter Agreement. The Letter Agreement sets forth certain additional terms and conditions related to the Separation, including certain limitations on each party's ability to transfer certain businesses and assets to third parties without assigning certain of such party's indemnification obligations under the Corteva Separation Agreement to the other party to the transferee of such businesses and assets or meeting certain other alternative conditions.

Business Segments

The company's operations are managed through two reportable segments: seed and crop protection. The seed segment develops and supplies commercial seed combining superior germplasm with advanced traits to produce high yield potential for farmers around the world. The crop protection segment supplies products to protect crop yields against weeds, insects and disease, enabling farmers to achieve optimal results. The combination of these leading platforms creates one of the broadest portfolios of agriculture solutions in the industry. Additional information with respect to business segment results is included in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, on page 54 of this report and Note 25 - Segment Information, to the Consolidated Financial Statements.

Seed

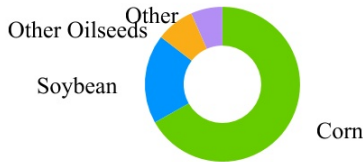
The seed segment is a global leader in developing and supplying commercial seed combining advanced germplasm and traits that produce optimum yield for farms around the world. The company's seed segment is a leader in many key seed markets, including North America corn and soybeans, Europe corn and sunflower, as well as Brazil, India, South Africa and Argentina corn. The company offers trait technologies that improve resistance to weather, disease, insects and herbicides used to control weeds, and trait technologies that enhance food and nutritional characteristics. In addition, the company provides digital solutions that assist farmer decision-making with a view to optimize product selection and, ultimately, help maximize yield and profitability.

Part I

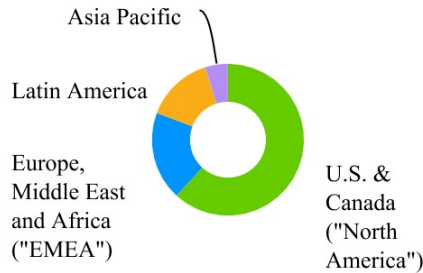
ITEM 1. BUSINESS, continued

Details on the seed segment’s net sales by major product line and geographic region (based on customer location) are as follows:

2020 Net Sales by Product Line



2020 Net Sales by Geographic Region



Products and Brands

The seed segment’s major brands and technologies, by key product line, are listed below:

Seed Solutions Brands	Pioneer®; Brevant™ seeds; Dairyland Seed®; Hoegemeyer®; Nutech®; Seed Consultants®; AgVenture®; Alforex®; PhytoGen®; Pannar®; VP Maxx®; HPT®; G2®; Supreme EX®; XL®; Power Plus®
Seed Solutions Traits and Technologies	ENLIST E3® soybeans; ENLIST® cotton; EXZACT™ Precision Technology; HERCULEX® Insect Protection; Pioneer® brand hybrids with Leptra® insect protection technology offering protection against above ground pests; POWERCORE® Insect Trait Technology family of products; Pioneer® brand Optimum® AcreMax® family of products offering above and below ground insect protection; REFUGE ADVANCED® trait technology; SMARTSTAX® Insect Trait Technology; NEXERA™ canola; Omega-9 Oils™; Pioneer® brand Optimum® AQUAmax® hybrids; Pioneer® brand A-Series soybeans; Pioneer® brand Plenish® high oleic soybeans; ExpressSun® herbicide tolerant trait; Pioneer® brand products with Pioneer Protector® technology for canola, sunflower and sorghum; Pioneer MAXIMUS® rapeseed hybrids; Qrome® corn products; Clearfield® canola; PROPOUND™; Conkesta™; Conkesta E3® soybeans; WideStrike® Insect Protection; WideStrike® 3 Insect Protection
Other	LumiGEN® seed treatments, LUMIDERM®, LUMIVIA® and LUMIALZA™; GRANULAR®; ACREVALUE®; Granular® Insights™ (e.g. LANDVisor™)

U.S. federal regulatory authorizations have been obtained for the commercialization of ENLIST™ corn, ENLIST E3® soybeans and ENLIST® cotton, including the U.S. Environmental Protection Agency’s registration of ENLIST DUO® and ENLIST ONE® for use with ENLIST™ corn, soybeans and cotton in 34 states. The company has also secured cultivation authorizations of ENLIST E3® soybeans and ENLIST™ corn in Argentina, Brazil, and North America.

In 2020, Corteva signed an agreement with J.G. Boswell Company to purchase the remaining 46.5 percent interest in PhytoGen® Seed Company, LLC – a joint venture between the two companies. With a 100% ownership position in PhytoGen® Seed Company, LLC, Corteva became the sole owner of the intellectual property, including patents, trademarks, proprietary germplasm and information, as well as know-how.

Part I

ITEM 1. BUSINESS, *continued*

In 2020, Corteva announced the launch of Brevant™ seeds in the U.S. for sale exclusively through retail locations in the Midwest and Eastern Corn Belt starting with 2021 planting. As a global brand, Brevant™ seeds, which was originally launched in Latin America, Canada, and select European countries in 2018, provides farmers a greater choice with a high-performance retail solution. Brevant™ provides multiple seed offerings including corn, soybeans, sunflowers and canola.

In connection with the validation of breeding plans and large-scale product development timelines focused on rapidly ramping up differentiated technology solutions, during the fourth quarter of 2019, the company began accelerating the ramp up of the Enlist E3™ trait platform in the company's soybean portfolio mix across all brands, including Pioneer® brands, over the subsequent five years. During the ramp-up period, the company is expected to significantly reduce the volume of products with the Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits beginning in 2021, with expected minimal use of the Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® traits thereafter for the remaining term of the non-exclusive license with the Monsanto Company. Refer to Prepaid Royalties within the Critical Accounting Estimates section on page 71 for additional information.

In 2019, Corteva received import authorization from China for the Conkesta™ soybean insect control trait. The trait approval had been in progress in China since 2014. The receipt of China import approval is a necessary step for commercialization of Conkesta E3™ in Latin America, which the company is expecting the latter part of 2021, pending additional regulatory approvals.

In 2019, the company launched Qrome® corn products in U.S. Pioneer® brands. Qrome® products offer growers high yield potential insect control options to help drive productivity for their operations by combining top-tier genetics and strong defensive traits. In 2020, Qrome® products were expanded to the U.S. multi-channel and Canada Pioneer® brands.

The company acquired exclusive rights to the Clearfield® canola production system in North America from BASF in 2019. The Clearfield® canola trait provides non-genetically modified tolerance to imidazolinone herbicides. Clearfield® canola in the Pioneer® and Nexera® brands were already highly established in the market and integrated into the company's breeding, production and commercial processes.

In addition, the company creates digital tools that provide both farmers and internal sales resources with platforms to support agronomic and operational decision-making, particularly in the areas of product selection, targeted crop protection application, and financial analysis, designed to help maximize yield and profitability.

Distribution

The seed segment has a diverse worldwide network which markets and distributes the company's brands to customers, primarily through the company's multi-channel, multi-brand strategy, which includes four differentiated channels: Pioneer agency model, regional brands, retail brands, as well as third parties through licensing and distribution channels.

The Pioneer agency model is unique to Corteva and represents sales made directly to farmers via independent sales representatives. Through this agency model, the company interacts directly with farmers at multiple points in the growing season, from prior to planting all the way through harvest. These regular interactions enable the company to provide the advice and service farmers need while giving the company real-time insights into the customers' future ordering decisions. The company's regional brands connect to customers through regional brand employees and farmer-dealer networks. Retail brands provide a one-stop shop for seed and chemistry solutions and may include sales to distributors, agricultural cooperatives, and dealers. Finally, Corteva out-licenses traits and germplasm to third parties.

Key Raw Materials

The key raw materials for seed include corn and soybean seeds. To produce high-quality seeds, the company contracts with third party growers globally. Corteva focuses on production close to the customer to provide the seed product, which is suitable for that region and its weed, insect and disease challenges, weather, soil and other conditions. The company conditions and packages the seeds using its own plants and third-party contract manufacturers. By striking a balance between owning production facility assets directly and contracting with third party growers, the company believes it is best able to maintain flexibility to react to demand changes unique to each geography while minimizing costs. The company seeks to collaborate with strategic seed growers and share its digital agronomy and product management knowledge with them. The company's third-party growers are an important part of its supply chain. Corteva provides them with rigorous training, planning tools and access to a system that tests and advances products matched to specific geographic needs.

Part I

ITEM 1. BUSINESS, continued

The seed segment's R&D and supply chain groups work seamlessly to select and maintain product characteristics that enhance the quality of its seed products and solutions. Corteva focuses on customer-driven innovation to deliver superior germplasm and trait technologies. With its large sets of digitized data and its seed field management solution, the company can manage its field operations efficiently and draw insights from data quickly and effectively. This allows the company's supply chain to react quickly to changing customer needs and provides R&D with tremendous amounts of data to analyze and incorporate into resource allocation decisions. The company continues to invest in and build capabilities that drive value via data digitization and analytics that enable it to create an even more responsive and efficient answer to customer needs.

Crop Protection

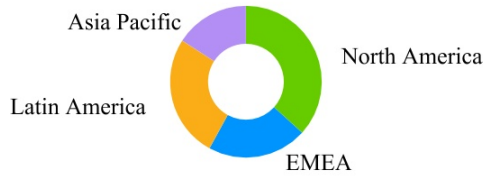
The crop protection segment serves the global agricultural input industry with products that protect against weeds, insects and other pests, and disease, and that improve overall crop health both above and below ground via nitrogen management and seed-applied technologies. The company offers crop protection solutions that provide farmers the tools they need to improve productivity and profitability, and help keep fields free of weeds, insects and diseases. The company is a leader in global herbicides, insecticides, nitrogen stabilizers and pasture and range management herbicides.

Details on the crop protection segment's net sales by major product line and geographic region (based on customer location) are as follows:

2020 Net Sales by Product Line



2020 Net Sales by Geographic Region



Part I

ITEM 1. BUSINESS, *continued*

Products and Brands

The crop protection segment's major brands and technologies, by key product line, are listed below:

Insect and Nematode Management	CLOSER [™] ; DELEGATE [™] ; INTREPID [®] ; ISOCLAST [™] ; LANNATE [™] ; EXALT [®] ; PEXALON [™] ; TRANSFORM [™] ; VYDATE [™] ; OPTIMUM [®] ; RADIANT [™] ; SENTRICON [™] ; ENTRUST [®] SC; GF-120 [™] ; and TRACER [™]
Disease Management	APROACH [™] PRIMA; VESSARYA [®] ; APROACH POWER [™] ; TALENDO [™] ; TALIOUS [®] ; EQUATION PRO [®] ; EQUATION CONTACT [®] ; ZORVEC [™] ; DITHANE [™] ; INATREQ [™] ; CURZATE [™] ; TANOS [™] ; FONTELIS [™] ; ACANTO [®] ; and GALILEO [®]
Weed Control	ARIGO [®] ; ARYLEX [®] ; ENLIST [™] weed control system; ENLIST ONE [™] ; BROADWAY [™] ; RINSKOR [™] ; ZYPAR [™] ; MUSTANG [®] ; GALLANT [™] ; VERDICT [™] ; LANCET [®] ; KERB [®] ; PIXXARO [®] ; QUELEX [™] ; GALLERY [®] ; CENT-7 [®] ; SNAPSHOT [®] ; TRELLIS [®] ; CITADEL [™] ; CLIPPER [™] ; GRANITE [®] ; RAINBOW [™] ; PINDAR [®] GT; VIPER [®] ; WIDEATTACK [®] ; BELKAR [®] ; WIDEMATCH [®] ; PERFECTMATCH [®] ; CLINCHER [™] ; DURANGO [™] ; FENCER [®] ; GARLON [™] ; SONIC [®] ; TEXARO [®] ; KEYSTONE [®] ; PACTO [®] ; LIGATE [®] ; DIMENSION [®] ; TOPSHOT [™] ; RICER [™] ; LOYANT [™] ; CLASSIC [®] ; REALM [®] Q; TRIVENCE [®] ; LONTREL [®] ; GRAZON [®] ; PANZER [®] ; PRIMUS [®] ; RESICORE [®] ; SPIDER [®] ; STARANE [®] ; SURESTART [®] ; and TORDON [®]
Nitrogen Management	INSTINCT [™] ; N-LOCK [™] ; N-SERVE [®] Nitrogen Stabilizer

Key Raw Materials

The key raw materials and supplies for crop protection include chlorinated pyridines derivatives, specialty intermediates and technical grade active ingredients, chlorine, and seed treatments. Typically, the company purchases major raw materials through long-term contracts with multiple suppliers, which sometimes require minimum purchase commitments. Certain important raw materials are supplied by a few major suppliers. The company expects the markets for its raw materials to remain balanced, though pricing may be volatile given the current state of the global economy. The company relies on contract manufacturers, both domestically and internationally, to produce certain inputs or key components for its product formulations. These inputs are typically sourced close to where the company ultimately formulates and sells its products. The company strives to maintain multiple high-quality supply sources for each input.

Corteva's supply chain strategy will involve managing global supplies of active and intermediate ingredients sourced regionally with global best practices and oversight. Corteva's supply strategy includes a robust and flexible global footprint to meet future portfolio growth. The company's supply chain also provides competitive advantages including reducing time to meet customer requirements in regions while minimizing costs through the value chain.

Seasonality

Corteva's sales are generally strongest in the first half of the calendar year, which aligns with the planting and growing season in the northern hemisphere. The company typically generates about 65 percent of its sales in the first half of the calendar year, driven by northern hemisphere seed and crop protection sales. The company generates about 35 percent of its sales in the second half of the calendar year, led by seed sales in the southern hemisphere. The seasonality in sales impacts both the seed and crop protection segments. The company's direct distribution channel, where products are shipped to farmers, is more affected by planting delays than its competitors. Generally speaking, unfavorable weather slows the planting season and can affect the company's quarterly results and sales mix. Severe unfavorable weather, however, can impact overall sales. Accounts receivable tends to be higher during the first half of the year, consistent with the peak sales period in the northern hemisphere, with cash collection focused in the fourth quarter.

Human Capital Management

Corteva aims to attract the best employees, to retain those employees through offering career development and training opportunities while also prioritizing their safety and wellness in an inclusive and productive work environment. The company's strong employee base of approximately 21,000 employees, along with its commitment to Corteva's core values, is a key element to the success of its business.

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ITEM 1. BUSINESS, *continued*

Workforce Composition. As of December 31, 2020, the company globally employs approximately 21,000 employees. In order to address regional specific customer needs within its global business, the company has a geographically diverse employee base with 50%, 16%, 16%, 14% and 4% located in North America, Latin America, Europe, Asia-Pacific and Africa regions, respectively.

Approximately 1% of the workforce is unionized in the United States and another 10% participate in work councils and collective bargaining arrangements outside the United States. In 2020, the company did not experience any work stoppages due to strike or lockouts.

Safety. Living safely is one of the company's core values by which the company manages its business. The company has implemented safety programs and management practices to promote a culture of safety to protect its employees, as well as the environment. This includes required trainings for employees, as well as specific qualifications and certifications for certain operational employees.

Diversity. The company has a robust inclusion, diversity, and equity ("ID&E") vision and strategy, based upon the company's belief that embracing diversity and inclusion benefits the company by creating a workforce with a greater variety of skills and perspectives as a result of their differentiated backgrounds and experiences. Specific ID&E initiatives are identified and tracked to create a culture of belonging where a diverse population of employees are attracted, retained, and engaged. Management is expected to support specific diversity initiatives for their respective geographies and business, as applicable, in order to build a more representative workforce. Critical to creating this environment are company-sponsored employee business resource groups ("BRGs") that support and promote certain mutual objectives of both the employee and the company, including community engagement and the professional development of employees. The BRGs provide a space where employees can foster connections within a supportive environment. As of the 2020 year-end, the company had eight global BRGs, each lead by a member of the company's executive leadership team: Disability Awareness Network; Global African Heritage Alliance; Growing Asian Impact Network; Latin Network; Pride (LGBTQ); Professional Learning Acceleration Network; Veteran's Network; and Women's Inclusion Network.

The company is focused on recruitment of diverse candidates and on internal talent development of its diverse leaders so that they can advance their careers and move into leadership positions within the company. The company monitors its diversity and inclusion efforts through periodic engagement surveys and other measures. The results of the company's efforts, along with its ID&E strategy, are expected to be reviewed periodically with the company's management, and through regular reviews of the company's leadership pipelines with the People and Compensation Committee of the Board of Directors.

Experienced Management. The company believes its management team has the experience necessary to effectively execute its strategy and advance its product pipelines and technology. The company's chief executive officer and executive vice presidents have an average approximately 26 years of agriculture experience and are supported by an experienced and talented management team who is dedicated to maintaining and expanding its position as a global force in the agriculture industry.

Part I

ITEM 1. BUSINESS, *continued*

Intellectual Property

Corteva considers its intellectual property estate, which includes patents, trade secrets, trademarks and copyrights, in the aggregate, to constitute a valuable asset of Corteva and actively seeks to secure intellectual property rights as part of an overall strategy to protect its investment in innovations and maximize the results of its research and development program. While the company believes that its intellectual property estate, taken as a whole, provides a competitive advantage in many of its businesses, no single patent, trademark, license or group of related patents or licenses is in itself essential to the company as a whole or to any of the company's segments.

Trade secrets are an important element of the company's intellectual property. Many of the processes used to make Corteva products are kept as trade secrets which, from time to time, may be licensed to third parties. Corteva vigilantly protects all of its intellectual property including its trade secrets. When the company discovers that its trade secrets have been unlawfully taken, it reports the matter to governmental authorities for investigation and potential criminal action, as appropriate. In addition, the company takes measures to mitigate any potential impact, which may include civil actions seeking redress, restitution and/or damages based on loss to the company and/or unjust enrichment.

Patents & Trademarks: Corteva continually applies for and obtains U.S. and foreign patents and has access to a large patent portfolio, both owned and licensed. Corteva's rights under these patents and licenses, as well as the products made and sold under them, are important to the company in the aggregate. The protection afforded by these patents varies based on country, scope of individual patent coverage, as well as the availability of legal remedies in each country. This significant patent estate may be leveraged to align with the company's strategic priorities within and across product lines. At December 31, 2020, the company owned about 5,400 U.S. patents and about 10,500 active patents outside of the U.S.

Remaining life of granted patents owned as of December 31, 2020:

	Approximate U.S.	Approximate Other Countries
Within 5 years	600	1,100
6 to 10 years	1,300	3,500
11 to 16 years	2,200	5,600
16 to 20 years	1,300	300
Total	5,400	10,500

In addition to its owned patents, the company owns over 6,400 patent applications.

The company also owns or has licensed a substantial number of trade names, trademarks and trademark registrations in the United States and other countries, including approximately 12,500 registrations and pending trademark applications in a number of jurisdictions.

In addition, the company holds multiple long-term biotechnology trait licenses from third parties as a normal course of business. Most corn hybrids and soybean varieties sold to customers contain biotechnology traits licensed from third parties under these long-term licenses.

Competition

The company competes with producers of seed germplasm, trait developers, and crop protection products on a global basis. The global market for products within the industry is highly competitive and the company believes competition has and will continue to intensify with industry consolidation. Corteva competes based on germplasm and trait leadership, price, quality and cost competitiveness and the offering of a holistic solution. The company's key competitors include BASF, Bayer, FMC and ChemChina, as well as companies trading in generic crop protection chemicals and regional seed companies.

Environmental Matters

Information related to environmental matters is included in several areas of this report: (1) Environmental Proceedings beginning on page 29, (2) Management's Discussion and Analysis of Financial Condition and Results of Operations beginning on pages 69, 75-77 and (3) Note 2 - Summary of Significant Accounting Policies, and Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements.

Part I

ITEM 1. BUSINESS, *continued*

Regulatory Considerations

Our seed and crop protection products and operations are subject to certain approval procedures, manufacturing requirements and environmental protection laws and regulations in the jurisdictions in which we operate. We evaluate and test products throughout the research and development phases, and each new technology undergoes further rigorous scientific studies and tests to ensure that the product can be used effectively and that use of the technology is safe for humans and animals and does not cause undue harm to the environment.

The regulatory approval processes and procedures globally are increasingly more complex, which has resulted in additional tests, time investment and higher development and maintenance costs. We continue to invest on an ongoing basis to keep dossiers current, respond to regulators and meet regulatory standards required by global regulatory frameworks. Failure to comply with these regulations or future regulatory bans and restrictions on our products and their use may materially impact our financial performance.

Regulation of Genetically Modified Organisms (“GMOs”)

Genetically modified seed products are subject to regulatory approval processes and procedures. For example, in the United States, the Coordinated Framework for Regulation of Biotechnology governs genetically modified organisms, using existing U.S. legislation and legal authorities on food, feed and environmental safety. Plant GMOs are regulated by the U.S. Department of Agriculture’s (the “USDA”) Animal and Plant Health Inspection Service (the “APHIS”) under the Plant Protection Act. The APHIS assesses the trait to ensure that the trait will not pose a plant pest and is not a noxious weed. GMOs in food are regulated by the Food and Drug Administration (the “FDA”) under the Federal Food, Drug, and Cosmetic Act (the “FFDCA”). The FDA ensures that the food is safe for food and feed. Pesticides and microorganisms containing GMOs are regulated by the Environmental Protection Agency (the “EPA”) pursuant to the Federal Insecticide, Fungicide and Rodenticide Act (the “FIFRA”) and the Toxic Substances Control Act. The EPA assesses the trait or the stack containing the traits to ensure that there is no unreasonable adverse effect to the environment.

Other countries also have rigorous approval processes, procedures, and scientific testing requirements for the cultivation or import of genetically modified seed products. In the United States and other countries that have functioning regulatory systems, a rigorous scientific review is conducted by these agencies to demonstrate that genetically modified products are as safe as traditionally bred, non-biotech/GMO counterparts for food, feed and the environment. Various countries in EMEA; Latin America, and Asia have banned GMOs entirely.

Regulation of Crop Protection Products

Globally, manufacturers of crop protection products, including herbicides, fungicides and insecticides are required to submit an application/dossier and obtain government regulatory approval prior to selling products in a particular country. In the United States, the EPA is responsible for registering and overseeing the approval and marketing of pesticides, pursuant to the FIFRA, the FFDCA and the Food Quality Protection Act. Also, the USDA and the FDA monitor levels of pesticide residue that is allowed on or in crops. Already registered pesticides are required to be re-registered every 15 years to ensure that those products continue to meet the rigorous safety standards set by the regulators. The EPA reevaluates pesticide tolerances every 10 years, taking into account ecological and human health risks, in addition to cumulative risks as a result of multiple routes of and sources of exposure.

Our European operations are subject to the European chemical regulation REACH (“Registration, Evaluation, Authorisation, and Restriction of Chemicals”) and the CLP (“Classification, Labeling, and Packaging of Substances and Mixtures”). Other jurisdictions also have rigorous approval processes, procedures and scientific testing requirements for the approval of crop protection products. We continue to follow legislative and regulatory developments related to pollution and other environmental health and safety matters.

Available Information

The company’s annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports are accessible on Corteva’s website at <http://www.corteva.com/> by clicking on the section labeled “Investors”, then on “Financial Information.” These reports are made available, without charge, as soon as is reasonably practicable after the company files or furnishes them electronically with the SEC. No portion of the company’s website, or the materials contained on it, have been made part of this annual report on Form 10-K or incorporated herein by reference, unless such incorporation is specifically mentioned herein.

Part I

ITEM 1A. RISK FACTORS

Risks Related to our Industry

Corteva may not be able to obtain or maintain the necessary regulatory approvals for some of its products, including its seed and crop protection products, which could restrict its ability to sell those products in some markets.

Regulatory and legislative requirements affect the development, manufacture and distribution of Corteva's products, including the testing and planting of seeds containing Corteva's biotechnology traits and the import of crops grown from those seeds, and non-compliance can harm Corteva's sales and profitability.

Seed products incorporating biotechnology derived traits and crop protection products must be extensively tested for safety, efficacy and environmental impact before they can be registered for production, use, sale or commercialization in a given market. In certain jurisdictions, Corteva must periodically renew its approvals for both biotechnology and crop protection products, which typically require Corteva to demonstrate compliance with then-current standards which generally are more stringent since the prior registration. The regulatory approvals process is lengthy, costly, complex and in some markets unpredictable, with requirements that can vary by product, technology, industry and country. The regulatory approvals process for products that incorporate novel modes of action or new technologies can be particularly unpredictable and uncertain due to the then-current state of regulatory guidelines and objectives, as well as governmental policy considerations and non-governmental organization and other stakeholder considerations.

The successful development and commercialization of Corteva's pipeline products, including Enlist E3™ and Conkesta E3® soybeans, will be necessary for Corteva's growth.

Corteva uses advanced breeding technologies to produce hybrids and varieties with superior performance in farmers' fields and uses biotechnology to introduce traits that enhance specific characteristics of its crops. Corteva also uses advanced analytics, software tools, mobile communications and new planting and monitoring equipment to provide agronomic recommendations to growers. Additionally, Corteva conducts research into biological and chemical products to protect farmers' crops from pests and diseases and enhance plant productivity.

New product concepts may be abandoned for many reasons, including greater anticipated development costs, technical difficulties, lack of efficacy, regulatory obstacles or inability to market under regulatory frameworks, competition, inability to prove the original concept, lack of demand and the need to divert focus, from time to time, to other initiatives with perceived opportunities for better returns. The processes of active ingredient development or discovery, breeding, biotechnology trait discovery and development and trait integration are lengthy, and a very small percentage of the chemicals, genes and germplasm Corteva tests is selected for commercialization. Furthermore, the length of time and the risk associated with the breeding and biotech pipelines are interlinked because both are required as a package for commercial success in markets where biotech traits are approved for growers. For example, the commercial transition to the company's Enlist E3™ and Conkesta E3® soybean technologies, which are packaged with its Enlist One® and Enlist Duo® herbicides, is expected to take the company several years to complete. In countries where biotech traits are not approved for widespread use, Corteva's seed sales depend on the quality of its germplasm. While initial commercialization efforts have been promising, there are no guarantees that anticipated levels of product acceptability within Corteva's markets will be achieved or that higher quality products will not be developed by Corteva's competitors in the future.

Speed in discovering, developing, protecting and responding to new technologies, including new technology-based distribution channels that could facilitate Corteva's ability to engage with customers and end users, and bringing related products to market is a significant competitive advantage. Commercial success frequently depends on being the first company to the market, and many of Corteva's competitors are also making considerable investments in similar new biotechnology products, improved germplasm products, biological and chemical products and agronomic recommendation products.

The degree of public understanding and acceptance or perceived public acceptance of Corteva's biotechnology and other agricultural products and technologies can affect Corteva's sales and results of operations by affecting planting approvals, regulatory requirements and customer purchase decisions.

Concerns and claims regarding the safe use of seeds with biotechnology traits and crop protection products in general, their potential impact on health and the environment, and the perceived impacts of biotechnology on health and the environment, reflect a growing trend in societal demands for increasing levels of product safety and environmental protection. These include concerns and claims that increased use of crop protection products, drift, inversion, volatilization and the use of biotechnology

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ITEM 1A. RISK FACTORS, *continued*

traits meant to reduce the resistance of weeds or pests to control by crop protection products, could increase or accelerate such resistance and otherwise negatively impact health and the environment. These and other concerns could manifest themselves in stockholder proposals, preferred purchasing, delays or failures in obtaining or retaining regulatory approvals, delayed product launches, lack of market acceptance, product discontinuation, continued pressure for and adoption of more stringent regulatory intervention and litigation, termination of raw material supply agreements and legal claims. These and other concerns could also influence public perceptions, the viability or continued sales of certain of Corteva's products, Corteva's reputation and the cost to comply with regulations. As a result, such concerns could have a material adverse effect Corteva's business, results of operations, financial condition and cash flows.

Changes in agricultural and related policies of governments and international organizations may prove unfavorable.

In many markets there are various pressures to reduce government subsidies to farmers, which may inhibit the growth in these markets of products used in agriculture. In addition, government programs that create incentives for farmers may be modified or discontinued. However, it is difficult to predict accurately whether, and if so when, such changes will occur. Corteva expects that the policies of governments and international organizations will continue to affect the planting choices made by growers as well as the income available to growers to purchase products used in agriculture and, accordingly, the operating results of the agriculture industry.

Corteva participates in an industry that is highly competitive and has undergone consolidation, which could increase competitive pressures.

Corteva currently faces significant competition in the markets in which it operates. In most segments of the market, the number of products available to the grower is steadily increasing as new products are introduced. At the same time, certain products are coming off patent and are thus available to generic manufacturers for production and commercialization. Additionally, data analytic tools and web-based new direct purchase models offer increased transparency and comparability, which creates price pressures. Corteva cannot predict the pricing or promotional actions of its competitors. Aggressive marketing or pricing by Corteva's competitors could adversely affect Corteva's business, results of operations and financial conditions. As a result, Corteva continues to face significant competitive challenges.

Furthermore, the detection of biotechnology traits or chemical residues from a crop protection product not approved in the country in which Corteva sells or cultivates its product, or in a country to which Corteva imports its product, may affect Corteva's ability to supply its products or export its products, or even result in crop destruction, product recalls or trade disruption, which could result in lawsuits and termination of licenses related to biotechnology traits and raw material supply agreements. Delays in obtaining regulatory approvals to import, including those related to the importation of crops grown from seeds containing certain traits or treated with specific chemicals, may influence the rate of adoption of new products in globally traded crops.

Additionally, the regulatory environment may be impacted by the activities of non-governmental organizations and special interest groups and stakeholder reaction to actual or perceived impacts of new and existing technology, products or processes on safety, health and the environment. Obtaining and maintaining regulatory approvals requires submitting a significant amount of information and data, which may require participation from technology providers. Regulatory standards and trial procedures are continuously changing. In addition, Corteva has seen an increase in recent years in the number of lawsuits filed by those who identify themselves as public or environmental interest groups seeking to invalidate pesticide product registrations and/or challenge the way federal or state governmental entities apply the rules and regulations governing pesticide produce use. The pace of change together with the lack of regulatory harmony could result in unintended noncompliance. Responding to these changes and meeting existing and new requirements may involve significant costs or capital expenditures or require changes in business practice that could result in reduced profitability. The failure to receive necessary permits or approvals could have near- and long-term effects on Corteva's ability to produce and sell some current and future products.

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ITEM 1A. RISK FACTORS, *continued*

Corteva's business may be materially affected by competition from manufacturers of generic products.

Competition from manufacturers of generic products is a challenge for Corteva's branded products around the world, and the loss or expiration of intellectual property rights can have a significant adverse effect on Corteva's revenues. The date at which generic competition commences may be different from the date that the patent or regulatory exclusivity expires. However, upon the loss or expiration of patent protection for one of Corteva's products or of a product that Corteva licenses, or upon the "at-risk" launch (despite pending patent infringement litigation against the generic product) by a generic manufacturer of a generic version of one of Corteva's patented products or of a product that Corteva licenses, Corteva can lose a major portion of revenues for that product, which can have a material adverse effect on Corteva's business.

The costs of complying with evolving regulatory requirements could negatively impact Corteva's business, results of operations and financial condition. Actual or alleged violations of environmental laws or permit requirements could result in restrictions or prohibitions on plant operations, substantial civil or criminal sanctions, as well as the assessment of strict liability and/or joint and several liability.

Corteva is subject to extensive federal, state, local and foreign laws, regulations, rules and ordinances relating to pollution, protection of the environment, waste water discharges, the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials and the use of genetically modified seeds and crop protection active ingredients by growers.

Environmental and health and safety laws, regulations and standards expose Corteva to the risk of substantial costs and liabilities, including liabilities associated with Corteva's business and the discontinued and divested businesses and operations of EID. As is typical for businesses like Corteva's, soil and groundwater contamination has occurred in the past at certain sites and may be identified at other sites in the future. Disposal of waste from Corteva's business at off-site locations also exposes it to potential remediation costs. Consistent with past practice, Corteva is continuing to monitor, investigate and remediate soil and groundwater contamination at several of these sites.

Costs and capital expenditures relating to environmental, health or safety matters are subject to evolving regulatory requirements and depend on the timing of the promulgation and enforcement of specific standards which impose the requirements. Moreover, changes in environmental regulations could inhibit or interrupt Corteva's operations, or require modifications to its facilities. Accordingly, environmental, health or safety regulatory matters could result in significant unanticipated costs or liabilities, which may be materially higher than Corteva's accruals.

Climate change and unpredictable seasonal and weather factors could impact Corteva's sales and earnings.

The agriculture industry is subject to seasonal and weather factors, which can vary unpredictably from period to period. Weather factors can affect the presence of disease and pests on a regional basis and, accordingly, can positively or adversely affect the demand for crop protection products, including the mix of products used or the level of returns. The weather also can affect the quality, volume and cost of seed produced for sale as well as demand and product mix. Seed yields can be higher or lower than planned, which could lead to higher inventory and related write-offs. Climate change may increase the frequency or intensity of extreme weather such as storms, floods, heat waves, droughts and other events that could affect the quality, volume and cost of seed produced for sale as well as demand and product mix. Climate change may also affect the availability and suitability of arable land and contribute to unpredictable shifts in the average growing season and types of crops produced.

Reduction in ethanol demand driven by declines in crude oil and gasoline consumption could negatively impact demand for corn, which can negatively impact the company's business, financial condition and results of operations.

During 2020 global and U.S. crude oil price benchmarks suffered record declines in demand resulting from the COVID-19 pandemic stay-at-home orders and over-supply due to price disputes between Russia and Saudi Arabia. U.S. ethanol producers have shut down their facilities and declared "force majeure" on shipments for corn purchases due to depressed demand. Similar trends with respect to bio-fuels, like ethanol, are occurring globally. Approximately one-third of U.S. corn has been historically used in the production of ethanol for gasoline. However, U.S. ethanol supplies bottomed at approximately 53% of its pre-COVID-19 U.S. lockdown levels in April 2020 and have not yet rebounded to pre-COVID lockdown levels. This lost corn utilization to manufacture ethanol may add to ending corn inventory stock. Continued declines in the demand for corn, or over-supply, will negatively impact our business, financial condition, and results of operations.

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ITEM 1A. RISK FACTORS, *continued*

Corteva's sales to its customers may be adversely affected should a company successfully establish an intermediary platform for the sale of Corteva's products or otherwise position itself between Corteva and its customers.

Corteva services customers primarily through the Pioneer direct sales channel in key agricultural geographies, including the United States. In addition, Corteva supplements this approach with strong retail channels, including distributors, agricultural cooperatives and dealers, and with digital solutions that assist farmer decision-making with a view to optimize their product selection and maximize their yield and profitability. While Corteva expects the indirect channels and its digital platform will extend its reach and increase exposure of its products to other potential customers, including smaller farmers or farmers in less concentrated areas, there can be no assurance that Corteva will be successful in this regard. If a competitor were to successfully establish an intermediary platform for distribution of Corteva's products, especially with respect to Corteva's digital platform, it may disrupt Corteva's distribution model and inhibit Corteva's ability to provide a complete go-to-market strategy covering the direct, dealer and retail channels. In such a circumstance, Corteva's sales may be adversely affected.

Risks Related to Our Operations

Corteva is dependent on its relationships or contracts with third parties with respect to certain of its raw materials or licenses and commercialization.

Corteva is dependent on third parties in the research, development and commercialization of its products and enters into transactions including, but not limited to, supply agreements and licensing agreements in connection with Corteva's business. The majority of Corteva's corn hybrids and soybean varieties sold to customers contain biotechnology traits that Corteva licenses from third parties under long-term licenses. If Corteva loses its rights under such licenses, it could negatively impact Corteva's ability to obtain future licenses on competitive terms, commercialize new products and generate sales from existing products. To maintain such licenses, Corteva may elect to out-license its technology, including germplasm. There can be no guarantee that such out-licensing will not ultimately strengthen Corteva's competition thereby adversely impacting Corteva's results of operations.

While Corteva relies heavily on third parties for multiple aspects of its business and commercialization activities, Corteva does not control many aspects of such third parties' activities. Third parties may not complete activities on schedule or in accordance with Corteva's expectations. Failure by one or more of these third parties to meet their contractual or other obligations to Corteva or to comply with applicable laws or regulations, or any disruption in the relationship between Corteva and one or more of these third parties could delay or prevent the development, approval or commercialization of Corteva's products and could also result in non-compliance or reputational harm, all with potential negative implications for Corteva's business.

In addition, Corteva's agreements with third parties may obligate it to meet certain contractual or other obligations to third parties. For example, Corteva may be obligated to meet certain thresholds or abide by certain boundary conditions. If Corteva were to fail to meet such obligations to the third parties, its relationship with such third parties may be disrupted. Such a disruption could negatively impact certain of Corteva's licenses on which it depends, could cause reputational harm, and could negatively affect Corteva's business, results of operations and financial condition.

Corteva's business, results of operations and financial condition could be adversely affected by industrial espionage and other disruptions to its supply chain, information technology or network systems.

Business and/or supply chain disruptions, plant and/or power outages and information technology system and/or network disruptions, regardless of cause including acts of sabotage, employee error or other actions, geo-political activity, local epidemics or pandemics, weather events and natural disasters could seriously harm Corteva's operations as well as the operations of its customers and suppliers. For example, a pandemic in locations where Corteva has significant operations, sales, or key suppliers could have a material adverse effect on Corteva's results of operations. In addition, terrorist attacks and natural disasters have increased stakeholder concerns about the security and safety of chemical production and distribution.

Business and/or supply chain disruptions may also be caused by security breaches, which could include, for example, attacks on information technology and infrastructure by hackers, viruses, breaches due to employee error or actions or other disruptions. Corteva and/or its suppliers may fail to effectively prevent, detect and recover from these or other security breaches and, as a consequence, such breaches could result in misuse of Corteva's assets, business disruptions, loss of property including trade

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ITEM 1A. RISK FACTORS, *continued*

secrets and confidential business information, legal claims or proceedings, reporting errors, processing inefficiencies, negative media attention, loss of sales and interference with regulatory compliance.

Like most major corporations, Corteva is the target of industrial espionage, including cyber-attacks, from time to time. Corteva has determined that these incidents have resulted, and could result in the future, in unauthorized parties gaining access to certain confidential business information. However, to date, Corteva has not experienced any material financial impact, changes in the competitive environment or impact on business operations from these events. Although management does not believe that Corteva has experienced any material losses to date related to industrial espionage and security breaches, including cybersecurity incidents, there can be no assurance that Corteva will not suffer such losses in the future.

Corteva actively manages the risks within its control that could lead to business disruptions and security breaches. As these threats continue to evolve, particularly around cybersecurity, Corteva may be required to expend significant resources to enhance its control environment, processes, practices and other protective measures. Despite these efforts, such events could also have a material adverse effect on Corteva's business, financial condition, results of operations and reputation. Additionally, any losses from such an event may be excluded from, or in excess of the coverages provided by Corteva's insurance policies.

Volatility in Corteva's input costs, which include raw materials and production costs, could have a significant impact on Corteva's business, results of operations and financial condition.

Corteva's input costs are variable based on the costs associated with production or with raw materials Corteva uses. For example, Corteva's production costs vary, especially on a seasonal basis where changes in weather influence supply and demand. In addition, Corteva's manufacturing processes consume significant amounts of raw materials, the costs of which are subject to worldwide supply and demand as well as other factors beyond Corteva's control. Corteva refers to these costs collectively as input costs. Significant variations in input costs affect Corteva's operating results from period to period.

When possible, Corteva purchases raw materials through negotiated long-term contracts to minimize the impact of price fluctuations. Corteva also enters into over-the-counter and exchange traded derivative commodity instruments to hedge its exposure to price fluctuations on certain raw material purchases. In addition, Corteva takes actions to offset the effects of higher input costs through selling price increases, productivity improvements and cost reduction programs. Success in offsetting higher input costs with price increases is largely influenced by competitive and economic conditions and could vary significantly depending on the market served. If Corteva is not able to fully offset the effects of higher input costs, it could have a significant impact on its financial results.

Corteva may be unable to achieve all the benefits that it expects to achieve from future restructuring and other cost savings initiatives, which may adversely affect Corteva's results and negatively affect the value of Corteva common stock.

Restructurings, cost savings programs, synergy expectations and other similar initiatives can be complex, costly and time-consuming processes. Management may face significant challenges in implementing or realizing the expected benefits from these programs, many of which may be beyond the control of management, including, without limitation:

- difficulties in achieving anticipated cost savings, synergies, business opportunities and growth prospects;
- the possibility of faulty assumptions underlying expectations regarding the integration or separation process, including with respect to the intended tax efficient transactions;
- unanticipated issues in integrating, replicating or separating information technology, communications programs, financial procedures and operations, and other systems, procedures and policies;
- addressing differences in business culture and retaining key personnel;
- unanticipated changes in applicable laws and regulations;
- managing tax costs or inefficiencies associated with integrating the operations of Corteva and the intended tax efficient separation transactions;

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ITEM 1A. RISK FACTORS, *continued*

- coordinating geographically separate organizations;
- failing to successfully optimize Corteva's facilities footprint and operational programs; and
- failing to otherwise integrate EID's or DAS's respective agriculture businesses, including their technology platforms.

Some of these factors are outside of Corteva's control and any one of them could result in increased costs and diversion of management's time and energy, as well as decreases in the amount of expected revenue which could materially impact Corteva's business, financial condition and results of operations.

If the anticipated benefits and cost savings from restructurings, cost saving initiatives or transactions are not realized fully or take longer to realize than expected, the value of Corteva's common stock, revenues, levels of expenses and results of operations may be affected adversely. There can be no assurance that Corteva will be able to sustain any or all the cost savings generated from its restructurings or cost savings initiatives.

Corteva's liquidity, business, results of operations and financial condition could be impaired if it is unable to raise capital through the capital markets or short-term debt borrowings.

Any limitation on Corteva's ability to raise money in the capital markets or through short-term debt borrowings could have a substantial negative effect on Corteva's liquidity. Corteva's ability to affordably access the capital markets and/or borrow short-term debt in amounts adequate to finance its activities could be impaired as a result of a variety of factors, including factors that are not specific to Corteva, such as a severe disruption of the financial markets and, in the case of debt securities or borrowings, interest rate fluctuations. Due to the seasonality of Corteva's business and the credit programs Corteva may offer its customers, net working capital investment and corresponding debt levels will fluctuate over the course of the year.

Corteva regularly extends credit to its customers to enable them to purchase seeds or crop protection products at the beginning of the growing season. The customer receivables may be used as collateral for short-term financing programs. Any material adverse effect upon Corteva's ability to own or sell such customer receivables, including seasonal factors that may impact the amount of customer receivables Corteva owns, may materially impact Corteva's access to capital.

Corteva has additional agreements with financial institutions to establish programs that provide financing for select customers of Corteva's seed and crop protection products in the United States, Latin America, Europe and Asia. The programs are renewed on an annual basis. In most cases, Corteva guarantees the extension of such credit to such customers. If Corteva is unable to renew these agreements or access the debt markets to support customer financing, Corteva's sales may be negatively impacted, which could result in increased borrowing needs to fund working capital.

Corteva's earnings, operations and business, among other things, will impact its credit ratings, costs and availability of financing. A decrease in the ratings assigned to Corteva or EID by the ratings agencies may negatively impact Corteva's access to the debt capital markets and increase Corteva's cost of borrowing and the financing of its seasonal working capital.

There can be no assurance that Corteva or EID will maintain its current or prospective credit ratings. Any actual or anticipated changes or downgrades in such credit ratings may have a negative impact on Corteva's liquidity, capital position or access to capital markets.

Corteva's customers may be unable to pay their debts to Corteva, which could adversely affect Corteva's results.

Corteva offers its customers financing programs with credit terms generally less than one year from invoicing in alignment with the growing season. Due to these credit practices as well as the seasonality of Corteva's operations, Corteva may need to issue short-term debt at certain times of the year to fund its cash flow requirements. Corteva's customers may be exposed to a variety of conditions that could adversely affect their ability to pay their debts. For example, customers in economies experiencing an economic downturn or in a region experiencing adverse growing conditions may be unable to repay their obligations to Corteva, which could adversely affect Corteva's results.

Increases in pension and other post-employment benefit plan funding obligations may adversely affect Corteva's results of operations, liquidity or financial condition.

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ITEM 1A. RISK FACTORS, *continued*

Through Corteva's ownership of EID, Corteva maintains EID defined benefit pension and other post-employment benefit plans. For some of these plans, including EID's principal U.S. pension plan, Corteva continues as sponsor for the entire plan regardless of whether participants, including retirees, are or were associated with EID's agriculture business. Corteva uses many assumptions in calculating its expected future payment obligations under these plans. Significant adverse changes in credit or market conditions could result in actual rates of returns on pension investments being lower than assumed. In addition, expected future payment obligations may be adversely impacted by changes in assumptions regarding participants, including retirees. In 2021, Corteva expects to contribute approximately \$47 million to its pension plans other than the principal U.S. pension plan, and about \$217 million for its other post-employment benefit ("OPEB") plans. Additionally, Corteva may make potential discretionary contributions to the principal U.S. pension plan in 2021. Corteva, furthermore, may be required to make significant contributions to its pension plans in the future, which could adversely affect Corteva's results of operations, liquidity and financial condition.

Corteva's business, results of operations and financial condition could be adversely affected by environmental, litigation and other commitments and contingencies.

As a result of Corteva's operations, including past operations and those related to divested businesses and discontinued operations of EID, Corteva incurs environmental operating costs for pollution abatement activities including waste collection and disposal, installation and maintenance of air pollution controls and wastewater treatment, emissions testing and monitoring and obtaining permits. Corteva also incurs environmental operating costs related to environmental related research and development activities including environmental field and treatment studies as well as toxicity and degradation testing to evaluate the environmental impact of products and raw materials. In addition, Corteva maintains and periodically reviews and adjusts its accruals for probable environmental remediation and restoration costs.

Corteva expects to continue to incur environmental operating costs since it will operate global manufacturing, product handling and distribution facilities that are subject to a broad array of environmental laws and regulations. These rules are subject to change by the implementing governmental agency, which Corteva monitors closely. Corteva's policy requires that its operations fully meet or exceed legal and regulatory requirements. In addition, Corteva expects to continue certain voluntary programs, and could consider additional voluntary actions, to reduce air emissions, minimize the generation of hazardous waste, decrease the volume of water use and discharges, increase the efficiency of energy use and reduce the generation of persistent, bioaccumulative and toxic materials. Costs to comply with complex environmental laws and regulations, as well as internal voluntary programs and goals, are significant and Corteva expects these costs will continue to be significant for the foreseeable future. Over the long term, such expenditures are subject to considerable uncertainty and could fluctuate significantly.

Corteva accrues for environmental matters when it is probable that a liability has been incurred and the amount can be reasonably estimated. As remediation activities vary substantially in duration and cost from site to site, it is difficult to develop precise estimates of future site remediation costs. Corteva expects to base such estimates on several factors, including the complexity of the geology, the nature and extent of contamination, the type of remedy, the outcome of discussions with regulatory agencies and other Potentially Responsible Parties ("PRPs") at multi-party sites and the number of, and financial viability of, other PRPs. Considerable uncertainty exists with respect to environmental remediation costs and, under adverse changes in circumstances, the potential liability may be materially higher than Corteva's accruals.

Corteva faces risks arising from various unasserted and asserted litigation matters arising out of the normal course of its current and former business operations, including intellectual property, commercial, product liability, environmental and antitrust lawsuits. Corteva has noted a trend in public and private suits being filed on behalf of states, counties, cities and utilities alleging harm to the general public and the environment, including waterways and watersheds. Claims alleging harm to the public and the environment may be brought against Corteva, notwithstanding years of scientific evidence and regulatory determinations supporting the safety of crop protection products. The litigation involving Monsanto's Roundup[®] non-selective glyphosate containing weedkiller products has resulted in negative publicity and sentiment and may lead to similar suits with respect to glyphosate-containing products and/or other established crop protection products. Claims and allegations that Corteva's products or products that Corteva manufactures or markets on behalf of third parties are not safe could result in litigation, damage to Corteva's reputation and have a material adverse effect on Corteva's business. It is not possible to predict the outcome of these various proceedings and any potential impact on Corteva. An adverse outcome in any one or more of these matters may result in losses not fully covered by Corteva's insurance policies, and could be material to Corteva's financial results. Various factors or developments can lead to changes in current estimates of liabilities. Such factors and developments may include, but are not limited to, additional data, safety or risk assessments, as well as a final adverse judgment, significant

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ITEM 1A. RISK FACTORS, *continued*

settlement or changes in applicable law. A future adverse ruling or unfavorable development could result in future charges that could have a material adverse effect on Corteva.

The company, pursuant to the respective Separation Agreements, is entitled to cost sharing and indemnification from Chemours, Dow and DuPont, as applicable, for certain litigation, environmental, workers' compensation and other liabilities related to its historical operations. In connection with the recognition of liabilities related to these matters, Corteva records an indemnification asset when recovery is deemed probable. These estimates of recovery are subject to various factors and developments that could result in differences from future estimates or the actual recovery. As of December 31, 2020, the indemnification assets pursuant to the Chemours Separation Agreement and the Corteva Separation Agreement are in aggregate \$98 million within accounts and notes receivable - net and \$308 million within other assets in the company's Consolidated Balance Sheet. Any failure by, or inability to pay, these liabilities in line with the indemnification provisions of the Separation Agreements may have a material adverse effect on Corteva and its financial condition and results of operations.

In the ordinary course of business, Corteva may make certain commitments, including representations, warranties and indemnities relating to current and past operations, including those related to divested businesses and issue guarantees of third party obligations. If Corteva were required to make payments as a result, they could exceed the amounts accrued, thereby adversely affecting Corteva's financial condition and results of operations.

Corteva's operations outside the United States are subject to risks and restrictions, which could negatively affect Corteva's business, results of operations and financial condition.

Corteva's operations outside the United States are subject to risks and restrictions, including fluctuations in foreign-currency exchange rates; exchange control regulations; corruption risks; competitive restrictions; changes in local political or economic conditions; import and trade restrictions; import or export licensing requirements and trade policy; and other potentially detrimental domestic and foreign governmental practices or policies affecting U.S. companies doing business abroad. In addition, Corteva's international operations are sometimes in countries with unstable governments, economic or fiscal challenges, military or political conflicts, local epidemics or pandemics, significant levels of crime and organized crime, or developing legal systems. This may increase the risk to the company's employees, subcontractors or other parties, and to other liabilities, such as property loss or damage to the company's products, and may affect Corteva's ability to safely operate in, or import into, or receive raw materials from these countries.

Additionally, Corteva's ability to export its products and its sales outside the United States has been, and may continue to be adversely affected by significant changes in trade, tax or other policies, including the risk that other countries may retaliate through the imposition of their own trade restrictions and/or increased tariffs in response to substantial changes to U.S. trade and tax policies.

Although Corteva has operations throughout the world, Corteva's sales outside the United States in 2020 were principally to customers in Brazil, Eurozone countries, and Canada. Further, Corteva's largest currency exposures are the Brazilian Real, Swiss franc, European Euro ("EUR"), and Canadian dollar. Market uncertainty or an economic downturn in these geographic areas could reduce demand for Corteva's products and result in decreased sales volume, which could have a negative impact on Corteva's results of operations. In addition, changes in exchange rates may affect Corteva's results of operations, financial condition and cash flows in future periods. Corteva actively manages currency exposures that are associated with net monetary asset positions and committed purchases.

Failure to effectively manage acquisitions, divestitures, alliances and other portfolio actions could adversely impact Corteva's future results.

From time to time Corteva evaluates acquisition candidates that may strategically fit Corteva's business and/or growth objectives. If Corteva is unable to successfully integrate and develop acquired businesses, Corteva could fail to achieve anticipated synergies and cost savings, including any expected increases in revenues and operating results, which could have a material adverse effect on Corteva's financial results. Corteva continually reviews its portfolio of assets for contributions to its objectives and alignment with its growth strategy. However, Corteva may not be successful in separating underperforming or non-strategic assets and gains or losses on the divestiture of, or lost operating income from, such assets may affect Corteva's earnings. Moreover, Corteva might incur asset impairment charges related to acquisitions or divestitures that reduce its earnings. In addition, if the execution or implementation of acquisitions, divestitures, alliances, joint ventures and other portfolio actions is not successful, it could adversely impact Corteva's financial condition, cash flows and results of operations.

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ITEM 1A. RISK FACTORS, *continued*

Global or regional health pandemics or epidemics, including COVID-19, could negatively impact the company's business, financial condition and results of operations.

Corteva's business, financial condition, and results of operations could be negatively impacted by COVID-19 or other pandemics or epidemics. The severity, magnitude and duration of the current COVID-19 pandemic and future outbreaks is uncertain, rapidly changing and difficult to predict. To date, the COVID-19 pandemic has negatively impacted foreign currency exchange rates, as a result of a generally stronger U.S. dollar relative to other currencies in the countries in which the company operates, which has adversely affected the company's reported results of operations. These relative differences could widen and further adversely impact our results of operations and financial condition.

COVID-19 and the related government-imposed restrictions, including stay at home orders, has significantly impacted other economic activity and markets around the world, which could negatively impact the company's business, financial condition, and results of operations in numerous ways, including but not limited to those outlined below:

- Current and future COVID-19 outbreaks and resulting illness, travel restrictions and workforce disruptions could impact Corteva's global supply chain, its operations and its routes to market or those of its suppliers, co-manufacturers, or customers/distributors. These disruptions or the company's failure to effectively respond to them could increase product or distribution costs, alter the timing of recognizing manufacturing costs, or impact the delivery of products to customers.
- Government or regulatory responses to pandemics could negatively impact the company's business. Mandatory lockdowns or other restrictions on operations in certain countries have temporarily disrupted the company's ability to operate or distribute its products in these markets. Continuation or expansion of these disruptions could materially adversely impact the company's operations and results.
- Reductions to the company's forecasted profitability and continued global economic decline could trigger potential impairment of the carrying value of goodwill or other indefinite and definite-lived intangible assets.
- The instability or unavailability of a farm workforce to harvest agricultural products could impact the company's customers' ability to monetize their crop and potentially impact the collection of the company's customer receivables.
- Continued commodity cost volatility is expected and the company's commodity hedging activities may not sufficiently offset this volatility. Depressed commodity prices may increase the insolvency risk of Corteva's customers in the longer-term, along with reducing the demand for Corteva's products.
- Disruptions or uncertainties related to the COVID-19 outbreak for a sustained period of time could result in delays or modifications to the company's strategic plans and productivity initiatives.
- Increased volatility and pricing in the capital and commercial paper markets may reoccur and impact the company's access to preferred sources of liquidity resulting in higher borrowing costs. The company cannot assure investors that additional liquidity will be readily available or available on favorable terms.
- Increased market volatility may bring unprecedented market conditions making it difficult for the company to adequately forecast customer demand or price its products.

Therefore, the impact of the recent COVID-19 outbreak and the unprecedented economic conditions resulting from it will have on the company's consolidated results of operations is uncertain, but could still negatively impact the company's business operations, financial performance and results of operations in the future.

Corteva's business or stock price could be negatively affected as a result of actions of activist stockholders.

Corteva's board of directors and management value constructive input from our stockholders and are committed to acting in the best interests of all our stockholders. However, Corteva may be subject to actions or proposals from stockholders or others that may not align with its business strategies or the interests of our other stockholders.

The company recently received a notice from Starboard Value and Opportunity Master Fund Ltd. ("Starboard") of its intention to nominate eight director candidates for election to the company's board of directors at the company's 2021 Annual Meeting of Stockholders. Starboard has also made public statements calling for changes to our management. Responding to these actions by Starboard and potential actions by other activist stockholders could be costly and time-consuming, disrupt the company's operations and divert the attention of its board of directors, management and our employees. A contested election with respect to the company's directors could also require the company to incur substantial legal, public relations and other advisory fees and proxy solicitation expenses. In addition, perceived uncertainties as to Corteva's future direction, strategy or leadership created

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ITEM 1A. RISK FACTORS, *continued*

as a consequence of activist stockholder initiatives may result in the loss of potential business opportunities, harm our ability to attract new investors, customers, employees, suppliers and other strategic partners. The perceived uncertainties as to the company's future direction, strategy or leadership, also could cause our stock price to experience periods of volatility.

Risks Related to Our Intellectual Property

Enforcing Corteva's intellectual property rights, or defending against intellectual property claims asserted by others, could materially affect Corteva's business, results of operations and financial condition.

Intellectual property rights, including patents, plant variety protection, trade secrets, confidential information, trademarks, trade names and other forms of trade dress, are important to Corteva's business. Corteva endeavors to protect its intellectual property rights in jurisdictions in which its products are produced or used and in jurisdictions into which its products are imported. However, Corteva may be unable to obtain protection for its intellectual property in key jurisdictions. Further, changes in government policies and regulations, including changes made in reaction to pressure from non-governmental organizations, or the public generally, could impact the extent of intellectual property protection afforded by such jurisdictions.

Corteva has designed and implemented internal controls to restrict use of, access to and distribution of its intellectual property. Despite these precautions, Corteva's intellectual property is vulnerable to infringement, misappropriation and other unauthorized access, including through employee or licensee error or actions, theft and cybersecurity incidents, and other security breaches. When unauthorized access and use or counterfeit products are discovered, Corteva reports such situations to governmental authorities for investigation, as appropriate, and takes measures to mitigate any potential impact. Protecting intellectual property related to biotechnology is particularly challenging because theft is difficult to detect and biotechnology can be self-replicating.

Competitors are increasingly challenging intellectual property positions and the outcomes can be highly uncertain. Third parties may claim Corteva's products violate their intellectual property rights. Defending such claims, even those without merit, could be time-consuming and expensive. In addition, any such claim could result in Corteva's having to enter into license agreements, develop non-infringing products or engage in litigation that could be costly. If challenges are resolved adversely, it could negatively impact Corteva's ability to obtain licenses on competitive terms, develop and commercialize new products and generate sales from existing products.

In addition, because of the rapid pace of technological change, the confidentiality of patent applications in some jurisdictions and/or the uncertainty in predicting the outcome of complex proceedings relating to ownership and the scope of patents relating to certain emerging technologies, competitors may be issued patents related to Corteva's business unexpectedly. These patents could reduce the value of Corteva's commercial or pipeline products or, to the extent they cover key technologies on which Corteva has relied, require Corteva to seek to obtain licenses (and Corteva cannot ensure it would be able to obtain such a license on acceptable terms) or cease using the technology, no matter how valuable to Corteva's business.

Legislation and jurisprudence on patent protection is evolving and changes in laws could affect Corteva's ability to obtain or maintain patent protection for, and otherwise enforce Corteva's patents related to, its products.

Corteva's business may be adversely affected by the availability of counterfeit products.

A counterfeit product is one that has been deliberately and fraudulently mislabeled as to its identity and source. A counterfeit Corteva product, therefore, is one manufactured by someone other than Corteva, but which appears to be the same as an authentic Corteva product. The prevalence of counterfeit products is a significant and growing industry-wide issue due to a variety of factors, including, but not limited to, the following: the widespread use of the Internet, which has greatly facilitated the ease by which counterfeit products can be advertised, purchased and delivered to individual consumers; the availability of sophisticated technology that makes it easier for counterfeiters to make counterfeit products; and the relatively modest risk of penalties faced by counterfeiters compared to the large profits that can be earned by them from the sale of counterfeit products. Further, laws against counterfeiting vary greatly from country to country, and the enforcement of existing laws varies greatly from jurisdiction to jurisdiction. For example, in some countries, counterfeiting is not a crime; in others, it may result in only minimal sanctions. In addition, those involved in the distribution of counterfeit products use complex transport routes to evade customs controls by disguising the true source of their products.

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ITEM 1A. RISK FACTORS, *continued*

Corteva's global reputation makes its products prime targets for counterfeiting organizations. Counterfeit products pose a risk to consumer health and safety because of the conditions under which they are manufactured (often in unregulated, unlicensed, uninspected and unsanitary sites) as well as the lack of regulation of their contents. Failure to mitigate the threat of counterfeit products, which is exacerbated by the complexity of the supply chain, could adversely impact Corteva's business by, among other things, causing the loss of consumer confidence in Corteva's name and in the integrity of its products, potentially resulting in lost sales and an increased threat of litigation.

Corteva undertakes significant efforts to counteract the threats associated with counterfeit products, including, among other things, working with regulatory authorities and multinational coalitions to combat the counterfeiting of products and supporting efforts by law enforcement authorities to prosecute counterfeiters; assessing new and existing technologies to seek to make it more difficult for counterfeiters to copy Corteva's products and easier for consumers to distinguish authentic from counterfeit products; working diligently to raise public awareness about the dangers of counterfeit products; working collaboratively with wholesalers, customs offices and law enforcement agencies to increase inspection coverage, monitor distribution channels and improve surveillance of distributors; and working with other members of an international trade association of agrochemical companies to promote initiatives to combat counterfeiting activity. No assurance can be given, however, that Corteva's efforts and the efforts of others will be entirely successful, and the presence of counterfeit products may continue to increase.

Restrictions under the intellectual property cross-license agreements limit Corteva's ability to develop and commercialize certain products and services and/or prosecute, maintain and enforce certain intellectual property.

The company is dependent to a certain extent on DuPont and Dow to maintain and enforce certain of the intellectual property licensed under the Intellectual Property Cross-License Agreements. For example, DuPont and Dow are responsible for filing, prosecuting and maintaining (at their respective discretion) patents on trade secrets and know-how that they each respectively license to Corteva. They also have the first right to enforce their respective trade secrets and know-how licensed to Corteva. If DuPont or Dow, as applicable, fails to fulfill its obligations or chooses to not enforce the licensed patents, trade secrets or know-how under the Intellectual Property Cross-License Agreements, the company may not be able to prevent competitors from making, using and selling competitive products and services.

In addition, Corteva's use of the intellectual property licensed to it under the Intellectual Property Cross-License Agreements is restricted to certain fields, which could limit Corteva's ability to develop and commercialize certain products and services. For example, the licenses granted to Corteva under the agreement will not extend to all fields of use that the company may decide to enter into in the future. These restrictions may make it more difficult, time consuming and/or expensive for Corteva to develop and commercialize certain new products and services, or may result in certain of its products or services being later to market than those of its competitors.

Risks Related to The Separation

The company may be unable to achieve some or all of the benefits that it expected to achieve from the Separation from DowDuPont.

Corteva continues to, among other things, focus its financial and operational resources on its specific business, growth profile and strategic priorities, guide its processes and infrastructure to focus on its core strengths, maintain a capital structure designed to meet its specific needs and more effectively respond to agricultural industry dynamics, all of which are benefits the company expected to achieve from its Separation. However, the company may be unable to fully achieve some or all of these benefits.

For example, in order to position itself for the Separation and Distribution, the company undertook a series of strategic, structural and process realignment and restructuring actions within its operations. These actions may not provide the benefits the company expected, and could lead to disruption of operations, loss of, or inability to recruit, key personnel needed to operate and grow its businesses following the Separation, weakening of its internal standards, controls or procedures and impairment of its key customer and supplier relationships. If the company fails to achieve some or all of the benefits that it expected to achieve as an independent company, or does not achieve them in the time expected, its business, financial condition and results of operations could be materially and adversely affected.

Further, the company's business traditionally was operated under the umbrella of DowDuPont's corporate organization, with portions of its businesses being integrated with the businesses of Historical DuPont and Historical Dow. This integration has

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ITEM 1A. RISK FACTORS, *continued*

historically permitted its business (or portions thereof) to enjoy economies of scope and scale in costs, employees, vendor relationships and customer relationships, both as part of the DowDuPont organization and within the Historical DuPont and Historical Dow internal corporate structures. The loss of these benefits could have a material adverse effect on the company's business, results of operations and financial condition.

In connection with the Separation the company has assumed, and agreed to indemnify DuPont and Dow for, certain liabilities. If the company is required to make payments pursuant to these indemnities, the company may need to divert cash to meet those obligations and its financial results could be negatively impacted. In addition, DuPont and Dow will indemnify Corteva for certain liabilities. These indemnities may not be sufficient to insure the company against the full amount of liabilities it incurs, and DuPont and/or Dow, and/or their historical separated businesses, may not be able to satisfy their indemnification obligations in the future.

Pursuant to the Separation Agreement, the Employee Matters Agreement and the Tax Matters Agreement with DuPont and Dow, the company agreed to assume, and indemnify DuPont and Dow for, certain liabilities for uncapped amounts, which may include, among other items, associated defense costs, settlement amounts and judgments, as discussed further in Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements and Part I - Item 3 - Legal Proceedings. Payments pursuant to these indemnities may be significant and could negatively impact the company's business, particularly indemnities relating to certain litigation for Historical DuPont operations or its actions that could impact the tax-free nature of the Corteva Distribution. Third parties could also seek to hold the company responsible for any of the liabilities allocated to DuPont and Dow, including those related to DowDuPont's specialty products and/or materials science businesses, respectively, and those related to discontinued and/or divested businesses and operations of Historical Dow, which have been allocated to Dow. DuPont and/or Dow, as applicable, will agree to indemnify Corteva for such liabilities, but such indemnities may not be sufficient to protect the company against the full amount of such liabilities. In addition, DuPont and/or Dow, as applicable, may not be able to fully satisfy their indemnification obligations with respect to the liabilities the company incurs. Even if the company ultimately succeeds in recovering from DuPont and/or Dow, as applicable, any amounts for which the company is held liable, the company may be temporarily required to bear these losses itself. Each of these risks could negatively affect the company's business, financial condition, results of operations and cash flows.

Additionally, the company generally has assumed and is responsible for the payment of its share of (i) certain liabilities of DowDuPont relating to, arising out of or resulting from certain general corporate matters of DowDuPont, (ii) certain liabilities of Historical DuPont relating to, arising out of or resulting from general corporate matters of Historical DuPont and discontinued and/or divested businesses and operations of Historical DuPont, including its spin-off of Chemours, and (iii) certain separation expenses not otherwise allocated to DuPont or Dow (or allocated specifically to Corteva) pursuant to the Corteva Separation Agreement, and third parties could seek to hold Corteva responsible for DuPont's or Dow's share of any such liabilities. For more information, see Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements and Part I - Item 3 - Legal Proceedings. DuPont and/or Dow, as applicable, will indemnify Corteva for their share of any such liabilities; however, such indemnities may not be sufficient to protect Corteva against the full amount of such liabilities, and/or DuPont and/or Dow may not be able to fully satisfy their respective indemnification obligations. In addition, even if the company ultimately succeeds in recovering from DuPont and/or Dow any amounts for which the company is held liable in excess of its agreed share, the company may be temporarily required to bear these losses itself and may not be able to fully insure itself to cover these risks. Each of these risks could materially affect the company's business, financial condition, results of operations and cash flows.

The Separation and related transactions may expose Corteva to potential liabilities arising out of state and federal fraudulent conveyance laws

Although the company received a solvency opinion from an investment bank confirming that the company and DuPont were each adequately capitalized following the Distribution, the Separation could be challenged under various state and federal fraudulent conveyance laws. In connection with fraudulent conveyances or transfers are generally defined to include transfers made or obligations incurred with the actual intent to hinder, delay or defraud current or future creditors or transfers made or obligations incurred for less than reasonably equivalent value when the debtor was insolvent, or that rendered the debtor insolvent, inadequately capitalized or unable to pay its debts as they become due. Any unpaid creditor could claim that DuPont did not receive fair consideration or reasonably equivalent value in the Separation and Corteva Distribution, and that the Separation and Corteva Distribution left DuPont insolvent or with unreasonably small capital or that DuPont intended or believed it would incur debts beyond its ability to pay such debts as they matured. Additionally, under its indemnity provisions of the Separation Agreement, the company could find its liabilities increased as a result of a court concluding that Historical

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ITEM 1A. RISK FACTORS, *continued*

DuPont, Historical Dow or DowDuPont executed a fraudulent conveyance in connection with divestitures and spin-offs of any one of their historical operations, including Chemours. If a court were to agree with such a plaintiff, then such court could void the Separation and Distribution as a fraudulent transfer or impose substantial liabilities on Corteva, which could materially adversely affect its financial condition and results of operations. Among other things, the court could return some of Corteva's assets or shares of Corteva common stock to DuPont, provide DuPont with a claim for money damages against Corteva in an amount equal to the difference between the consideration received by DuPont and the fair market value of Corteva at the time of the Corteva Distribution, or require Corteva to fund liabilities of other companies involved in the Internal Reorganization and Business Realignment for the benefit of creditors.

The Distribution is also subject to review under state corporate Distribution statutes. Under the Delaware General Corporation Law (the "DGCL"), a corporation may only pay dividends to its stockholders either (i) out of its surplus (net assets minus capital) or (ii) if there is no such surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. Although the Distribution was made out of DowDuPont's surplus and the company received an opinion that DowDuPont has adequate surplus under Delaware law to declare the dividend of Corteva common stock in connection with the Corteva Distribution, there can be no assurance that a court will not later determine that some or all of the Corteva Distribution was unlawful.

If the Corteva Distribution, together with certain related transactions, were to fail to qualify for non-recognition treatment for U.S. federal income tax purposes, then the company could be subject to significant tax and indemnification liability and stockholders receiving Corteva common stock in the Corteva Distribution could be subject to significant tax liability.

DowDuPont received an IRS Tax Ruling and tax opinion that, among other things, the Corteva Distribution and certain related transactions will qualify as a tax-free transaction under Section 355 and Section 368(a)(1)(D) of the Internal Revenue Code (the "Code"). The IRS Ruling and tax opinion relied on certain facts, assumptions, and undertakings, and certain representations from DowDuPont and Corteva, regarding the past and future conduct of both respective businesses and other matters. Despite the tax opinion and the IRS Ruling, the IRS could determine on audit that the Distribution or certain related transactions should be treated as a taxable transaction if it determines that any of these facts, assumptions, representations or undertakings are not correct or have been violated, or that the Distribution should be taxable for other reasons, including if the IRS were to disagree with the conclusions of the tax opinion.

If the Corteva Distribution ultimately is determined to be taxable, then a stockholder of DuPont that received shares of Corteva common stock would be treated as having received a distribution of property in an amount equal to the fair market value of such shares (including any fractional shares sold on behalf of such stockholder) on the distribution date and could incur significant income tax liabilities. Such distribution would be taxable to such stockholder as a dividend to the extent of DuPont's current and accumulated earnings and profits, which would include any earnings and profits attributable to the gain recognized by DuPont on the taxable distribution and could include earnings and profits attributable to certain internal transactions preceding the Corteva Distribution. Any amount that exceeded DuPont's earnings and profits would be treated first as a non-taxable return of capital to the extent of such stockholder's tax basis in its shares of DuPont stock with any remaining amount being taxed as a gain on the DuPont stock. In the event the Distribution is ultimately determined to be taxable, DuPont would recognize corporate level taxable gain on the Distribution in an amount equal to the excess, if any, of the fair market value of Corteva common stock distributed to DuPont stockholders on the distribution date over DuPont's tax basis in such stock. In addition, if certain related transactions fail to qualify for tax-free treatment under U.S. federal, state, local tax and/or foreign tax law, Corteva and DuPont could incur significant tax liabilities under U.S. federal, state, local and/or foreign tax law.

Generally, taxes resulting from the failure of the Separation and Distributions to qualify for non-recognition treatment for U.S. federal income tax purposes would be imposed on DuPont or DuPont stockholders. Under the Tax Matters Agreement that the company entered into with DuPont and Dow, subject to the exceptions described below, the company is generally obligated to indemnify DuPont against such taxes imposed on DuPont. However, if the Distributions fail to qualify for non-recognition treatment for U.S. federal income tax purposes for certain reasons relating to the overall structure of the Merger and the Distributions, then under the Tax Matters Agreement, DuPont and Dow would share the tax liability resulting from such failure in accordance with their relative equity values on the first full trading day following the Dow Distribution. The company and DuPont would share any liabilities of DuPont described in the preceding sentence in accordance with its relative equity values on the first full trading day following the Corteva Distribution. Furthermore, under the terms of the Tax Matters Agreement, the company also generally will be responsible for any taxes imposed on DuPont or Dow that arise from the failure of the Corteva Distribution to qualify as tax-free for U.S. federal income tax purposes within the meaning of Section 355 of the Code or the

Part I

ITEM 1A. RISK FACTORS, *continued*

failure of certain related transactions to qualify for tax-free treatment, to the extent such failure to qualify is attributable to actions, events or transactions relating to its, or its affiliates', stock, assets or business, or any breach of its representations made in any representation letter provided to its counsel in connection with the tax opinion. DuPont and Dow will be separately responsible for any taxes imposed on Corteva that arise from the failure of the Corteva Distribution to qualify as tax-free for U.S. federal income tax purposes within the meaning of Section 355 of the Code or the failure of certain related transactions to qualify for tax-free treatment, to the extent such failure to qualify is attributable to actions, events or transactions relating to such company's or its affiliates' stock, assets or business, or any breach of such company's representations made in connection with the IRS Ruling or in the representation letter provided to counsel in connection with the tax opinion. Events triggering an indemnification obligation under the tax matters agreement include events occurring after the Corteva Distribution that cause DuPont to recognize a gain under Section 355(e) of the Code, as discussed further below. Such tax amounts could be significant. To the extent that the company is responsible for any liability under the tax matters agreement, there could be a material adverse impact on Corteva's business, financial condition, results of operations and cash flows in future reporting periods.

The company agreed to numerous restrictions to preserve the tax-free treatment of the transactions separating it from DowDuPont in the United States, which may reduce Corteva's strategic and operating flexibility.

The company's ability to engage in certain transactions is limited or restricted to preserve, for U.S. federal income tax purposes, the tax-free nature of the Distributions by DowDuPont, and certain aspects of the Internal Reorganization and Business Realignment. As a result of these limitations, under the Tax Matters Agreement that the company entered into with DuPont and Dow, for the two-year period following the Distribution, the company is prohibited, except in certain circumstances, from, among other things:

- entering into any transaction resulting in acquisitions of a certain percentage of its assets, whether by merger or otherwise;
- dissolving, merging, consolidating or liquidating;
- undertaking or permitting any transaction relating to Corteva stock, including issuances, redemptions or repurchases other than certain, limited, permitted issuances and repurchases;
- affecting the relative voting rights of Corteva stock, whether by amending Corteva's certificate of incorporation or otherwise; or
- ceasing to actively conduct its business.

These restrictions may significantly limit Corteva's ability to pursue certain strategic transactions or other transactions that the company may believe to otherwise be in the best interests of its stockholders or that might increase the value of its business.

The IRS may assert that the Merger causes the Distributions and other related transactions to be taxable to DuPont, in which case the company could be subject to significant indemnification liability.

Even if the Distributions otherwise constitutes a tax-free transaction to stockholders under Section 355 of the Code, DuPont may be required to recognize corporate level tax on the Distributions and certain related transactions under Section 355(e) of the Code if, as a result of the Merger or other transactions considered part of a plan with the Distributions, there is a 50 percent or greater change of ownership in DuPont or Corteva. In connection with the Merger, DowDuPont received a private letter ruling from the IRS regarding the proper time, manner and methodology for measuring common ownership in the stock of DowDuPont, Historical DuPont and Historical Dow for purposes of determining whether there has been a 50 percent or greater change of ownership under Section 355(e) of the Code as a result of the Merger. The tax opinion relied on the continued validity of the private letter ruling, as well as certain factual representations from DowDuPont as to the extent of common ownership in the stock of Historical DuPont and Historical Dow immediately prior to the Merger. Based on the representations made by DowDuPont as to the common ownership in the stock of Historical DuPont and Historical Dow immediately prior to the Merger and assuming the continued validity of the IRS Ruling, the tax opinion concluded that there was not a 50 percent or greater change of ownership in DowDuPont, Historical DuPont or Historical Dow for purposes of Section 355(e) as a result of the Merger. Notwithstanding the tax opinion and the IRS Ruling, the IRS could determine that the Distributions or a related transaction should nevertheless be treated as a taxable transaction to DuPont if it determines that any of the facts, assumptions, representations or undertakings of DowDuPont is not correct or that the Distributions should be taxable for other reasons, including if the IRS were to disagree with the conclusions in the tax opinion that are not covered by the private letter ruling. If DuPont is required to recognize corporate level tax on either of the Distributions and certain related transactions under Section 355(e) of the Code, then under the Tax Matters Agreement, the company may be required to indemnify DuPont and/or

Part I

ITEM 1A. RISK FACTORS, *continued*

Dow for all or a portion of such taxes, which could be a material amount, if such taxes were the result of either direct or indirect transfers of Corteva common stock or certain reasons relating to the overall structure of the Merger and the Distributions.

The company is subject to continuing contingent tax-related liabilities of DowDuPont following the Distribution.

There are several significant areas where the liabilities of DowDuPont may become Corteva's obligations either in whole or in part. For example, under the Code and the related rules and regulations, each corporation that was a member of DowDuPont's consolidated tax reporting group during any taxable period or portion of any taxable period ending on or before the effective time of the Distribution is jointly and severally liable for the U.S. federal income tax liability of the entire consolidated tax reporting group for such taxable period. Additionally, to the extent that any subsidiary of Corteva was included in the consolidated tax reporting group of either Historical DuPont or Historical Dow for any taxable period or portion of any taxable period ending on or before the effective date of the Merger, such subsidiary is jointly and severally liable for the U.S. federal income tax liability of the entire consolidated tax reporting group of Historical DuPont or Historical Dow, as applicable, for such taxable period. In connection with the Distributions, on April 1, 2019, the company entered into the Tax Matters Agreement with DuPont and Dow that allocates the responsibility for prior period consolidated taxes among Corteva, DuPont and Dow. If DuPont or Dow were unable to pay any prior period taxes for which it is responsible, however, the company could be required to pay the entire amount of such taxes, and such amounts could be significant. Other provisions of federal, state, local, or foreign law may establish similar liability for other matters, including laws governing tax-qualified pension plans, as well as other contingent liabilities.

Corteva's unaudited pro forma combined financial information is not necessarily representative of the results the company would have achieved as an independent, publicly traded company and may not be a reliable indicator of its future results.

The unaudited pro forma financial information of Corteva included herein (refer to supplemental unaudited pro forma financial statements on page 51) may not reflect what Corteva's financial condition, results of operations and cash flows would have been had the company been an independent, publicly traded company comprised solely of DowDuPont's agriculture business during the periods presented. This is primarily because:

- The historical financial information of Corteva does not reflect the changes that the company experienced in connection with the Separation, including the Distribution.
- Prior to the Separation, Corteva's business was operated under the corporate umbrella of DowDuPont. As part of the DowDuPont corporate organization, Corteva's business was principally operated by Historical DuPont, with certain portions of its business being operated by Historical Dow as part of its internal corporate organization, rather than being operated as part of a consolidated agriculture business.
- The historical financial information of Corteva reflects only corporate expenses of Historical DuPont and allocated corporate expenses from Historical Dow, and thus is not necessarily representative of the costs the company incurred for similar services as an independent company following the Separation.

In addition, the unaudited pro forma financial information included in this annual report is based on a number of estimates and assumptions. These estimates and assumptions may prove to be inaccurate, and accordingly, Corteva's unaudited pro forma financial information should not be assumed to be indicative of what the company's financial condition or results of operations actually would have been as a standalone company during the time periods presented nor to be a reliable indicator of what its financial condition or results of operations actually may be in the future. For additional information about the unaudited pro forma financial statements, Historical DuPont's past financial performance and the basis of presentation of Corteva's financial statements, see Corteva's consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations.

Part I

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The company operates out of its headquarters in Wilmington, Delaware. It also maintains one global business center in Johnston, Iowa, for its seed business and another in Indianapolis, Indiana, for its crop protection business. Its manufacturing, processing, marketing and research and development facilities, as well as regional purchasing offices and distribution centers, are located throughout the world. The company has 97 manufacturing sites in the following geographic regions:

	Number of Sites		
	Crop	Seed	Total
North America ¹	6	43	49
EMEA ²	4	16	20
Latin America	7	11	18
Asia Pacific	5	5	10
Total	22	75	97

¹ North America consists of U.S. & Canada.

² Europe, Middle East, and Africa ("EMEA").

The company's principal sites include facilities which, in the opinion of management, are suitable and adequate for their use and have sufficient capacity for the company's current needs and expected near-term growth. In 2019, the company announced an expansion to increase its Spinosyns fermentation capacity (refer to page 63 for further discussion). Properties are primarily owned by the company; however, certain properties are leased. No title examination of the properties has been made for the purpose of this report and certain properties are shared with other tenants under long-term leases.

Part I

ITEM 3. LEGAL PROCEEDINGS

The company is subject to various legal proceedings, including, but not limited to, product liability, intellectual property, antitrust, commercial, property damage, personal injury, environmental and regulatory matters arising out of the normal course of its current businesses or legacy EID businesses unrelated to Corteva's current businesses but allocated to Corteva as part of the Separation of Corteva from DuPont. Information regarding certain of these matters is set forth below and in Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements. Even when the Company believes liabilities are not expected to be material or the probability of loss or of an adverse unappealable final judgment is remote, the Company may consider settlement of these matters, and may enter into settlement agreements, if it believes settlement is in the best interest of the Company, including avoidance of future distraction and litigation defense cost, and its shareholders.

Litigation related to Corteva's current businesses

Canadian Competition Bureau Formal Inquiry

On January 30, 2020, the Canadian Competition Bureau (the "Bureau") filed a court order for the company to produce records and information as part of a formal inquiry under civil sections of Canada's competition laws. The inquiry is in response to allegations by the Farmers Business Network ("FBN") that Corteva and other seeds and crop protection manufacturers and wholesalers unilaterally or in coordination refused, restricted and/or impaired supply of products to FBN in western Canada. This inquiry follows an informal request for information from the Bureau pursuant to which the company voluntarily provided documents and engaged in discussions with the Bureau outlining how its conduct was and continues to be compliant with Canadian competition laws. Corteva continues to cooperate with the Bureau's inquiries, but believes the likelihood of material liability is remote.

Federal Trade Commission Investigation

On May 26, 2020, Corteva received a subpoena from the Federal Trade Commission ("FTC") directing it to submit documents pertaining to its crop protection products generally, as well as business plans, rebate programs, offers, pricing and marketing materials specifically related to its acetochlor, oxamyl and rimsulfuron and other related products in order to determine whether Corteva engaged in unfair methods of competition through anticompetitive conduct. Corteva has cooperated with the FTC's subpoena, and continues to believe the likelihood of material liability is remote.

Litigation related to legacy EID businesses unrelated to Corteva's current businesses

As discussed below and in Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements, certain of the environmental proceedings and litigation allocated to Corteva as part of the Separation from DuPont relate to the legacy EID businesses, including their use of PFOA, which, for purposes of this report, means collectively perfluorooctanoic acid and its salts, including the ammonium salt and does not distinguish between the two forms, and PFAS, which means per- and polyfluoroalkyl substances, including PFOA, PFOS (perfluorooctanesulfonic acid), GenX and other perfluorinated chemicals and compounds ("PFCs"). Management believes that it is reasonably possible that EID could incur liabilities related to PFOA in excess of amounts accrued. However, any such losses are not estimable at this time due to various reasons, including, among others, that the underlying matters are in their early stages and have significant factual issues to be resolved.

On May 13, 2019, Chemours filed suit in the Delaware Court of Chancery against DuPont, EID, and Corteva, seeking, among other things, to limit its responsibility for the litigation and environmental liabilities allocated to and assumed by Chemours under the Chemours Separation Agreement (the "Delaware Litigation"). On March 30, 2020, the Court of Chancery granted a motion to dismiss. On December 15, 2020, the Delaware Supreme Court affirmed the judgment of the Court of Chancery. Meanwhile, a confidential arbitration process regarding the same and other claims has proceeded (the "Pending Arbitration"). On January 22, 2021, Chemours, DuPont, Corteva and EID entered into a binding memorandum of understanding containing a settlement to resolve legal disputes originating from the Delaware Litigation and Pending Arbitration, and to establish a cost sharing arrangement and escrow account to be used to support and manage potential future legacy per- and polyfluoroalkyl substances ("PFAS") liabilities arising out of pre-July 1, 2015 conduct (the "MOU"). See Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements for further discussion.

Environmental Proceedings

The company believes it is remote that the following matters will have a material impact on its financial position, liquidity or results of operations. The matters below involve the potential for \$1 million or more in monetary fines and are included per Item 103(3)(c)(iii) of Regulation S-K of the Securities Exchange Act of 1934, as amended.

Part I

ITEM 3. LEGAL PROCEEDINGS

Related to Corteva's current businesses

La Porte Plant, La Porte, Texas - Crop Protection - Release Incident Investigations

On November 15, 2014, there was a release of methyl mercaptan at EID's La Porte, Texas, facility. The release occurred at the site's crop protection unit resulting in four employee fatalities inside the unit. The Chemical Safety Board ("CSB") issued its final report on June 18, 2019, which included recommendations related to the emergency response program at La Porte. Corteva responded to the CSB on September 30, 2019 outlining the actions it has taken to date to address the recommendations for the site and providing its plan to address the CSB's remaining recommendations. After the conclusion of the CSB investigation, criminal U.S. Environmental Protection Agency ("EPA") and the Department of Justice ("DOJ") investigations related to the incident continued. On January 8, 2021, EID and the facility's former unit operations leader were indicted by the DOJ on two felony and one misdemeanor charges of violations of the Clean Air Act related to the release. The maximum statutory penalties per charge are \$500,000, or twice the gross gain or loss derived from the incident, as well as up to three years of probation and related ongoing reporting obligations. Corteva cooperated fully with the government's investigation and will vigorously defend against these charges.

Related to legacy EID businesses unrelated to Corteva's current businesses

Sabine Plant, Orange, Texas - EPA Multimedia Inspection

In June 2012, EID began discussions with the EPA and the DOJ related to a multimedia inspection that the EPA conducted at the Sabine facility in March 2009 and December 2015. The discussions involve the management of materials in the facility's wastewater treatment system, hazardous waste management, flare and air emissions, including leak detection and repair. These discussions continue. Under the Separation Agreement, Corteva and DuPont will share any future liabilities proportionally on the basis of 29% and 71%, respectively.

Divested Neoprene Facility, La Place, Louisiana - EPA Compliance Inspection

In 2016, the EPA conducted a focused compliance investigation at the Denka Performance Elastomer LLC ("Denka") neoprene manufacturing facility in La Place, Louisiana. EID sold the neoprene business, including this manufacturing facility, to Denka in the fourth quarter of 2015. In the spring of 2017, the EPA, the DOJ, the Louisiana Department of Environmental Quality, EID and Denka began discussions relating to the inspection conclusions and allegations of noncompliance arising under the Clean Air Act, including leak detection and repair. These discussions, which include potential settlement options, continue. Under the Separation Agreement, DuPont is defending and indemnifying the company in this matter.

New Jersey Directive PFAS

On March 25, 2019, the New Jersey Department of Environmental Protection ("NJDEP") issued a Statewide PFAS Directive to several companies, including Chemours, DuPont, and EID. The Directive seeks information relating to the use and environmental release of PFAS and PFAS-replacement chemicals at and from two former EID sites in New Jersey, Chambers Works and Parlin, and a funding source for costs related to the NJDEP's investigation of PFAS issues and PFAS testing and remediation.

New Jersey Directive Pompton Lakes

On March 27, 2019, the NJDEP issued to Chemours and EID a Natural Resource Damages Directive relating to chemical contamination (non-PFAS) at and around EID's former Pompton Lakes facility in New Jersey. The Directive alleges that this contamination has harmed the natural resources of New Jersey. It seeks \$125,000 as reimbursement for the cost of preparing a natural resource damages assessment, which the State will use to determine the extent of such damage and the amount it expects to seek to restore the affected natural resources to their pre-damage state.

Natural Resource Damage Cases

Since May 2017, several municipal water districts and state attorneys general have filed lawsuits against EID, Corteva, Chemours, 3M, and others, claiming contamination of public water systems by PFCs, including but not limited to PFOA. These actions with the municipalities and states seeking economic impact damages for alleged harm to natural resources, punitive damages, present and future costs to cleanup PFOA contamination and the abatement of alleged nuisance with filtration systems. Further information with respect to these proceedings is set forth under "Other PFOA Matters" in Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

Part II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market for Registrant's Common Equity and Related Stockholder Matters

The company's common stock is listed on the New York Stock Exchange, Inc. (symbol: CTVA). The number of record holders of common stock was approximately 77,000 at January 31, 2021.

In June 2019, the company began declaring quarterly dividends. During 2019, the company paid two quarterly dividends on its common stock of \$0.13 per share each. During 2020, the company paid four quarterly dividends on its common stock of \$0.13 per share each.

See Part III, Item 11. Executive Compensation for information relating to the company's equity compensation plans.

Issuer Purchases of Equity Securities

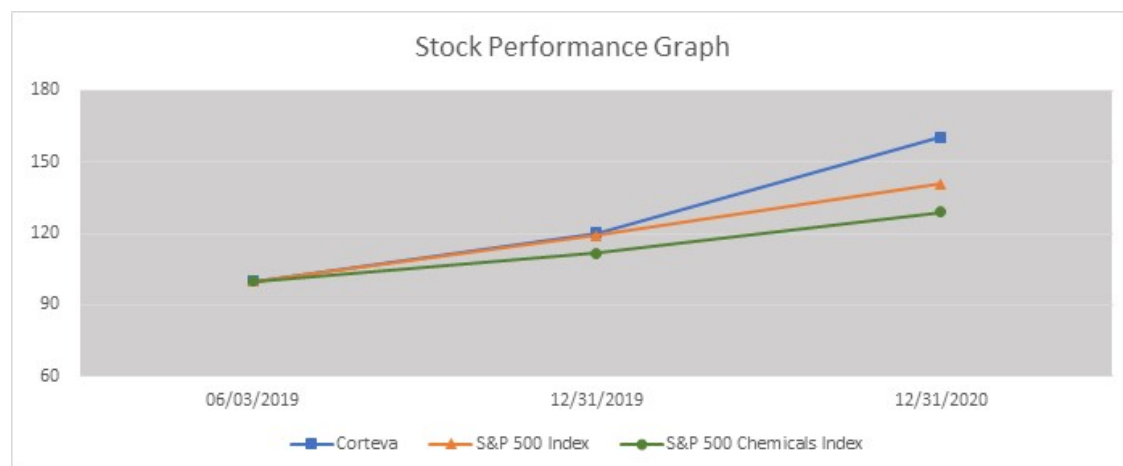
The following table provides information with respect to the company's purchase of its common stock during the three months ended December 31, 2020:

Month	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of the Company's Publicly Announced Share Buyback Program ¹	Approximate Value of Shares that May Yet Be Purchased Under the Programs ¹ (Dollars in millions)
October 2020	2,862,214	\$ 31.92	2,862,214	\$ 801
November 2020	555,355	37.54	555,355	780
December 2020	2,061,079	38.81	2,061,079	700
Fourth quarter 2020	5,478,648	\$ 35.08	5,478,648	\$ 700

¹ On June 26, 2019, Corteva, Inc. announced that its Board of Directors authorized a \$1 billion share repurchase program to purchase Corteva, Inc.'s common stock, par value \$0.01 per share, without an expiration date. The company repurchased \$300 million under its share buyback plan since the Corteva Distribution and expects to repurchase the remaining \$700 million in 2021. The timing, price and volume of purchases will be based on market conditions, relevant securities laws and other factors.

Stock Performance Graph

The following graph illustrates the cumulative total return to Corteva stockholders following the completion of the Separation and beginning as of the closing price of its first NYSE listing date, June 3, 2019. The Chart compares the cumulative total return of Corteva's common stock with the S&P 500 Stock Index and the S&P 500 Chemicals Index.



Part II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

	6/3/2019	12/31/2019	12/31/2020
Corteva	\$ 100	\$ 120	\$ 161
S&P 500 Index	100	119	141
S&P 500 Chemicals Index	100	112	129

The chart depicts a hypothetical \$100 investment in each of the Corteva common stock, the S&P 500 Index and the S&P 500 Chemicals Index as of the closing price on June 3, 2019 and illustrates the value of each investment over time (assuming the reinvestment of dividends) until December 31, 2020.

Part II

ITEM 6. SELECTED FINANCIAL DATA

	Successor			Predecessor		
	For the Year Ended December 31, 2020	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Period September 1 through December 31, 2017	For the Period January 1 through August 31, 2017	For the Year Ended December 31, 2016
<i>(Dollars in millions, except per share)</i>						
Summary of operations						
Net sales	\$ 14,217	\$ 13,846	\$ 14,287	\$ 3,790	\$ 6,894	\$ 8,133
Income (loss) from continuing operations before income taxes	\$ 675	\$ (316)	\$ (6,806)	\$ (461)	\$ (37)	\$ (527)
Net income (loss) attributable to Corteva	\$ 681	\$ (959)	\$ (5,065)	\$ 1,182	\$ 1,734	\$ 2,513
Basic earnings (loss) per share of common stock from continuing operations	\$ 0.98	\$ (0.38)	\$ (9.08)	\$ 2.34	\$ 0.40	\$ (0.29)
Diluted earnings (loss) per share of common stock from continuing operations	\$ 0.98	\$ (0.38)	\$ (9.08)	\$ 2.34	\$ 0.40	\$ (0.29)
Financial position at year-end						
Working capital ¹	\$ 6,220	\$ 5,281	\$ 3,740	\$ 4,468		\$ 2,916
Total assets ^{2,3}	\$ 42,649	\$ 42,397	\$ 108,683	\$ 120,366		\$ 40,041
Borrowings and finance lease obligations						
Short-term borrowings and finance lease obligations	\$ 3	\$ 7	\$ 2,154	\$ 2,752		\$ 425
Long-term debt	\$ 1,102	\$ 115	\$ 5,784	\$ 10,299		\$ 8,059
Total equity	\$ 25,063	\$ 24,555	\$ 75,153	\$ 79,593		\$ 10,196
General						
Dividends per common share	\$ 0.52	\$ 0.26			\$ 1.14	\$ 1.52

¹ Working capital represents current assets less current liabilities and excludes the assets and liabilities related to discontinued operations. Refer to Note 1 Background and Basis of Presentation and Note 5 - Divestitures and Other Transactions, of the Consolidated Financial Statements for further information.

² The company adopted ASC 842 in the first quarter of 2019, which allows for a modified retrospective transition approach, applying the new standard to all leases existing at the date of initial adoption. The company has elected to apply the transition requirements at the January 1, 2019 effective date rather than at the beginning of the earliest comparative period presented.

³ Periods prior to December 31, 2019 includes total assets of discontinued operations. See Note 5 - Divestitures and Other Transactions, of the Consolidated Financial Statements for further information.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CAUTIONARY STATEMENTS ABOUT FORWARD-LOOKING STATEMENTS

This report contains certain estimates and forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, which are intended to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates,” “outlook,” or other words of similar meaning. All statements that address expectations or projections about the future, including statements about Corteva’s strategy for growth, product development, regulatory approval, market position, liquidity, anticipated benefits of recent acquisitions, timing of anticipated benefits from restructuring actions, outcome of contingencies, such as litigation and environmental matters, expenditures, and financial results, as well as expected benefits from, the separation of Corteva from DowDuPont, are forward-looking statements.

Forward-looking statements and other estimates are based on certain assumptions and expectations of future events which may not be accurate or realized. Forward-looking statements and other estimates also involve risks and uncertainties, many of which are beyond Corteva’s control. While the list of factors presented below is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Corteva’s business, results of operations and financial condition. Some of the important factors that could cause Corteva’s actual results to differ materially from those projected in any such forward-looking statements include: (i) failure to obtain or maintain the necessary regulatory approvals for some of Corteva’s products; (ii) failure to successfully develop and commercialize Corteva’s pipeline; (iii) effect of the degree of public understanding and acceptance or perceived public acceptance of Corteva’s biotechnology and other agricultural products; (iv) effect of changes in agricultural and related policies of governments and international organizations; (v) effect of competition and consolidation in Corteva’s industry; (vi) effect of competition from manufacturers of generic products; (vii) costs of complying with evolving regulatory requirements and the effect of actual or alleged violations of environmental laws or permit requirements; (viii) effect of climate change and unpredictable seasonal and weather factors; (ix) risks related to oil and commodity markets; (x) competitor’s establishment of an intermediary platform for distribution of Corteva’s products; (xi) impact of Corteva’s dependence on third parties with respect to certain of its raw materials or licenses and commercialization; (xii) effect of industrial espionage and other disruptions to Corteva’s supply chain, information technology or network systems; (xiii) effect of volatility in Corteva’s input costs; (xiv) failure to realize the anticipated benefits of the internal reorganizations taken by DowDuPont in connection with the spin-off of Corteva and other cost savings initiatives; (xv) failure to raise capital through the capital markets or short-term borrowings on terms acceptable to Corteva; (xvi) failure of Corteva’s customers to pay their debts to Corteva, including customer financing programs; (xvii) increases in pension and other post-employment benefit plan funding obligations; (xviii) risks related to the indemnification obligations of legacy EID liabilities in connection with the separation of Corteva; (xix) effect of compliance with laws and requirements and adverse judgments on litigation; (xx) risks related to Corteva’s global operations; (xxi) failure to effectively manage acquisitions, divestitures, alliances and other portfolio actions; failure to enforce; (xxii) risks related to COVID-19; (xxiii) risks related to activist stockholders; (xxiv) Corteva’s intellectual property rights or defend against intellectual property claims asserted by others; (xxv) effect of counterfeit products; (xxvi) Corteva’s dependence on intellectual property cross-license agreements; and (xxvii) other risks related to the Separation from DowDuPont.

Additionally, there may be other risks and uncertainties that Corteva is unable to currently identify or that Corteva does not currently expect to have a material impact on its business. Where, in any forward-looking statement or other estimate, an expectation or belief as to future results or events is expressed, such expectation or belief is based on the current plans and expectations of Corteva’s management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. Corteva disclaims and does not undertake any obligation to update or revise any forward-looking statement, except as required by applicable law. A detailed discussion of some of the significant risks and uncertainties which may cause results and events to differ materially from such forward-looking statements is included in the section titled “Risk Factors” (Part I, Item 1A of this Form 10-K).

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Overview

Refer to pages 3 - 5 for a discussion of the DowDuPont Merger of Equals, the Internal Reorganizations, and the Business Separations.

Basis of Presentation

Dow AgroSciences ("DAS") Common Control Combination

The transfer or conveyance of DAS to Corteva was treated as a transfer of entities under common control. As such, the company recorded the assets, liabilities, and equity of DAS on its balance sheet at their historical basis. Transfers of businesses between entities under common control requires the financial statements to be presented as if the transaction had occurred at the point at which common control first existed (the "Merger Effectiveness Time," or August 31, 2017 at 11:59 pm ET). As a result, the accompanying Consolidated Financial Statements and Notes thereto include the results of DAS as of the Merger Effectiveness Time. See Note 1 - Background and Basis of Presentation and Note 4 - Common Control Business Combination, to the Consolidated Financial Statements for additional information.

Divestiture of EID ECP

The transfer of EID ECP meets the criteria for discontinued operations and as such, results of operations are presented as discontinued operations and have been excluded from continuing operations for all periods presented. The comprehensive income (loss), stockholder's equity and cash flows related to EID ECP have not been segregated and are included in the Consolidated Statements of Comprehensive Income (Loss), Consolidated Statements of Equity and Consolidated Statements of Cash Flows, respectively, for 2019 and all prior periods. Amounts related to EID ECP are consistently included or excluded from the Notes to the Consolidated Financial Statements based on the respective financial statement line item. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements for additional information.

Divestiture of EID Specialty Products Entities

The transfer of the EID Specialty Products Entities meets the criteria for discontinued operations and as such, results of operations are presented as discontinued operations and have been excluded from continuing operations for all periods presented. The comprehensive income (loss), stockholder's equity and cash flows related to the EID Specialty Products Entities have not been segregated and are included in the Consolidated Statements of Comprehensive Income (Loss), Consolidated Statements of Equity and Consolidated Statements of Cash Flows, respectively, for 2019 and all prior periods. Amounts related to the EID Special Products Entities are consistently included or excluded from the Notes to the Consolidated Financial Statements based on the respective financial statement line item. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements for additional information.

Items Affecting Comparability of Financial Results

In addition to the Analysis of Operations discussion based on the GAAP as reported results, the following includes a supplemental Analysis of Operations discussion reflecting unaudited pro forma financial information, prepared in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments. This unaudited pro forma financial information, for the years ended December 31, 2019 and 2018 assumes the Merger, the debt retirement transactions related to paying off or retiring portions of EID's existing debt liabilities (as discussed in Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements), and the separation and distribution to DowDuPont stockholders of all the outstanding shares of Corteva common stock as if they had been consummated on January 1, 2016. For additional information, see the Supplemental Unaudited Pro Forma Combined Financial Information in this section.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Overview

The following is a summary of results from continuing operations for the year ended December 31, 2020:

- The company reported net sales of \$14,217 million, an increase of 3 percent versus the year ended December 31, 2019, reflecting a 5 percent increase in volume and a 3 percent increase in local price, partially offset by a 5 percent decline in currency. Volume and price gains were driven by continued penetration of new products.
- Cost of goods sold ("COGS") totaled \$8,507 million, down from \$8,575 million for the year ended December 31, 2019, primarily driven by currency benefits, \$272 million of amortization of inventory step-up included in the year ended December 31, 2019 and ongoing cost and productivity actions, partially offset by increased volumes and higher input costs.
- Restructuring and asset related charges - net were \$335 million, an increase from \$222 million for the year ended December 31, 2019. The year ended December 31, 2020 included \$159 million of non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits.
- There were no integration and separation costs in the year ended December 31, 2020, as compared to \$744 million for the year ended December 31, 2019.
- The benefit from income taxes on continuing operations for the twelve months ended December 31, 2020 includes a \$(182) million tax benefit associated with the recognition of an elective cantonal component of the recent enactment of the Federal Act on Tax Reform and AHV Financing ("Swiss Tax Reform") and a tax benefit of \$(51) million related to a return to accrual adjustment associated with an elective change in accounting method for the 2019 tax year impact of the 2017 Tax Cuts and Jobs Act's ("The Act") foreign tax provisions.
- Income from continuing operations after income taxes was \$756 million, as compared to a loss of \$(270) million for the year ended December 31, 2019.
- Operating EBITDA was \$2,087 million, up from \$1,987 million for the year ended December 31, 2019, driven by volume and price gains in both seed and crop protection, as well as ongoing execution on cost and productivity actions. The company realized cost and productivity savings of approximately \$230 million for the year ended December 31, 2020, which were mostly offset by higher input costs and investments to fund growth and advance the pipeline. Currency net of pricing was a \$180 million headwind, inclusive of \$150 million in pricing actions. Refer to page 59 for further discussion of the company's Non-GAAP financial measures.

In addition to the financial highlights above, the following events occurred during or subsequent to the year ended December 31, 2020:

- The company returned more than \$660 million to shareholders during the year ended December 31, 2020 under its previously announced share repurchase program and through common stock dividends.
- On February 1, 2021, Corteva approved restructuring actions designed to right-size and optimize footprint and organizational structure according to the business needs in each region with the focus on driving continued cost improvement and productivity. Corteva expects to record total pre-tax restructuring and asset-related charges of approximately \$130 million to \$170 million, comprised of approximately \$40 million to \$50 million of severance and related benefit costs, \$40 million to \$60 million of asset related charges, \$10 million to \$15 million of asset retirement obligations and \$40 million to \$45 million of costs related to contract terminations. Future cash payments related to this charge are anticipated to be approximately \$90 million to \$110 million, primarily related to the payment of severance and related benefits, asset retirement obligations, and costs related to contract terminations. The restructuring actions associated with this charge are expected to be substantially complete in 2021.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Priorities

The company believes the following priorities will enable it to create significant value for its customers while delivering strong financial returns to its shareholders:

- ***Deliver organic sales growth*** by continuing to leverage its industry-leading innovation pipeline to introduce new proprietary seed traits and crop protection formulations that anticipate and meet evolving customer needs and utilizing its comprehensive multi-channel, multi-brand strategy to align its brands and capabilities across different sales channels.
- ***Drive actions to expand margins in the company's reportable segments*** by integrating its operations and continuing to drive operating efficiencies, enabling a streamlined, efficient and focused organization while working to achieve a best-in-class cost structure and creating a strong culture based on productivity.
- ***Accelerate the return of cash to shareholders*** by executing on its authorized share repurchase programs as the company repurchased \$300 million under its share buyback plan since the Corteva Distribution and expects to repurchase the remaining \$700 million in 2021. The timing, price and volume of purchases will be based on market conditions, relevant securities laws and other factors.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued***Analysis of Operations*****COVID-19 Pandemic***

On March 11, 2020, the World Health Organization (“WHO”) declared the novel coronavirus disease (“COVID-19”) a pandemic. Since the early days of the coronavirus outbreak, Corteva has taken steps to help protect the health and safety of its employees, customers, vendors, and stakeholders. Corteva has engaged crisis management teams at the country, regional and global level, and its Integrated Health Services Pandemic & Infectious Disease Planning Team has been monitoring the situation and developing guidelines and protocols that have been communicated to all of its employees globally.

Overwhelmingly, countries and U.S. states have considered agriculture an “essential business”; therefore, Corteva is not subject to many of the restrictions imposed by the government, particularly on non-essential businesses, which, in certain cases, includes ordering businesses to close or limit operations or people to stay at home. While the company's business has experienced some localized operating disruptions, particularly around sourcing and logistics, these disruptions have been temporary and have not materially impacted the company's financial results. Additionally, the company has implemented mitigating strategies to limit the impact of supply chain disruptions, including leveraging the company's ability to use a multi-sourcing strategy and source key raw materials from multiple suppliers and countries. Furthermore, the company implemented remote work arrangements for non-essential employees and restricted business travel effective mid-March 2020, and to date, these arrangements have not materially affected the company's ability to maintain its business operations, including the operation of financial reporting systems, internal control over financial reporting, and disclosure controls and procedures.

The global health crisis caused by COVID-19 and the related government actions and stay at home orders have negatively impacted economic activity and increased political instability across the globe. During the year ended December 31, 2020, the company observed declining demand and price reductions in the oil and gas sector as business and consumer activity decelerated across the globe, which had impacted the price of corn. When COVID-19 is demonstrably contained, the company anticipates a rebound in economic activity, depending on the rate, pace, and effectiveness of the containment efforts deployed by various national, state, and local governments. Corteva will continue to actively monitor the situation and may take further actions altering its business operations that it determines are in the best interests of its stakeholders, or as required by federal, state, or local authorities. It is not clear what the potential effects any such alterations or modifications may have on the company's business, including the effects on its customers, employees, and prospects, or on its financial results for 2021 and beyond. With the increasing uncertainty in global markets, the company will continue to monitor various factors that could impact mid-term forecasted cash flows of the business, including, but not limited to currency fluctuations, expectations of future planted area (as influenced by consumer demand, ethanol markets and government policies and regulations), trade and purchasing of commodities globally and relative commodity prices.

Execute to Win Productivity Program

During the first quarter of 2020, Corteva approved restructuring actions designed to improve productivity through optimizing certain operational and organizational structures primarily related to the Execute to Win Productivity Program. During the year ended December 31, 2020, the company recorded net pre-tax restructuring charges of \$176 million, comprised of \$113 million of asset related charges, and \$63 million of severance and related benefit costs. The Company does not anticipate any additional material charges from the Execute to Win Program as actions associated with this charge are substantially complete.

Future cash payments related to this charge are anticipated to be approximately \$77 million, primarily related to the payment of severance and related benefits and asset retirement obligations. The company expects \$130 million of savings to be achieved on a run rate basis by 2023. See Note 7 - Restructuring and Asset Related Charges - Net, to the Consolidated Financial Statements, for additional information.

Share Buyback Plan

On June 26, 2019, Corteva, Inc. announced that its Board of Directors authorized a \$1 billion share repurchase program to purchase Corteva, Inc.'s common stock, par value \$0.01 per share, without an expiration date. The company repurchased \$300 million under its share buyback plan since the Corteva Distribution and expects to repurchase the remaining \$700 million in 2021. The timing, price and volume of purchases will be based on market conditions, relevant securities laws and other factors.

During the year ended December 31, 2020, the company purchased and retired 8,503,000 shares for a total cost of \$275 million. During the year ended December 31, 2019, the company purchased and retired 824,000 shares in the open market for a total cost of \$25 million.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued****Impact From Previously Enacted Tariffs***

In 2018, certain countries where the company's products are manufactured, distributed or sold previously enacted tariffs on certain products. The tariffs contributed to an expected shift to soybeans from corn in Latin America and pressured North American farmer margins. These expectations were reflected in the revised long-term cash flow projections for the company's agriculture reporting unit in 2018, as discussed in Note 15 - Goodwill and Other Intangible Assets, to the Consolidated Financial Statements. In January 2020 the United States and China signed "phase one" of a trade agreement ("China Trade Agreement") and the United States ("U.S."), Mexico and Canada ratified the United States-Mexico-Canada Agreement ("USMCA"). On July 2, 2020, the USMCA went into effect. The China Trade Agreement commits China to purchase at least \$40 billion worth of U.S. farm goods annually and for China to reduce non-tariff barriers to agriculture products such as poultry and feed additives, as well as approval of biotechnology products. Additionally, the China Trade Agreement includes stronger intellectual property protections and the elimination of any pressure for foreign companies to transfer technology to Chinese firms as a condition of market access. While the USMCA will replace the North America Free Trade Agreement, it is not a one-for-one replacement. It is designed to modernize trade rules in North America, ensure open markets, protect innovations for a majority of U.S. goods, and enhance sanitary/phytosanitary standards. The company expects the impacts of these agreements to overall be positive for demand for U.S. agriculture products.

Tax Reform

On December 22, 2017, the Tax Cuts and Jobs Act ("The Act") was enacted. The Act reduces the U.S. federal corporate income tax rate from 35 percent to 21 percent, required companies to pay a one-time transition tax ("transition tax") on earnings of foreign subsidiaries that were previously tax deferred, created new provisions related to foreign sourced earnings, eliminated the domestic manufacturing deduction and moved to a territorial system. As of December 31, 2018, the company had completed its accounting for the tax effects of The Act. As a result of The Act, the company remeasured its U.S. federal deferred tax assets and liabilities based on the rates at which they are expected to reverse in the future, which is generally 21 percent. The company recorded a cumulative benefit of \$(2,847) million (which includes a \$(34) million benefit for the year ended December 31, 2018) to provision for (benefit from) income taxes on continuing operations in the company's Consolidated Statement of Operations with respect to the remeasurement of the company's deferred tax balances. Additionally, the company recorded a cumulative charge of \$928 million (which includes a \$182 million charge for the year ended December 31, 2018) to provision for (benefit from) income taxes on continuing operations with respect to the one-time transition tax. For tax years beginning after December 31, 2017, The Act introduced new provisions for U.S. taxation of certain global intangible low-taxed income ("GILTI"). The Company has made the policy election to record any liability associated with GILTI in the period in which it is incurred. Additional details related to The Act can be found in Note 10 - Income Taxes, to the Consolidated Financial Statements.

DowDuPont Agriculture Division Restructuring Program

During the fourth quarter of 2018 and in connection with the ongoing integration activities, DowDuPont approved restructuring actions to simplify and optimize certain organizational structures in preparation for the Business Separations. From inception-to-date, the company recorded total net pre-tax restructuring charges of \$70 million, comprised of \$61 million of severance and related benefit costs and \$9 million of asset-related charges. The actions related to this program were complete in 2019. See Note 7 - Restructuring and Asset Related Charges - Net, to the Consolidated Financial Statements, for additional information.

DowDuPont Cost Synergy Program

In September and November 2017, DowDuPont and EID approved post-merger restructuring actions under the DowDuPont Cost Synergy Program (the "Synergy Program"), adopted at the time by the DowDuPont Board of Directors. The Synergy Program was designed to integrate and optimize the organization following the Merger and in preparation for the Business Separations. The company recorded net pre-tax restructuring charges of \$845 million from inception-to-date under the Synergy Program, consisting of severance and related benefit costs of \$317 million, contract termination costs of \$193 million, and asset-related charges of \$335 million. Actions associated with the Synergy Program, including employee separations, are substantially complete.

The company anticipates including cumulative savings associated with these actions within its cost synergy commitment of \$1.2 billion through 2021. See Note 7 - Restructuring and Asset Related Charges - Net, to the Consolidated Financial Statements, for additional information.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Net Sales

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Net Sales	\$ 14,217	\$ 13,846	\$ 14,287

2020 versus 2019

Net sales were \$14,217 million for the year ended December 31, 2020, compared to \$13,846 million for the year ended December 31, 2019. Volume increased 5 percent versus the year-ago period, primarily driven by sales of new and differentiated products globally and across both segments. Local price grew 3 percent on a full-year basis, with higher prices in all regions, led by Latin America partly to offset currency. Currency represented a headwind of 5 percent, led by the impact of the Brazilian Real.

2019 versus 2018

Net sales were \$13,846 million for the year ended December 31, 2019, compared to \$14,287 million for the year ended December 31, 2018. The decrease was primarily driven by a 3 percent decline in currency. Unfavorable currency impacts were primarily driven by the Brazilian Real and the Euro. Volume was flat as strong demand for new product and gains in corn in EMEA were offset by significant weather-related planting delays in North America, resulting in lost spring applications of crop protection products and a reduction in planted area for soybeans. Pricing gains from new product launches and favorable mix in Latin America were offset by competitive pricing pressure, increases in replant, and increased grower incentive program discounts in North America.

(In millions)	For the Year Ended December 31,					
	2020		2019		2018	
	Net Sales	% of Net Sales	Net Sales	% of Net Sales	Net Sales	% of Net Sales
Worldwide	\$ 14,217	100 %	\$ 13,846	100 %	\$ 14,287	100 %
North America	7,168	50 %	6,929	50 %	7,412	52 %
EMEA	2,842	20 %	2,740	20 %	2,765	19 %
Latin America	2,805	20 %	2,889	21 %	2,817	20 %
Asia Pacific	1,402	10 %	1,288	9 %	1,293	9 %

(in millions)	Year Ended December 31, 2020 vs. 2019		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
	\$	%				
North America	\$ 239	3 %	1 %	3 %	(1)%	— %
EMEA	102	4 %	2 %	6 %	(4)%	— %
Latin America	(84)	(3)%	7 %	10 %	(20)%	— %
Asia Pacific	114	9 %	2 %	11 %	(3)%	(1)%
Total	\$ 371	3 %	3 %	5 %	(5)%	— %

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

(in millions)	Year Ended December 31, 2019 vs. 2018		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
	\$	%				
North America	\$ (483)	(7)%	(2)%	(4)%	(1)%	— %
EMEA	(25)	(1)%	2 %	5 %	(8)%	— %
Latin America	72	3 %	4 %	4 %	(5)%	— %
Asia Pacific	(5)	— %	2 %	1 %	(3)%	— %
Total	\$ (441)	(3)%	— %	— %	(3)%	— %

COGS

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
COGS	\$ 8,507	\$ 8,575	\$ 9,948

(In millions)	For the Year Ended December 31,	
	2019	2018
Pro Forma COGS	\$ 8,386	\$ 8,449

2020 versus 2019

COGS was \$8,507 million (60 percent of net sales) for the year ended December 31, 2020 compared to \$8,575 million (62 percent of net sales) for the year ended December 31, 2019. The decrease was primarily driven by currency benefits, lack of inventory step-up in 2020 as compared to \$272 million recognized in 2019, and ongoing cost and productivity actions. The decrease was partially offset by increased volumes, higher input costs in both seed and crop protection and higher royalties in seed. Amortization of inventory step-up was 2 percent of net sales for the year ended December 31, 2019.

COGS was \$8,507 million (60 percent of net sales) on an as reported basis for the year ended December 31, 2020 compared to \$8,386 million (61 percent of net sales) on a pro forma basis for the year ended December 31, 2019. The increase was driven by increased volumes, higher input costs in both seed and crop protection and higher royalties in seed, partially offset by the above noted currency benefits and ongoing cost and productivity actions.

2019 versus 2018

COGS was \$8,575 million (62 percent of net sales) for the year ended December 31, 2019 compared to \$9,948 million (70 percent of net sales) for the year ended December 31, 2018. The decrease was primarily driven by lower amortization of remaining inventory step up compared to the prior year (\$272 million in 2019 compared to \$1,554 million in 2018). The amortization of inventory step-up was 2 percent and 11 percent of net sales for the year ended December 31, 2019 and 2018, respectively. The remaining COGS decrease was primarily driven by lower volumes as a result of weather-related planting delays in North America, cost synergies and a currency benefit, partially offset by higher input costs for both seed and crop protection.

On a pro forma basis, COGS was \$8,386 million (61 percent of net sales) for the year ended December 31, 2019 and \$8,449 million (59 percent of net sales) for the year ended December 31, 2018. The decrease was primarily driven by lower volumes as a result of weather-related planting delays in North America, cost synergies and a currency benefit, partially offset by higher input costs for both seed and crop protection. The increase was due to higher input costs for both seed and crop protection, partially offset by cost synergies.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued***Research and Development Expense ("R&D")**

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
R&D	\$ 1,142	\$ 1,147	\$ 1,355

(In millions)	For the Year Ended December 31,	
	2019	2018
Pro Forma R&D	\$ 1,147	\$ 1,352

2020 versus 2019

R&D expense was \$1,142 million (8 percent of net sales) for the year ended December 31, 2020 and \$1,147 million (8 percent of net sales) for the year ended December 31, 2019. The decrease was primarily driven by currency benefits and ongoing cost and productivity actions, partially offset by increased investments to support new products in crop protection.

2019 versus 2018

R&D expense was \$1,147 million (8 percent of net sales) for the year ended December 31, 2019 and \$1,355 million (9 percent of net sales) for the year ended December 31, 2018. The decrease was primarily driven by cost synergies and additional actions taken to curtail spending.

Pro forma R&D expense was \$1,147 million (8 percent of net sales) for the year ended December 31, 2019 and \$1,352 million (9 percent of net sales) for the year ended December 31, 2018. The decrease was primarily driven by the factors described above.

Selling, General and Administrative Expenses ("SG&A")

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
SG&A	\$ 3,043	\$ 3,065	\$ 3,041

(In millions)	For the Year Ended December 31,	
	2019	2018
Pro Forma SG&A	\$ 3,068	\$ 3,042

2020 versus 2019

SG&A was \$3,043 million (21 percent of net sales) for the year ended December 31, 2020 and \$3,065 million (22 percent of net sales) for the year ended December 31, 2019. The decrease was primarily driven by currency benefits and ongoing cost and productivity actions taken to curtail spending, partially offset by higher commissions and selling expenses due to higher volumes, higher enterprise resource planning ("ERP") costs and higher product launch costs.

2019 versus 2018

SG&A was \$3,065 million (22 percent of net sales) for the year ended December 31, 2019 and \$3,041 million (21 percent of net sales) for the year ended December 31, 2018. The increase was primarily driven by an increase in performance-based compensation, an increase in sales commission rate increases and route to market changes in select markets, and settlement of a legal matter, partially offset by cost synergies.

Pro forma SG&A expense for the year ended December 31, 2019 was \$3,068 million (22 percent of net sales) compared to \$3,042 million (21 percent of net sales) for the year ended December 31, 2018. The increase was primarily driven by the factors described above.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued***Amortization of Intangibles**

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Amortization of Intangibles	\$ 682	\$ 475	\$ 391

2020 versus 2019

Intangible asset amortization was \$682 million for the year ended December 31, 2020 and \$475 million for the year ended December 31, 2019. The increase was primarily driven by the full year impact of germplasm assets, which changed from an indefinite lived intangible asset to a definite lived with a useful life of 25 years in the fourth quarter of 2019. The remaining increase in amortization expense is primarily due to amortization of the trade name asset that was changed from an indefinite lived intangible asset to definite lived in the fourth quarter of 2020. Beginning in 2021, the company expects annual amortization expense to increase by approximately \$55 million, as a result of the change in useful life for trade name asset. See Note 15 - Goodwill and Other Intangible Assets, to the Consolidated Financial Statements, for additional information for above items.

2019 versus 2018

Intangible asset amortization was \$475 million for the year ended December 31, 2019 and \$391 million for the year ended December 31, 2018. The increase was primarily driven by amortization of germplasm assets, which changed from an indefinite lived intangible asset to definite lived with a useful life of 25 years in fourth quarter of 2019. The remaining increase in amortization expense is primarily due to the reclassification of amounts from indefinite-lived in-process research and development ("IPR&D") to developed technology as a result of the company's launch of its Qrome® corn hybrids following the receipt of regulatory approval from China. See Note 15 - Goodwill and Other Intangible Assets, to the Consolidated Financial Statements, for additional information for above items.

Restructuring and Asset Related Charges - Net

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Restructuring and Asset Related Charges - Net	\$ 335	\$ 222	\$ 694

2020 versus 2019

Restructuring and asset related charges - net were \$335 million for the year ended December 31, 2020 and \$222 million for the year ended December 31, 2019. The activity for the year ended December 31, 2020 was comprised of \$176 million net charge related to the Execute to Win Productivity Program and \$159 million of restructuring and asset related charges - net from non-cash accelerated prepaid royalty amortization expense related to the Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits. The \$176 million net charge associated with the Execute to Win Productivity Program was comprised of \$113 million of asset related charges and \$63 million of severance and related benefit costs.

2019 versus 2018

Restructuring and asset related charges - net were \$222 million for the year ended December 31, 2019 and \$694 million for the year ended December 31, 2018. The activity for the year ended December 31, 2019 was comprised of \$144 million of asset related charges (discussed in the "Asset Impairment" section, below) and a \$92 million net charge related to the Synergy Program, offset by a net benefit of \$14 million related to the DowDuPont Agriculture Division Restructuring Program. The \$92 million net charge associated with the Synergy Program was comprised of \$69 million of contract termination charges and \$30 million of asset related charges, partially offset by a \$7 million benefit on the reduction of severance and related benefit costs. The \$14 million net benefit associated with the DowDuPont Agriculture Division Restructuring Program included a \$17 million benefit on the reduction of severance and related benefit costs, partially offset by \$3 million of asset related charges.

Asset Impairment

For the year ended December 31, 2019, the company recognized a \$144 million pre-tax (\$110 million after-tax) non-cash impairment charge in restructuring and asset related charges - net in the company's Consolidated Statements of Operations related to certain IPR&D assets within the seed segment. See Note 7 - Restructuring and Asset Related Charges - Net, and Note 23 - Fair Value Measurements, to the Consolidated Financial Statements for additional information.

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

For the year ended December 31, 2018, the company recognized an \$85 million pre-tax (\$66 million after-tax) non-cash impairment charge in restructuring and asset related charges - net in the company's Consolidated Statements of Operations related to certain IPR&D assets within the seed segment. See Note 7 - Restructuring and Asset Related Charges - Net, and Note 23 - Fair Value Measurements, to the Consolidated Financial Statements for additional information.

For the year ended December 31, 2018, management determined the fair values of investments in nonconsolidated affiliates in China were below the carrying values and had no expectation the fair values would recover. As a result, management concluded the impairment was other than temporary and recorded a non-cash impairment charge of \$41 million in restructuring and asset related charges - net in the company's Consolidated Statements of Operations, none of which is tax-deductible, for the year ended December 31, 2018. See Note 7 - Restructuring and Asset Related Charges - Net, and Note 23 - Fair Value Measurements, to the Consolidated Financial Statements for additional information.

Integration and Separation Costs

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Integration and Separation Costs	\$ —	\$ 744	\$ 992

(In millions)	For the Year Ended December 31,	
	2019	2018
Pro Forma Integration and Separation Costs ¹	\$ 632	\$ 571

1. Beginning in the second quarter of 2019, this includes both integration and separation costs.

Integration and separation costs were \$744 million and \$992 million for the years ended December 31, 2019 and 2018, respectively. These costs primarily have consisted of financial advisory, information technology, legal, accounting, consulting, and other professional advisory fees associated with the preparation and execution of activities related to the Business Separations and the integration of EID's Pioneer and Crop Protection businesses with DAS. Pro forma integration and separation costs were \$632 million and \$571 million for the years ended December 31, 2019 and 2018, respectively. The increase was primarily driven by an increase in financial advisory, information technology, legal, accounting, consulting, and other professional advisory fees associated with the preparation and execution of activities related to the Business Separations and the integration of EID's Pioneer and Crop Protection businesses with DAS.

Goodwill Impairment Charge

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Goodwill Impairment Charge	\$ —	\$ —	\$ 4,503

The company recorded a non-cash goodwill impairment charge of \$4,503 million for the year ended December 31, 2018 related to a goodwill impairment test for its agriculture reporting unit. See Note 15 - Goodwill and Other Intangible Assets, to the Consolidated Financial Statements for additional information.

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Other Income - Net

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Other Income - Net	\$ 212	\$ 215	\$ 249

2020 versus 2019

Other income - net was income of \$212 million for the year ended December 31, 2020 and income of \$215 million for the year ended December 31, 2019. The increase in non-operating pension and other employment benefit credits was offset by higher net exchange loss as well as net losses on sales of businesses and other assets for the year ended December 31, 2020, compared to net gains in 2019 and a change in miscellaneous income. Other income - net for the year ended December 31, 2020 includes a \$(53) million loss on the expected sale of the La Porte site (see below for gains and losses on divestitures for the year ended December 31, 2019). See Note 9 - Supplementary Information, to the Consolidated Financial Statements for additional information.

2019 versus 2018

Other income - net was income of \$215 million for the year ended December 31, 2019 and income of \$249 million for the year ended December 31, 2018. The decrease was primarily due to a reduction in non-operating pension and other post employment credits and interest income, partially offset by a change in miscellaneous income and lower net exchange losses. Additionally, other income - net for the year ended December 31, 2019 included gains on divestitures in the crop protection segment of approximately \$70 million partially offset by a loss on a divestiture in the seed segment of \$(24) million. The company routinely uses forward exchange contracts to offset its net exposures, by currency denominated monetary assets and liabilities of its operations. The objective of this program is to maintain an approximately balanced position in foreign currencies in order to minimize, on an after-tax basis, the effects of exchange rate changes. The net pre-tax exchange gains and losses are recorded in other income - net and the related tax impact is recorded in provision for (benefit from) income taxes on continuing operations in the Consolidated Statement of Operations. See Note 9 - Supplementary Information, to the Consolidated Financial Statements for additional information.

Loss on Early Extinguishment of Debt

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Loss on Early Extinguishment of Debt	\$ —	\$ 13	\$ 81

(In millions)	For the Year Ended December 31,	
	2019	2018
Pro Forma Loss on Early Extinguishment of Debt	\$ 13	\$ —

The company recorded a loss from early extinguishment of debt \$13 million and \$81 million for the years ended December 31, 2019 and 2018, respectively. The loss for 2019 related to the difference between the redemption price and the par value of the Make Whole Notes, the Term Loan Facility, and the Special Mandatory Redemption ("SMR") Notes, partially offset by the write-off of unamortized step-up related to the fair value step-up of EID's debt. The loss for 2018 was primarily related to the difference between the redemption price and the aggregate amount of the Tender Notes purchased in the Tender Offer, mostly offset by the write-off of unamortized step-up related to the fair value step-up of EID's debt. Additional information regarding the company's Tender Offer can be found on page 63 of this report and Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued***Interest Expense**

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Interest Expense	\$ 45	\$ 136	\$ 337

(In millions)	For the Year Ended December 31,	
	2019	2018
Pro Forma Interest Expense	\$ 91	\$ 76

2020 versus 2019

Interest expense was \$45 million and \$136 million for the years ended December 31, 2020 and 2019, respectively. The change was primarily driven by lower average debt balances as a result of the redemption/repayment transactions in the second quarter of 2019 related to paying off or retiring portions of EID's existing debt liabilities (refer to Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements) and lower average interest rates.

2019 versus 2018

Interest expense was \$136 million for the year ended December 31, 2019 and \$337 million for the year ended December 31, 2018. The change was primarily driven by lower average long-term debt balances during 2019 due to debt redemption/repayment transactions. Pro forma interest expense for the year ended December 31, 2019 was \$91 million compared to \$76 million for the year ended December 31, 2018. The increase was primarily driven by interest expense incurred subsequent to March 31, 2019 related to the Make Whole Notes, the Term Loan Facility and SMR Notes which were repaid and/or redeemed in the second quarter of 2019.

(Benefit From) Provision for Income Taxes on Continuing Operations

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Benefit from Income Taxes on Continuing Operations	\$ (81)	\$ (46)	\$ (31)
Effective Tax Rate	(12.0)%	14.6 %	0.5 %

(In millions)	For the Year Ended December 31,	
	2019	2018
Pro Forma Provision for Income Taxes on Continuing Operations	\$ 1	\$ 395
Pro Forma Effective Tax Rate	3.7 %	(8.7)%

2020

For the year ended December 31, 2020, the company's effective tax rate of (12.0) percent on pre-tax income from continuing operations of \$675 million was favorably impacted by a \$(182) million tax benefit associated with the recognition of an elective cantonal component of the recent enactment of the Federal Act on Tax Reform and AHV Financing ("Swiss Tax Reform"), a \$(51) million tax benefit related to a return to accrual adjustment associated with an elective change in accounting method for the 2019 tax year impact of The Act's foreign tax provisions, a \$(14) million tax benefit related to a return to accrual adjustment to reflect a change in estimate on the impact of a tax law enactment in a foreign jurisdiction, as well as an additional \$(14) million of net tax benefits associated with changes in accruals for certain prior year tax positions in various other jurisdictions. These benefits were partially offset by the impacts of unfavorable geographic mix of earnings, the tax impact of certain net exchange losses recognized on the re-measurement of the net monetary asset positions which were not deductible in their local jurisdictions, and a \$19 million tax charge associated with a state tax valuation allowance in the U.S. based on a change in judgment about the realizability of a deferred tax asset.

2019

For the year ended December 31, 2019, the company's effective tax rate of 14.6 percent on pre-tax loss from continuing operations of \$(316) million was unfavorably impacted by a tax charge of \$146 million related to the U.S. state blended tax rate changes associated with the Business Separations and a tax charge of \$35 million related to application of The Act's foreign tax

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

provisions. Other net unfavorable effective tax rate impacts included those related to the Argentine peso devaluation, integration and separation costs, non-tax-deductible amortization of the fair value step-up in inventories as a result of the Merger, the tax impact of certain net exchange losses recognized on the re-measurement of the net monetary asset positions which were not deductible in their local jurisdictions, as well as geographic mix of earnings. Those unfavorable impacts were partially offset by a tax benefit of \$(102) million related to an internal legal entity restructuring associated with the Business Separations, tax benefits of \$(38) million associated with the enactment of the Federal Act on Tax Reform and AHV Financing ("Swiss Tax Reform"), a \$(34) million tax benefit associated with the release of a valuation allowance recorded against the net deferred tax asset position of a legal entity in Switzerland, as well as \$(19) million of tax benefits associated with changes in accruals for certain prior year tax positions and reductions in the company's unrecognized tax benefits due to the closure of various tax statutes of limitations.

For the year ended December 31, 2019, the company's effective tax rate was 3.7 percent on pro forma pre-tax income from continuing operations of \$27 million. The pro forma pre-tax income from continuing operations excludes pre-tax charges of \$205 million, \$45 million and \$93 million primarily related to the removal of amortization of the fair value-step-up of inventories as a result of the Merger, removal of interest expense related to paying off or retiring portions of EID's existing debt liabilities (as discussed in Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements), and removal of expenses directly attributable to the Separation, respectively. The pro forma provision for income taxes on continuing operations excludes net tax benefits of \$(36) million, \$(10) million and \$(1) million related to the above items, respectively.

2018

For the year ended December 31, 2018, the company's effective tax rate of 0.5 percent on pre-tax loss from continuing operations of \$(6,806) million was unfavorably impacted by the non-tax-deductible impairment charge for the agriculture reporting unit and corresponding \$75 million tax charge associated with a valuation allowance recorded against the net deferred tax asset position of a legal entity in Brazil, costs associated with the Merger with Dow (including a \$50 million net tax charge on repatriation activities to facilitate the Business Separations), a \$164 million net tax charge related to completing its accounting for the tax effects of the Act (see Note 10 - Income Taxes, of the Consolidated Financial Statements for additional detail), and the jurisdictional impacts related to the non-tax-deductible amortization of the fair value step-up in inventories as a result of the Merger.

For the year ended December 31, 2018, the company's effective tax rate was (8.7) percent on pro forma pre-tax loss from continuing operations of \$(4,542) million. The pro forma pre-tax loss excludes pre-tax charges of \$1,554 million, \$342 million, and \$368 million, primarily related to the removal of amortization of the fair value-step-up of inventories as a result of the Merger, removal of interest expense and the related loss on early extinguishment of debt related to paying off or retiring portions of EID's existing debt liabilities (as discussed in Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements), and removal of expenses directly attributable to the Separation, respectively. The pro forma provision for income taxes on continuing operations excludes net tax benefits of \$(295) million, \$(78) million and \$(53) million related to the above items, respectively.

(Loss) Income from Discontinued Operations After TaxChemours, DuPont, Corteva and EID Memorandum of Understanding

On January 22, 2021, Chemours, DuPont, Corteva and EID entered into a binding memorandum of understanding containing a settlement to resolve legal disputes originating from the Delaware Litigation and Pending Arbitration, and to establish a cost sharing arrangement and escrow account to be used to support and manage potential future legacy per- and polyfluoroalkyl substances ("PFAS") liabilities arising out of pre-July 1, 2015 conduct (the "MOU"). The MOU replaces the 2017 amendment to the Chemours Separation Agreement. For further discussion see Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements.

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
(Loss) Income from Discontinued Operations After Income Taxes	\$ (55)	\$ (671)	\$ 1,748

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

2020 versus 2019

Loss from discontinued operations after income taxes was \$(55) million for the year ended December 31, 2020 and \$(671) million for the year ended December 31, 2019. The year ended December 31, 2020 primarily reflects an after-tax charge of \$(65) million as a result of the MOU, and the settlement of approximately 95 matters, as well as unfiled matters remaining in the Ohio MDL. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements, for further discussion.

2019 versus 2018

(Loss) income from discontinued operations after income taxes was \$(671) million for the year ended December 31, 2019 and \$1,748 million for the year ended December 31, 2018. The change was primarily driven by a non-cash goodwill impairment charge of \$1,102 million and adjustments of certain unrecognized tax benefits for positions taken on items from prior years from previously divested businesses, reflected in the year ended December 31, 2019.

EID Analysis of Operations

As discussed in Note 1 - Basis of Presentation, to the EID Consolidated Financial Statements, EID is a subsidiary of Corteva, Inc. and continues to be a reporting company, subject to the requirements of the Exchange Act. The below relates to EID only and is presented to provide an Analysis of Operations, only for the differences between EID and Corteva, Inc.

Interest Expense

2020 versus 2019

EID's interest expense was \$145 million for the year ended December 31, 2020 and \$242 million for the year ended December 31, 2019, the decrease was driven by the items noted on page 47, under the header "Interest Expense - 2020 versus 2019," and by lower interest expense incurred on the related party loan between EID and Corteva, Inc. See Note 2 - Related Party Transactions, to the EID Consolidated Financial Statements for further information.

2019 versus 2018

EID's interest expense was \$242 million for the year ended December 31, 2019 and \$337 million for the year ended December 31, 2018, driven by the items noted on page 47 under the header "Interest Expense - 2019 versus 2018," partially offset by interest expense incurred on the related party loan between EID and Corteva, Inc. See Note 2 - Related Party Transactions, to the EID Consolidated Financial Statements for further information.

Provision for Income Taxes

2020

For the year ended December 31, 2020, EID had an effective tax rate of (18.3) percent on pre-tax income from continuing operations of \$575 million, driven by the items noted on page 47, under the header "Provision for Income Taxes - 2020" and a tax benefit related to the interest expense incurred on the related party loan between EID and Corteva, Inc. See Note 3 - Income Taxes, to the EID Consolidated Financial Statements for further information.

2019

For the year ended December 31, 2019, EID had an effective tax rate of 16.8 percent on pre-tax loss from continuing operations of \$(422) million, driven by the items noted on page 47, under the header "Provision for Income Taxes - 2019" and a tax benefit related to the interest expense incurred on the related party loan between EID and Corteva, Inc. See Note 3 - Income Taxes, to the EID Consolidated Financial Statements for further information.

Corporate Outlook

Global demand for agricultural products continues to be strong with some production challenges in key global producing regions, reducing global stocks of corn and soybeans. The company anticipates a modest increase in the U.S. corn and soybean area, with the increase heavily biased towards soybeans.

The company expects approximately 2 percent increase in net sales, driven by new product sales, partially offset by currency and portfolio headwinds.

The company expects Operating EBITDA to increase approximately 15 - 20 percent and Operating Earnings Per Share to increase approximately 23 - 30 percent, driven by new product sales and ongoing cost savings and productivity actions,

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

partially offset by expected increased input costs due to rising commodity prices and expected unfavorable yields in Europe. Refer to further discussion of Non-GAAP metrics on pages 59 - 61.

The above outlook does not contemplate any operational disruptions, significant changes in customers' demand or ability to pay, or further acceleration of currency impacts resulting from the COVID-19 pandemic. Corteva is not able to reconcile its forward-looking non-GAAP financial measures to its most comparable U.S. GAAP financial measures, as it is unable to predict with reasonable certainty items outside of the company's control, such as Significant Items, without unreasonable effort (refer to page 60 for Significant Items recorded in the years ended December 31, 2020, 2019 and 2018). In February 2021 the company approved a restructuring program, in which it expects to record total pre-tax restructuring and asset-related charges of approximately \$130 million to \$170 million (for further discussion refer to page 37), with actions expected to be substantially completed in 2021; and, in 2021, the company expects non-operating benefits - net, to be approximately \$930 million higher, as a result of amendments to the OPEB plans and a decrease in the discount rate, partly offset by a change in expected return on plan assets, and expects an increase in amortization expense. Refer to Note 15 - Goodwill and Other Intangible Assets, to the Consolidated Financial Statements and to the company's discussion on Long-term Employee Benefits on page 74. Additionally, beginning January 1, 2020, the company recognizes non-cash accelerated prepaid royalty amortization expense as a restructuring and asset related charge. For further discussion of accelerated prepaid royalty amortization refer to the Company's Critical Accounting Estimates for Prepaid Royalties on page 71.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Supplemental Unaudited Pro Forma Financial Information

The supplemental unaudited pro forma statements of operations (the "unaudited pro forma statements of operations") for Corteva for the years ended December 31, 2019 and 2018 give effect to the Merger, the debt retirement transactions related to paying off or retiring portions of EID's existing debt liabilities (as discussed in Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements), and the separation and distribution to DowDuPont stockholders of all the outstanding shares of Corteva common stock as if they had been consummated on January 1, 2016.

For the periods presented below, Corteva's results for all periods prior to the Business Realignment and Internal Reorganization consist of the combined results of operations for Historical EID and DAS, and Corteva's results for all periods after the Business Realignment and Internal Reorganization represent the consolidated balances of the company. The unaudited pro forma statements of operations below were prepared in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments, and events that are not expected to have a continuing impact on the combined results (e.g., amortization of inventory step-up costs) are excluded. One-time transaction-related costs incurred prior to, or concurrent with, the closing of the Merger, the debt redemptions/repayments, and the Corteva Distribution are not included in the unaudited pro forma combined statements of operations through March 31, 2019. The unaudited pro forma combined statements of operations do not reflect restructuring or integration activities or other costs, that were not already reflected in GAAP results, following the separation and distribution transactions that may be incurred to achieve cost or growth synergies of Corteva. As no assurance can be made that these costs will be incurred or the growth synergies will be achieved, no adjustment has been made.

The unaudited pro forma statements of operations have been presented for informational purposes only and are not necessarily indicative of what Corteva's results of operations actually would have been had the above transactions been completed on January 1, 2016. In addition, the unaudited pro forma statements of operations do not purport to project the future operating results of the company. The unaudited pro forma statements of operations were based on and should be read in conjunction with the audited Consolidated Financial Statements and Notes contained within this Annual Report on Form 10-K.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Unaudited Pro Forma Statement of Operations	For the Year Ended December 31, 2019				
	Corteva (As Reported - GAAP)	Merger ¹	Debt Retirement	Separations Related ³	Pro Forma
(In millions, except per share amounts)					
Net sales	\$ 13,846	\$ —	\$ —	\$ —	\$ 13,846
Cost of goods sold	8,575	(205)	—	16	8,386
Research and development expense	1,147	—	—	—	1,147
Selling, general and administrative expenses	3,065	—	—	3	3,068
Amortization of intangibles	475	—	—	—	475
Restructuring and asset related charges - net	222	—	—	—	222
Integration and separation costs	744	—	—	(112)	632
Other income - net	215	—	—	—	215
Loss on early extinguishment of debt	13	—	—	—	13
Interest expense	136	—	(45)	—	91
(Loss) income from continuing operations before income taxes	(316)	205	45	93	27
(Benefit from) provision for income taxes on continuing operations	(46)	36	10	1	1
(Loss) income from continuing operations after income taxes	(270)	169	35	92	26
Net income from continuing operations attributable to noncontrolling interests	13	—	—	—	13
Net (loss) income attributable to Corteva	\$ (283)	\$ 169	\$ 35	\$ 92	\$ 13
Per share common data					
Earnings per share of common stock from continuing operations - basic					\$ 0.02
Earnings per share of common stock from continuing operations - diluted					\$ 0.02
Weighted-average common shares outstanding - basic					
Weighted-average common shares outstanding - diluted					
					749.5
					749.5

1. Represents the removal of amortization of EID's agriculture business' inventory step-up recognized in connection with the Merger, as the incremental amortization is directly attributable to the Merger and will not have a continuing impact.
2. Represents removal of interest expense related to the debt redemptions/repayments.
3. Adjustments directly attributable to the separations and distributions of Corteva, Inc. include the following: removal of Telone[®] Soil Fumigant business ("Telone[®]") results (as Telone[®] did not transfer to Corteva as part of the common control combination of DAS); impact from the distribution agreement entered into between Corteva and Dow that allows for Corteva to become the exclusive distributor of Telone[®] products for Dow; elimination of one-time transaction costs directly attributable to the Corteva Distribution; the impact of certain manufacturing, leasing and supply agreements entered into in connection with the Corteva Distribution; and the related tax impacts of these items.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Unaudited Pro Forma Statement of Operations	For the Year Ended December 31, 2018				
	Corteva (As Reported - GAAP)	Merger ¹	Debt Retirement	Separations Related ³	Pro Forma
(In millions, except per share amounts)					
Net sales	\$ 14,287	\$ —	\$ —	\$ —	\$ 14,287
Cost of goods sold	9,948	(1,554)	—	55	8,449
Research and development expense	1,355	—	—	(3)	1,352
Selling, general and administrative expenses	3,041	—	—	1	3,042
Amortization of intangibles	391	—	—	—	391
Restructuring and asset related charges - net	694	—	—	—	694
Integration and separation costs	992	—	—	(421)	571
Goodwill impairment charge	4,503	—	—	—	4,503
Other income - net	249	—	—	—	249
Loss on early extinguishment of debt	81	—	(81)	—	—
Interest expense	337	—	(261)	—	76
Loss from continuing operations before income taxes	(6,806)	1,554	342	368	(4,542)
(Benefit from) provision for income taxes on continuing operations	(31)	295	78	53	395
Loss from continuing operations after income taxes	(6,775)	1,259	264	315	(4,937)
Net income from continuing operations attributable to noncontrolling interests	29	—	—	—	29
Net loss attributable to Corteva	\$ (6,804)	\$ 1,259	\$ 264	\$ 315	\$ (4,966)
Per share common data					
Loss per share of common stock from continuing operations - basic					\$ (6.63)
Loss per share of common stock from continuing operations - diluted					\$ (6.63)
Weighted-average common shares outstanding - basic					
Weighted-average common shares outstanding - diluted					
					749.4
					749.4

1. Represents the removal of amortization of EID's agriculture business' inventory step-up recognized in connection with the Merger, as the incremental amortization is directly attributable to the Merger and will not have a continuing impact.
2. Represents removal of interest expense and loss on early extinguishment of debt related to the debt redemptions/repayments.
3. Adjustments directly attributable to the separations and distributions of Corteva, Inc. includes the following: removal of Telone[®]; impact from the distribution agreement entered into between Corteva and Dow that allows for Corteva to become the exclusive distributor of Telone[®] products for Dow; elimination of one-time transaction costs directly attributable to the Corteva Distribution; the impact of certain manufacturing, leasing and supply agreements entered into in connection with the Corteva Distribution; and the related tax impacts of these items.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Recent Accounting Pronouncements

See Note 3 - Recent Accounting Guidance, to the Consolidated Financial Statements for a description of recent accounting pronouncements.

Segment Reviews

The company operates in two reportable segments: seed and crop protection. The company's seed segment is a global leader in developing and supplying advanced germplasm and traits that produce optimum yield for farms around the world. The segment offers trait technologies that improve resistance to weather, disease, insects and weeds, and trait technologies that enhance food and nutritional characteristics, and also provides digital solutions that assist farmer decision-making with a view to optimize product selection and, ultimately, maximize yield and profitability. The segment competes in a wide variety of agricultural markets. The crop protection segment serves the global agricultural input industry with products that protect against weeds, insects and other pests, and disease, and that improve overall crop health both above and below ground via nitrogen management and seed-applied technologies. The segment is a leader in global herbicides, insecticides, nitrogen stabilizers and pasture and range management herbicides.

Summarized below are comments on individual segment net sales and segment operating EBITDA for the years ended December 31, 2020, 2019 and 2018. For the years ended December 31, 2019 and 2018, segment operating EBITDA is calculated on a pro forma basis, as this is the manner in which the chief operating decision maker ("CODM") assesses performance and allocates resources. Pro forma adjustments used in the calculation of pro forma segment operating EBITDA were determined in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments. For the years ended December 31, 2019 and 2018, these adjustments give effect to the Merger, the debt retirement transactions related to paying off or retiring portions of EID's existing debt liabilities (as discussed in Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements), and the separation and distribution to DowDuPont stockholders of all the outstanding shares of Corteva common stock as if they had been consummated on January 1, 2016 (refer to supplemental unaudited pro forma financial statements on page 51). The company defines segment operating EBITDA as earnings (i.e., income from continuing operations before income taxes) before interest, depreciation, amortization, corporate expenses, non-operating costs-net and foreign exchange gains (losses), excluding the impact of significant items (including goodwill impairment charges). Non-operating costs-net consists of non-operating pension and OPEB costs, tax indemnification adjustments, environmental remediation and legal costs associated with legacy EID businesses and sites. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense. See Note 25 - Segment Information, to the Consolidated Financial Statements for details related to significant pre-tax (charges) benefits excluded from segment operating EBITDA. All references to prices are based on local price unless otherwise specified.

A reconciliation of segment operating EBITDA to income (loss) from continuing operations after income taxes for the years ended December 31, 2020, 2019 and 2018 is included in Note 25 - Segment Information, to the Consolidated Financial Statements.

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Seed	For the Year Ended December 31,		
	2020	2019	2018
In millions			
Net sales	\$ 7,756	\$ 7,590	\$ 7,842
Segment operating EBITDA ¹	\$ 1,208	\$ 1,040	\$ 1,139

1. The years ended December 31, 2019 and 2018 are presented on a Pro Forma Basis, prepared in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments.

Seed	2020 vs. 2019		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
In millions	\$	%				
North America	\$ 71	2 %	— %	2 %	— %	— %
EMEA	90	7 %	4 %	8 %	(5)%	— %
Latin America	(13)	(1)%	4 %	13 %	(18)%	— %
Asia Pacific	18	5 %	4 %	6 %	(5)%	— %
Total	\$ 166	2 %	1 %	5 %	(4)%	— %

Seed	2020 vs. 2019		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
In millions	\$	%				
Corn ¹	\$ 56	1 %	2 %	4 %	(5)%	— %
Soybeans ¹	58	4 %	2 %	4 %	(2)%	— %
Other oilseeds ¹	26	4 %	— %	8 %	(4)%	— %
Other ¹	26	5 %	3 %	5 %	(3)%	— %
Total	\$ 166	2 %	1 %	5 %	(4)%	— %

Seed	2019 vs. 2018		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
In millions	\$	%				
North America	\$ (250)	(5)%	(2)%	(3)%	— %	— %
EMEA	(30)	(2)%	1 %	5 %	(8)%	— %
Latin America	28	3 %	8 %	(1)%	(4)%	— %
Asia Pacific	—	— %	2 %	2 %	(4)%	— %
Total	\$ (252)	(3)%	— %	(1)%	(2)%	— %

Seed	2019 vs. 2018		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
In millions	\$	%				
Corn ¹	\$ (94)	(2)%	— %	1 %	(3)%	— %
Soybeans ¹	(110)	(7)%	(3)%	(4)%	— %	— %
Other oilseeds ¹	(52)	(8)%	1 %	(4)%	(6)%	1 %
Other ¹	4	1 %	4 %	(1)%	(2)%	— %
Total	\$ (252)	(3)%	— %	(1)%	(2)%	— %

1. Prior periods have been reclassified to conform to current period presentation.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Seed

Seed net sales were \$7,756 million in 2020, up 2 percent from \$7,590 million in 2019. The increase was driven by a 5 percent increase in volume and 1 percent increase in local price, partially offset by a 4 percent unfavorable impact from currency. Volume growth was driven by the recovery of soybean planted area in North America and strong summer and Safrinha sales in Brazil. Global corn price grew 2 percent year over year, primarily driven by continued penetration from products such as Qrome® and PowerCore ULTRA™. North America soybean price increased 2 percent versus the year-ago period due to superior product performance and strong execution. Unfavorable currency impacts were led by the Brazilian Real.

Seed operating EBITDA was \$1,208 million in 2020, up 16 percent from pro forma operating EBITDA of \$1,040 million in 2019. Favorable mix, volume gains and ongoing cost and productivity actions more than offset the unfavorable impact of currency, higher input costs and higher royalties.

Seed net sales were \$7,590 million in 2019, down from \$7,842 million in 2018. The decrease was primarily due to a 2 percent decline in currency and a 1 percent decline in volume. Local price was flat.

Unfavorable currency impacts were primarily due to the Brazilian Real, Eastern European currencies, and the Euro. Volume gains in corn in EMEA were more than offset by significant weather-related planting delays in North America, leading to a reduction in planted area for soybeans, and multi-channel and multi-brand rationalization impacts in North America. Competitive pricing pressure in soybeans in the U.S. and increased soybean and corn replant in North America were offset by favorable mix and continued penetration of PowerCore Ultra® in Latin America.

Seed pro forma operating EBITDA was \$1,040 million in 2019, down 9 percent from \$1,139 million in 2018. Competitive pricing pressure, the unfavorable impact of currency, increased commissions and input costs, and volume declines more than offset cost synergies and ongoing productivity.

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Crop Protection	For the Year Ended December 31,		
	2020	2019	2018
In millions			
Net sales	\$ 6,461	\$ 6,256	\$ 6,445
Segment operating EBITDA ¹	\$ 1,004	\$ 1,066	\$ 1,074

1. The years ended December 31, 2019 and 2018 are presented on a Pro Forma Basis, prepared in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments.

Crop Protection	2020 vs. 2019		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
In millions	\$	%				
North America	\$ 168	8 %	3 %	5 %	— %	— %
EMEA	12	1 %	1 %	3 %	(2)%	(1)%
Latin America	(71)	(4)%	9 %	8 %	(21)%	— %
Asia Pacific	96	10 %	1 %	13 %	(2)%	(2)%
Total	\$ 205	3 %	4 %	7 %	(7)%	(1)%

Crop Protection	2020 vs. 2019		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
In millions	\$	%				
Herbicides ¹	\$ 74	2 %	1 %	7 %	(5)%	(1)%
Insecticides ¹	112	7 %	5 %	9 %	(7)%	— %
Fungicides ¹	(40)	(4)%	5 %	5 %	(12)%	(2)%
Other ¹	59	18 %	24 %	1 %	(7)%	— %
Total	\$ 205	3 %	4 %	7 %	(7)%	(1)%

Crop Protection	2019 vs. 2018		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
In millions	\$	%				
North America	\$ (233)	(10)%	(3)%	(6)%	— %	(1)%
EMEA	5	— %	2 %	5 %	(7)%	— %
Latin America	44	3 %	1 %	7 %	(5)%	— %
Asia Pacific	(5)	(1)%	3 %	— %	(3)%	(1)%
Total	\$ (189)	(3)%	— %	1 %	(3)%	(1)%

Crop Protection	2019 vs. 2018		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
In millions	\$	%				
Herbicides ¹	\$ (207)	(6)%	(1)%	(2)%	(3)%	— %
Insecticides ¹	146	10 %	5 %	9 %	(4)%	— %
Fungicides ¹	(70)	(6)%	(3)%	1 %	(4)%	— %
Other ¹	(58)	(15)%	(2)%	(11)%	(2)%	— %
Total	\$ (189)	(3)%	— %	1 %	(3)%	(1)%

1. Prior periods have been reclassified to conform to current period presentation.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Crop Protection

Crop protection net sales were \$6,461 million in 2020, up from \$6,256 million in 2019. Sales gains were driven by a 7 percent increase in volume and a 4 percent increase in local price, which was partially offset by a 7 percent impact from currency and a 1 percent impact from portfolio.

The increase in volume was driven by continued penetration of new products globally, with combined sales of \$1 billion in 2020, up \$265 million compared to the prior-year period, led by Enlist™, Arylex™, and Rinskor™ herbicides and Isoclast™ insecticide. Local price growth was driven by increases in Latin America to offset currency, coupled with favorable mix globally from new product launches. Unfavorable currency impacts were led by the Brazilian Real. The Company has recognized approximately \$150 million in pricing to offset the weakening Brazilian Real for the full year. The portfolio impact was driven by divestitures in Asia Pacific and North America.

Crop Protection operating EBITDA was \$1,004 million in 2020, down from pro forma segment operating EBITDA of \$1,066 million in 2019. Favorable mix, ongoing cost and productivity actions, together with volume gains, were more than offset by the negative impact of currency, increased investment to fund growth and higher input costs. Currency net of pricing was a \$70 million headwind, inclusive of \$150 million in pricing actions.

Crop protection net sales were \$6,256 million in 2019, down from \$6,445 million in 2018. The decrease was primarily due to a 3 percent decline in currency and a 1 percent decline in portfolio, partially offset by a 1 percent increase in volume. Local price was flat.

Unfavorable currency impacts were primarily due to Brazilian Real and the Euro. Volume gains driven by new product launches - including Enlist™ and Arylex™ herbicides and Isoclast™ insecticide - were partially offset by the unfavorable weather in North America, which resulted in lost spring applications. Pricing gains from new products launches were offset by increased grower incentive program discounts in North America. The portfolio impact was driven by divestitures in North America and Asia Pacific.

Crop Protection pro forma operating EBITDA was \$1,066 million in 2019, down 1 percent from \$1,074 million in 2018. Volume declines in North America, the unfavorable impact of currency, and higher input costs more than offset cost synergies, sales from new products, and ongoing productivity.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued***Non-GAAP Financial Measures**

The company presents certain financial measures that do not conform to U.S. GAAP and are considered non-GAAP measures. These measures include Operating EBITDA and operating earnings per share. Management uses these measures internally for planning and forecasting, including allocating resources and evaluating incentive compensation. Management believes that these non-GAAP measures best reflect the ongoing performance of the company during the periods presented and provide more relevant and meaningful information to investors as they provide insight with respect to ongoing operating results of the company and a more useful comparison of year over year results. These non-GAAP measures supplement the company's U.S. GAAP disclosures and should not be viewed as an alternative to U.S. GAAP measures of performance. Furthermore, such non-GAAP measures may not be consistent with similar measures provided or used by other companies. Reconciliations for these non-GAAP measures to U.S. GAAP are provided below. For the years ended December 31, 2019 and 2018, information is on a pro forma basis and these non-GAAP measures are being reconciled to a pro forma GAAP financial measure prepared and presented in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments, which are reconciled to the GAAP reported figures. See Article 11 Pro Forma Combined Statements of Operations on page 52.

Operating EBITDA is defined as earnings (i.e., income from continuing operations before income taxes) before interest, depreciation, amortization, non-operating (benefits) costs - net and foreign exchange gains (losses), net, excluding the impact of significant items (including goodwill impairment charges). Non-operating (benefits) costs - net consists of non-operating pension and OPEB credits, tax indemnification adjustments and environmental remediation and legal costs associated with legacy businesses and sites of Historical DuPont. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense. Operating earnings per share is defined as "Earnings per common share from continuing operations - diluted" excluding the after-tax impact of significant items (including goodwill impairment charges), the after-tax impact of non-operating (benefits) costs - net, and the after-tax impact of amortization expense associated with intangible assets existing as of the Separation from DowDuPont. Although amortization of the company's intangible assets is excluded from these non-GAAP measures, management believes it is important for investors to understand that such intangible assets contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in amortization of additional intangible assets.

Reconciliation of Income (Loss) from Continuing Operations after Income Taxes to Operating EBITDA

(In millions)	Year Ended December 31,		
	2020	2019	2018
	<i>As Reported</i>	<i>Pro Forma</i>	<i>Pro Forma</i>
Income from continuing operations after income taxes	\$ 756	\$ 26	\$ (4,937)
(Benefit from) provision for income taxes on continuing operations	(81)	1	395
Income (loss) from continuing operations before income taxes	675	27	(4,542)
Depreciation and amortization	1,177	1,000	909
Interest income	(56)	(59)	(86)
Interest expense	45	91	76
Exchange losses - net	174	66	77
Non-operating benefits - net	(316)	(129)	(211)
Goodwill impairment charge	—	—	4,503
Significant items charge	388	991	1,346
Operating EBITDA (Non-GAAP)	\$ 2,087	\$ 1,987	\$ 2,072

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Significant Items

(In millions)	Year Ended December 31,		
	2020	2019	2018
	<i>As Reported</i>	<i>Pro Forma</i>	<i>Pro Forma</i>
Integration and separation costs	\$ —	\$ 632	\$ 571
Restructuring and asset related charges - net	335	222	694
Gain on sale of assets	—	—	(24)
Loss on deconsolidation of subsidiary	—	—	53
Loss on divestiture	53	24	2
Amortization of inventory step-up	—	67	—
Argentina currency devaluation	—	33	—
Loss on early extinguishment of debt	—	13	—
Income tax related items	—	—	50
Total pretax significant items charge	388	991	1,346
Total tax benefit impact of significant items ¹	(86)	(135)	(239)
Tax only significant item (benefit) charge ²	(192)	(72)	347
Total significant items charge, net of tax	\$ 110	\$ 784	\$ 1,454

1. The tax benefit impact of significant items for the year ended December 31, 2019 includes a net tax charge of \$35 million related to application of the U.S. Tax Reform's foreign tax provisions, a net tax charge of \$146 million related to U.S. state blended tax rate changes associated with the Internal Reorganizations, and a net tax benefit of \$(102) million related to an internal legal entity restructuring associated with the Internal Reorganizations. Unless specifically addressed above, the income tax effect on significant items was calculated based upon the enacted tax laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.

2. The tax only significant item benefit for the year ended December 31, 2020 reflects the impacts of the recognition of an elective cantonal component of the recent enactment of the Federal Act on Tax Reform and AHV Financing ("Swiss Tax Reform") (\$182) million benefit) and a benefit due to an elective change in accounting method that alters the 2019 impact of the business separation on The Act's foreign tax provisions (\$29) million benefit), partially offset by a state tax valuation allowance in the U.S. based on a change in judgment about the realizability of a deferred tax asset (\$19 million charge). The tax only significant item benefit for the year ended December 31, 2019 reflects the impacts of Swiss Tax Reform (\$38) million benefit) and the release of a tax valuation allowance recorded against the net deferred tax asset position of a Swiss legal entity (\$34) million benefit). The tax only significant item charge for the year ended December 31, 2018 reflects the impacts of U.S. Tax Reform (\$361 million charge), a tax valuation allowance recorded against the net deferred tax asset position of a Brazilian legal entity (\$75 million charge), as well as the Internal Reorganizations and Business Separations (\$25 million charge), partially offset by impacts of the company's discretionary pension contribution (\$114) million benefit).

Reconciliation of Income (Loss) from Continuing Operations Attributable to Corteva and Earnings (Loss) Per Share of Common Stock from Continuing Operations - Diluted to Operating Earnings and Operating Earnings Per Share

(In millions)	Year Ended December 31,		
	2020	2019	2018
	<i>As Reported</i>	<i>Pro Forma</i>	<i>Pro Forma</i>
Income (loss) from continuing operations attributable to Corteva	\$ 736	\$ 13	\$ (4,966)
Less: Non-operating benefits - net, after tax	237	100	165
Less: Amortization of intangibles (existing as of Separation), after tax	(518)	(376)	(313)
Less: Goodwill impairment charge, after tax	—	—	(4,503)
Less: Significant items charge, after tax	(110)	(784)	(1,454)
Operating Earnings (Non-GAAP)	\$ 1,127	\$ 1,073	\$ 1,139

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

	Year Ended December 31,		
	2020	2019	2018
	<i>As Reported</i>	<i>Pro Forma</i>	<i>Pro Forma</i>
Earnings (loss) per share of common stock from continuing operations - diluted	\$ 0.98	\$ 0.02	\$ (6.63)
Less: Non-operating benefits - net, after tax	0.32	0.13	0.22
Less: Amortization of intangibles (existing as of Separation), after tax	(0.69)	(0.50)	(0.42)
Less: Goodwill impairment charge, after tax	—	—	(6.01)
Less: Significant items charge, after tax	(0.15)	(1.04)	(1.94)
Operating Earnings Per Share (Non-GAAP)	\$ 1.50	\$ 1.43	\$ 1.52
Diluted Shares Outstanding (in millions)	751.2	749.5	749.4

Liquidity & Capital Resources

The company continually reviews its sources of liquidity and debt portfolio and occasionally may make adjustments to one or both to ensure adequate liquidity.

<i>(Dollars in millions)</i>	December 31, 2020	December 31, 2019
Cash, cash equivalents and marketable securities	\$ 3,795	\$ 1,769
Total debt	\$ 1,105	\$ 122

The company's cash, cash equivalents and marketable securities at December 31, 2020 and December 31, 2019 were \$3.8 billion, and \$1.8 billion respectively. Total debt at December 31, 2020 and December 31, 2019 was \$1.1 billion and \$0.1 billion, respectively. See further information under Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements.

The company's credit ratings impact its access to the debt capital markets and cost of capital. The company remains committed to a strong financial position and strong investment-grade rating. The company's long-term and short-term credit ratings assigned to EID are as follows:

	Long-term	Short-term	Outlook
Standard & Poor's ¹	A-	A-2	Stable
Moody's Investors Service	A3	P-2	Stable
Fitch Ratings ¹	A	F1	Stable

1. In addition, Corteva, Inc. has been assigned a long-term issuer credit rating of A- with Stable outlook by Standard & Poor's and an Issuer Default Rating of A with Stable outlook by Fitch Ratings.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

The company believes its ability to generate cash from operations and access to capital markets and commercial paper markets will be adequate to meet anticipated cash requirements to fund its operations, including seasonal working capital, capital spending, dividend payments, share repurchases and pension contributions. Corteva's strong financial position, liquidity and credit ratings will provide access as needed to capital markets and commercial paper markets to fund seasonal working capital needs. The company's liquidity needs can be met through a variety of sources, including cash provided by operating activities, commercial paper, syndicated credit lines, bilateral credit lines, long-term debt markets, bank financing and committed receivable repurchase facilities. Corteva considers the borrowing costs and lending terms when selecting the source to fund its operations and working capital needs.

The company had access to approximately \$6.4 billion in committed and uncommitted unused credit lines at December 31, 2020 and December 31, 2019. These facilities provide support to meet the company's short-term liquidity needs and for general corporate purposes which may include funding of discretionary and non-discretionary contributions to certain benefit plans, severance payments, repayment and refinancing of debt, working capital, capital expenditures, repurchases and redemptions of securities and funding Corteva's costs and expenses.

On January 22, 2021, Chemours, DuPont, Corteva and EID entered into a binding memorandum of understanding containing a settlement to resolve legal disputes originating from the Delaware Litigation and Pending Arbitration, and to establish a cost sharing arrangement and escrow account to be used to support and manage potential future legacy per- and polyfluoroalkyl substances ("PFAS") liabilities arising out of pre-July 1, 2015 conduct (the "MOU"). The MOU replaces the 2017 amendment to the Chemours Separation Agreement (refer to Footnote 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements for further details). According to the terms of the cost sharing arrangement within the MOU, Corteva and DuPont together, on one hand, and Chemours, on the other hand, agreed to a 50-50 split of certain qualified expenses related to PFAS liabilities incurred over a term not to exceed twenty years or \$4 billion of qualified spend and escrow account contributions in the aggregate. DuPont's and Corteva's 50% share under the MOU will be limited to \$2 billion, including qualified expenses and escrow contributions (see below for discussion of escrow contributions). These expenses and escrow account contributions will be subject to the existing Letter Agreement, under which DuPont and Corteva will each bear 50% of the first \$300 million (up to \$150 million each), and thereafter DuPont bears 71% and Corteva bears the remaining 29%.

In order to support and manage any potential future PFAS liabilities, the parties have also agreed to establish an escrow account. The MOU provides that (1) no later than each of September 30, 2021 and September 30, 2022, Chemours shall deposit \$100 million into an escrow account and DuPont and Corteva shall together deposit \$100 million in the aggregate into an escrow account and (2) no later than September 30 of each subsequent year through and including 2028, Chemours shall deposit \$50 million into an escrow account and DuPont and Corteva shall together deposit \$50 million in the aggregate into an escrow account. Subject to the terms and conditions set forth in the MOU, each party may be permitted to defer funding in any year (excluding 2021). Over this period, Chemours will deposit a total of \$500 million in the account and DuPont and Corteva will deposit an additional \$500 million pursuant to the terms of the Letter Agreement. Additionally, if on December 31, 2028, the balance of the escrow account (including interest) is less than \$700 million, Chemours will make 50% of the deposits and DuPont and Corteva together will make 50% of the deposits necessary to restore the balance of the escrow account to \$700 million. Such payments will be made in a series of consecutive annual equal installments commencing on September 30, 2029 pursuant to the escrow account replenishment terms as set forth in the MOU (refer to Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements for further details on the MOU and Letter Agreement).

In November 2018, EID entered into a \$3.0 billion five-year revolving credit facility and a \$3.0 billion three-year revolving credit facility (the "2018 Revolving Credit Facilities"). The 2018 Revolving Credit Facilities became effective May 2019 in connection with the termination of the EID \$4.5 billion Term Loan Facility and the \$3.0 billion Revolving Credit Facility dated May 2014. Corteva, Inc. became a party to the 2018 Revolving Credit Facilities upon the Corteva Distribution. In March 2020, the company drew down \$500 million under the three year revolving credit facility to finance its short term liquidity needs as a result of the volatility and increased borrowing costs of commercial paper resulting from the unstable market conditions caused by the COVID-19 pandemic, and repaid that borrowing in full in June 2020. The Revolving Credit Facilities contain customary representations and warranties, affirmative and negative covenants and events of default that are typical for companies with similar credit ratings. The Revolving Credit Facilities also contain a financial covenant requiring that the ratio of total indebtedness to total capitalization for Corteva and its consolidated subsidiaries not exceed 0.60. At December 31, 2020 the company was in compliance with these covenants.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

In May 2020, EID issued \$500 million of 1.70 percent Senior Notes due 2025 and \$500 million of 2.30 percent Senior Notes due 2030 (the May 2020 Debt Offering). The proceeds of this offering are intended to be used for general corporate purposes, which may include discretionary contributions to the company's U.S. principal pension plan and repayment of other indebtedness.

The company's indenture covenants include customary limitations on liens, sale and leaseback transactions, and mergers and consolidations affecting manufacturing plants, mineral producing properties or research facilities located in the U.S. and the consolidated subsidiaries owning such plants, properties and facilities subject to certain limitations. The outstanding long-term debt also contains customary default provisions.

The company has meaningful seasonal working capital needs based in part on providing financing to its customers. Working capital is funded through multiple methods including commercial paper, a receivable repurchase facility, factoring and cash from operations.

In February 2020, in line with seasonal working capital requirements, the company entered into a committed receivable repurchase agreement of up to \$1.3 billion (the "2020 Repurchase Facility") which expired in December 2020. Under the 2020 Repurchase Facility, the company sold a portfolio of available and eligible outstanding customer notes receivables to participating institutions and simultaneously agreed to repurchase at a future date.

In February 2021, the company entered into a new committed receivable repurchase facility of up to \$1 billion (the "2021 Repurchase Facility") which expires in December 2021. See further discussion of the 2021 Repurchase Facility in Note 27 - Subsequent Events, to the Consolidated Financial Statements.

The company has factoring agreements with third-party financial institutions primarily in Latin America to sell its trade receivables under both recourse and non-recourse agreements in exchange for cash proceeds in an effort to reduce its receivables risk. For arrangements that include an element of recourse, the company provides a guarantee of the trade receivables in the event of customer default. Refer to Note 12 - Accounts and Notes Receivable - Net, to the Consolidated Financial Statements for more information.

The company also organizes agreements with third-party financial institutions who directly provide financing for select customers of its seed and crop protection products in each region. Terms of the third-party loans are less than a year and programs are renewed on an annual basis. In some cases, the company guarantees a portion of the extension of such credit to such customers. Refer to Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements for more information on the company's guarantees.

Capacity Expansion

During 2019, the company's Board of Directors authorized a capital investment of approximately \$145 million to increase Spinosyns fermentation capacity by 30% to address global market growth in insecticides that handle chewing insects in specialty and row crops. The additional capacity was staged to come online over the subsequent next few years.

Debt Redemptions/Repayments

In the fourth quarter of 2018, EID offered to purchase for cash approximately \$6.2 billion of outstanding debt securities from each registered holder of the applicable series of debt securities (the "Tender Offers"). EID retired \$4.4 billion aggregate principal amount of such debt securities in connection with the Tender Offers, which expired on December 11, 2018. The retirement of these debt securities was funded with cash contributions from DowDuPont.

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

On March 22, 2019, EID issued notices of redemption in full of all of its outstanding notes (the "Make Whole Notes") listed in the table below:

<i>(in millions)</i>	Amount
4.625% Notes due 2020	\$ 474
3.625% Notes due 2021	296
4.250% Notes due 2021	163
2.800% Notes due 2023	381
6.500% Debentures due 2028	57
5.600% Senior Notes due 2036	42
4.900% Notes due 2041	48
4.150% Notes due 2043	69
Total	\$ 1,530

The Make Whole Notes were redeemed on April 22, 2019 at the make-whole redemption prices set forth in the respective Make Whole Notes. On and after the date of redemption, the Make Whole Notes were no longer deemed outstanding, interest on the Make Whole Notes ceased to accrue and all rights of the holders of the Make Whole Notes were terminated. For further information on the Make Whole Notes, see Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements.

In March 2016, EID entered into a credit agreement that provides for a three-year, senior unsecured term loan facility in the aggregate principal amount of \$4.5 billion (as amended, from time to time, the "Term Loan Facility") under which EID could make up to seven term loan borrowings and amounts repaid or prepaid were not available for subsequent borrowings. On May 2, 2019, EID terminated its Term Loan Facility and repaid the aggregate outstanding principal amount of \$3 billion plus accrued and unpaid interest through and including May 1, 2019. For further information on the termination of the Term Loan Facility, see Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements.

In connection with the repayment of the Make Whole Notes and the Term Loan Facility, EID paid a total of \$4.6 billion in the second quarter 2019, which included breakage fees and accrued and unpaid interest on the Make Whole Notes and Term Loan Facility. The repayment of the Make Whole Notes and Term Loan Facility was funded with cash from operations and a contribution from DowDuPont.

On May 7, 2019, DowDuPont publicly announced the record date in connection with the Corteva Distribution. In connection with such announcement, EID was required to redeem \$1.25 billion aggregate principal amount of 2.200% Notes due 2020 and \$750 million aggregate principal amount of Floating Rate Notes due 2020 (collectively, the Special Mandatory Redemption or "SMR Notes") setting forth the date of redemption of the SMR Notes. The date of redemption was May 17, 2019 and EID paid a total of \$2.0 billion, which included accrued and unpaid interest on the SMR Notes. The company funded the payment with a contribution from DowDuPont. Following the redemption, the SMR Notes are no longer outstanding and no longer bear interest and all rights of the holders of the SMR Notes have terminated.

The company's cash, cash equivalents and marketable securities at December 31, 2020 and December 31, 2019 are \$3.8 billion and \$1.8 billion, respectively, of which \$3.1 billion at December 31, 2020 and \$1.5 billion at December 31, 2019, was held by subsidiaries in foreign countries, including United States territories.

The Act required companies to pay a one-time transition tax on the untaxed earnings of foreign subsidiaries (see Note 10 - Income Taxes, to the Consolidated Financial Statements for further details of The Act). As a result of The Act's introduction of a 100 percent dividends received deduction regarding earnings of foreign subsidiaries, the Company has access to its cash outside the U.S. at a significantly reduced cost. Upon actual repatriation, such earnings could be subject to withholding taxes, foreign and/or U.S. state income taxes, and taxes resulting from the impact of foreign currency movements. The cash held by foreign subsidiaries is generally used to finance the subsidiaries' operational activities and future foreign investments. At December 31, 2020, management believed that it will have sufficient liquidity sources to fund operating needs in the U.S. with

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

global operating cash flows, borrowing capacity from existing committed credit facilities, and access to capital markets and commercial paper markets.

<i>(Dollars in millions)</i>	For the Year Ended December 31,		
	2020	2019	2018
Cash provided by operating activities	\$ 2,064	\$ 1,070	\$ 483

Cash provided by operating activities for the year ended December 31, 2020 was \$2,064 million compared to \$1,070 million for the year ended December 31, 2019. The increase in cash provided by operating activities was driven by an increase in net income, including a decrease in integration and separation costs, and improvement in working capital, partially offset by the absence of the net impact of cash earnings from EID ECP and EID Specialty Products entities, as a result of the Internal Reorganizations and Business Realignments in 2019.

Cash provided by operating activities for the year ended December 31, 2019 was \$1,070 million compared to \$483 million for the year ended December 31, 2018. The increase in cash provided by operating activities was primarily driven by lower pension contributions in 2019, as a result of the company's 2018 discretionary pension contribution, and a decrease in integration and separation costs, partially offset by the net impact of lower net income and working capital changes as a result of the Internal Reorganizations and Business Realignments in 2019.

<i>(Dollars in millions)</i>	For the Year Ended December 31,		
	2020	2019	2018
Cash used for investing activities	\$ (674)	\$ (904)	\$ (505)

Cash used for investing activities was \$(674) million for the year ended December 31, 2020 compared to \$(904) million for the year ended December 31, 2019. The change was due primarily due to lower capital expenditures driven by the Internal Reorganizations and Business Realignments in 2019, partially offset by higher net purchases of investments and lower proceeds from sales of property, businesses, and consolidated companies.

Cash used for investing activities was \$(904) million for the year ended December 31, 2019 compared to \$(505) million for the year ended December 31, 2018, primarily due to a decrease in net proceeds from sales and maturities of investments, partially offset by a reduction in capital expenditures as a result of the Internal Reorganizations and Business Realignments in 2019 and an increase in proceeds from sales of property, businesses and consolidated companies.

Capital expenditures totaled \$475 million, \$1,163 million, and \$1,501 million for the years ended December 31, 2020, 2019 and 2018, respectively. The years ended December 31, 2019 and 2018 includes capital expenditures of \$497 million and \$988 million, respectively, related to the EID Specialty Products and EID ECP (i.e., ethylene copolymers business, excluding its ethylene acrylic elastomers business) Entities. The company expects 2021 capital expenditures to be approximately \$550 million.

<i>(Dollars in millions)</i>	For the Year Ended December 31,		
	2020	2019	2018
Cash provided by (used for) financing activities	\$ 303	\$ (2,929)	\$ (2,624)

Cash provided by (used for) financing activities was \$303 million for the year ended December 31, 2020 compared to \$(2,929) million for the year ended December 31, 2019. The change was primarily due to lower payments on long-term debt, due to the 2019 debt retirement transactions related to paying off or retiring portions of EID's existing debt liabilities (using a portion of the contributions from DowDuPont), lower net payment on borrowings (less than 90 days), the May 2020 Debt Offering, and the absence of distributions to DowDuPont (which in 2019 were used primarily to fund a portion of DowDuPont's dividend payments). This was partially offset by dividends to Corteva stockholders, repurchases of Corteva common stock and payments

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

for the acquisition of noncontrolling interests. In addition, during the year ended December 31, 2019 there was a transfer of cash to DowDuPont as part of the Internal Reorganizations.

Cash used for financing activities was \$(2,929) million for the year ended December 31, 2019 compared to \$(2,624) million for the year ended December 31, 2018. The change was due to repayments of commercial paper and long-term debt and transfers of cash to DowDuPont in connection with the Internal Reorganization and Business Realignment in 2019, partially offset by a net increase in contributions from Dow and DowDuPont, primarily for repayment of long-term debt, and a decrease in distributions to Dow and DowDuPont which were used to fund a portion of DowDuPont's dividend payments, and in 2018 to fund a portion of DowDuPont's share repurchases.

During 2020, the company's Board of Directors authorized and paid four quarterly dividends on its common stock of \$0.13 per share each.

On June 26, 2019, the company announced that the Board of Directors authorized a \$1 billion share repurchase program to purchase Corteva, Inc.'s common stock, par value \$0.01 per share, without an expiration date. The company repurchased \$300 million under its share buyback plan since the Corteva Distribution and expects to repurchase the remaining \$700 million in 2021. During 2019, the company purchased and retired 824,000 shares for a total cost of \$25 million. During 2020, the company purchased and retired 8,503,000 shares for a total cost of \$275 million. See Note 19 - Stockholders' Equity, to the Consolidated Financial Statements for additional information related to the share buyback plan.

EID Liquidity Discussion

As discussed in Note 1 - Basis of Presentation, to the EID Consolidated Financial Statements, EID is a subsidiary of Corteva, Inc. and continues to be a reporting company, subject to the requirements of the Exchange Act. The below relates to EID only and is presented to provide a Liquidity discussion, only for the differences between EID and Corteva, Inc.

Cash provided by operating activities

EID's cash provided by operating activities for the year ended December 31, 2020 was \$1,986 million compared to \$996 million for the year ended December 31, 2019. The change was primarily driven by the items noted on page 65, under the header "Cash provided by operating activities."

EID's cash provided by operating activities for the year ended December 31, 2019 was \$996 million compared to \$483 million for the year ended December 31, 2018. The increase was primarily driven by the items noted on page 65, under the header "Cash provided by operating activities," partially offset by interest incurred on the related party loan between EID and Corteva, Inc.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued***Cash used for financing activities**

EID's cash provided by (used for) financing activities was \$381 million for the year ended December 31, 2020 compared to \$(2,855) million for the year ended December 31, 2019. The change was due to lower payments on long-term debt due to the 2019 debt retirement transactions related to paying off or retiring portions of EID's existing debt liabilities (using a portion of the contributions from DowDuPont and proceeds from related party debt), lower net payment on borrowings (less than 90 days), the May 2020 Debt Offering, and the absence of distributions to DowDuPont (which in 2019 were used primarily to fund a portion of DowDuPont's dividend payments). This activity was partially offset by lower proceeds from related party debt and higher payments on related party debt, and payments for the acquisition of noncontrolling interests. In addition, during 2019 there was a transfer of cash to DowDuPont as part of the Internal Reorganizations.

EID's cash used for financing activities was \$(2,855) million for the year ended December 31, 2019 compared to \$(2,624) million for the year ended December 31, 2018. The change was due to repayments of commercial paper and long-term debt, transfers of cash to DowDuPont in connection with the Internal Reorganization and Business Realignment in 2019, and a net decrease in contributions from Dow and DuPont, primarily for repayment of long-term debt, partially offset by proceeds received from the related party loan between EID and Corteva, Inc., and a decrease in distributions to Dow and DowDuPont which were used to fund a portion of DowDuPont's dividend payments, and in 2018 to fund a portion of DowDuPont's share repurchases.

See Note 2 - Related Party Transactions, to the EID Consolidated Financial Statements for further information on the related party loan between EID and Corteva, Inc.

Critical Accounting Estimates

The company's significant accounting policies are more fully described in Note 2 - Summary of Significant Accounting Policies, to the Consolidated Financial Statements. Management believes that the application of these policies on a consistent basis enables the company to provide the users of the financial statements with useful and reliable information about the company's operating results and financial condition.

The preparation of the Consolidated Financial Statements in conformity with generally accepted accounting principles ("GAAP") in the United States of America requires management to make estimates and assumptions that affect the reported amounts, including, but not limited to, receivable and inventory valuations, impairment of tangible and intangible assets, long-term employee benefit obligations, income taxes, environmental matters and litigation. Management's estimates are based on historical experience, facts and circumstances available at the time and various other assumptions that are believed to be reasonable. The company reviews these matters and reflects changes in estimates as appropriate. Management believes that the following represent some of the more critical judgment areas in the application of the company's accounting policies which could have a material effect on the company's financial position, liquidity or results of operations.

Pension Plans and Other Post Employment Benefits

Accounting for employee benefit plans involves numerous assumptions and estimates. Discount rate and expected return on plan assets are two critical assumptions in measuring the cost and benefit obligation of the company's pension and OPEB plans. Management reviews these two key assumptions when plans are re-measured. These and other assumptions are updated periodically to reflect the actual experience and expectations on a plan specific basis as appropriate. As permitted by GAAP, actual results that differ from the assumptions are accumulated on a plan by plan basis and to the extent that such differences exceed 10 percent of the greater of the plan's benefit obligation or the applicable plan assets, the excess is amortized over the average remaining service period of active employees or the average remaining life expectancy of plan participants if all or almost all of a plan's participants are inactive.

Substantially all of the company's benefit obligation for pensions and OPEB are attributable to the benefit plans in the U.S. In the U.S., the single equivalent discount rate is developed by matching the expected cash flow of the benefit plans to a yield curve constructed from a portfolio of high quality fixed-income instruments provided by the plans' actuaries as of the measurement date. The company measures the service and interest cost components utilizing a full yield curve approach by applying the specific spot rates along the yield curve used in the determination of the benefit obligation to the relevant projected cash flows. For non-U.S. benefit plans, historically the company utilized prevailing long-term high quality corporate bond indices to determine the discount rate, applicable to each country, at the measurement date.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Within the U.S., the company establishes strategic asset allocation percentage targets and appropriate benchmarks for significant asset classes with the aim of achieving a prudent balance between return and risk. Strategic asset allocations in other countries are selected in accordance with the laws and practices of those countries. Where appropriate, asset-liability studies are also taken into consideration. The long-term expected return on plan assets in the U.S. is based upon historical real returns (net of inflation) for the asset classes covered by the investment policy, expected performance, and projections of inflation and interest rates over the long-term period during which benefits are payable to plan participants. In determining the 2020 net periodic pension cost in the U.S., 6.25 percent of long-term expected return on plan assets assumption was used. After re-evaluating the current strategic asset allocation and recent market conditions, the company lowered the long-term expected return on plan assets assumption to 5.75 percent to be used in determining 2021 net periodic pension cost in the U.S. Consistent with prior years, the long-term expected return on plan assets in the U.S. reflects the asset allocation of the plan and the effect of the company's active management of the plan's assets.

In determining annual expense for the principal U.S. pension plan, the company uses a market-related value of assets rather than its fair value. Accordingly, there may be a lag in recognition of changes in market valuation. As a result, changes in the fair value of assets are not immediately reflected in the company's calculation of net periodic pension cost. For the year ended December 31, 2020, the market-related value of assets is calculated by averaging market returns over 36 months, however, as a result of the Merger, the market-related value of assets was calculated by averaging market returns from September 1, 2017 through the years ended December 31, 2018 and 2019.

The following table shows the market-related value and fair value of plan assets for the principal U.S. pension plan:

<i>(Dollars in billions)</i>	December 31, 2020	December 31, 2019	December 31, 2018
Market-related value of assets	\$ 16.3	\$ 16.4	\$ 16.6
Fair value of plan assets	17.5	16.6	15.7

For plans other than the principal U.S. pension plan, pension expense is determined using the fair value of assets.

The following table highlights the potential impact on the company's pre-tax earnings due to changes in certain key assumptions with respect to the company's pension and OPEB plans, based on assets and liabilities at December 31, 2020:

Pre-tax Earnings Benefit (Charge)	1/4 Percentage Point Increase	1/4 Percentage Point Decrease
<i>(Dollars in millions)</i>		
Discount rate	\$ (12)	\$ 14
Expected rate of return on plan assets	40	(40)

Additional information with respect to pension and OPEB expenses, liabilities and assumptions is discussed under "Long-term Employee Benefits" beginning on page 73 and in Note 20 - Pension Plans and Other Post Employment Benefits, to the Consolidated Financial Statements.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Environmental Matters

Accruals for environmental matters are recorded when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. At December 31, 2020, the company had accrued obligations of \$329 million for probable environmental remediation and restoration costs, including \$52 million for the remediation of Superfund sites. As remediation activities vary substantially in duration and cost from site to site, it is difficult to develop precise estimates of future site remediation costs. The company's estimates are based on a number of factors, including the complexity of the geology, the nature and extent of contamination, the type of remedy, the outcome of discussions with regulatory agencies and other Potentially Responsible Parties ("PRPs") at multi-party sites and the number of and financial viability of other PRPs. Therefore, considerable uncertainty exists with respect to environmental remediation and costs, and, under adverse changes in circumstances, it is reasonably possible that the ultimate cost with respect to these particular matters could range up to \$620 million above that amount. Consequently, it is reasonably possible that environmental remediation and restoration costs in excess of amounts accrued could have a material impact on the company's results of operations, financial condition and cash flows. It is the opinion of the company's management, however, that the possibility is remote that costs in excess of the range disclosed will have a material impact on the company's results of operations, financial condition or cash flows. For further discussion, see Environmental Matters in Management's Discussion and Analysis of Financial Condition and Results of Operations and Note 3 - Recent Accounting Guidance, and Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements.

Legal Contingencies

The company's results of operations could be affected by significant litigation adverse to the company, including product liability claims, patent infringement and antitrust claims, and claims for third party property damage or personal injury stemming from alleged environmental torts. The company records accruals for legal matters when the information available indicates that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Management makes adjustments to these accruals to reflect the impact and status of negotiations, settlements, rulings, advice of counsel and other information and events that may pertain to a particular matter. Predicting the outcome of claims and lawsuits and estimating related costs and exposure involves substantial uncertainties that could cause actual costs to vary materially from estimates. In making determinations of likely outcomes of litigation matters, management considers many factors. These factors include, but are not limited to, the nature of specific claims including unasserted claims, the company's experience with similar types of claims, the jurisdiction in which the matter is filed, input from outside legal counsel, the likelihood of resolving the matter through alternative dispute resolution mechanisms, and the matter's current status. Considerable judgment is required in determining whether to establish a litigation accrual when an adverse judgment is rendered against the company in a court proceeding. In such situations, the company will not recognize a loss if, based upon a thorough review of all relevant facts and information, management believes that it is probable that the pending judgment will be successfully overturned on appeal. A detailed discussion of significant litigation matters is contained in Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements.

Indemnification Assets

The company has entered into various agreements where the company is indemnified for certain liabilities by DuPont, Dow, and Chemours. The term of this indemnification is generally indefinite and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. In connection with the recognition of liabilities related to these matters, the company records an indemnification asset when recovery is deemed probable. In assessing the probability of recovery, the company considers the contractual rights under the separation agreements and any potential credit risk. Future events, such as potential disputes related to recovery as well as the solvency of DuPont, Dow, and / or Chemours, could cause the indemnification assets to have a lower value than anticipated and recorded. The company evaluates the recovery of the indemnification assets recorded when events or changes in circumstances indicate the carrying values may not be fully recoverable. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements for additional information related to indemnifications.

Income Taxes

The breadth of the company's operations and the global complexity of tax regulations require assessments of uncertainties and judgments in estimating taxes the company will ultimately pay. The final taxes paid are dependent upon many factors, including negotiations with taxing authorities in various jurisdictions, outcomes of tax litigation and resolution of disputes arising from federal, state and international tax audits in the normal course of business. The resolution of these uncertainties may result in adjustments to the company's tax assets and tax liabilities. It is reasonably possible that changes to the company's global unrecognized tax benefits could be significant; however, due to the uncertainty regarding the timing of completion of audits and

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

possible outcomes, a current estimate of the range of increases or decreases that may occur within the next twelve months cannot be made.

Deferred income taxes result from differences between the financial and tax basis of the company's assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Significant judgment is required in evaluating the need for and magnitude of appropriate valuation allowances against deferred tax assets. The realization of these assets is dependent on generating future taxable income, as well as successful implementation of various tax planning strategies. For example, changes in facts and circumstances that alter the probability that the company will realize deferred tax assets could result in recording a valuation allowance, thereby reducing the deferred tax asset and generating a deferred tax expense in the relevant period. In some situations, these changes could be material. See Note 10 - Income Taxes, to the Consolidated Financial Statements for additional information.

At December 31, 2020, the company had a net deferred tax liability balance of \$429 million, inclusive of a valuation allowance of \$453 million. Realization of deferred tax assets is expected to occur over an extended period of time. As a result, changes in tax laws, assumptions with respect to future taxable income, and tax planning strategies could result in adjustments to deferred tax assets. See Note 10 - Income Taxes, to the Consolidated Financial Statements for additional details related to the deferred tax liability balance.

Valuation of Assets and Impairment Considerations

The assets and liabilities of acquired businesses are measured at their estimated fair values at the dates of acquisition. The excess of the purchase price over the estimated fair value of the net assets acquired, including identified intangibles, is recorded as goodwill. The determination and allocation of fair value to the assets acquired and liabilities assumed is based on various assumptions and valuation methodologies requiring considerable management judgment, including estimates based on historical information, current market data and future expectations. The principal assumptions utilized in the company's valuation methodologies include revenue growth rates, operating margin estimates, royalty rates, and discount rates. Although the estimates are deemed reasonable by management based on information available at the dates of acquisition, those estimates are inherently uncertain.

Assessment of the potential impairment of goodwill, other intangible assets, property, plant and equipment, investments in nonconsolidated affiliates, and other assets is an integral part of the company's normal ongoing review of operations. Testing for potential impairment of these assets is significantly dependent on numerous assumptions and reflects management's best estimates at a particular point in time. The dynamic economic environment in which the company's segments operate, and key economic and business assumptions with respect to projected selling prices, market growth and inflation rates, can significantly affect the outcome of impairment tests. Estimates based on these assumptions may differ significantly from actual results. Changes in factors and assumptions used in assessing potential impairments can have a significant impact on the existence and magnitude of impairments, as well as the time in which such impairments are recognized. In addition, the company continually reviews its portfolio of assets to ensure they are achieving their greatest potential and are aligned with the company's growth strategy. Strategic decisions involving a particular group of assets may trigger an assessment of the recoverability of the related assets. Such an assessment could result in impairment losses.

The company performs its annual goodwill impairment assessment during the fourth quarter at the reporting unit level which is defined as the operating segment or one level below the operating segment. One level below the operating segment, or component, is a business in which discrete financial information is available and regularly reviewed by segment management. The company aggregates certain components into reporting units based on economic similarities. The company's reporting units include seed, crop protection and digital.

For purposes of the annual goodwill impairment test, the company has the option to first perform qualitative testing to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. Qualitative factors assessed at the company level include, but are not limited to, GDP growth rates, long-term commodity prices, equity and credit market activity, discount rates, foreign exchange rates, and overall financial performance. Qualitative factors assessed at the reporting unit level include, but are not limited to, changes in industry and market structure, competitive environments, planned capacity and new product launches, cost factors such as raw material prices, and financial performance of the reporting unit. If the company chooses not to complete a qualitative assessment for a given reporting unit or if the initial assessment

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

indicates that it is more likely than not that the carrying value of a reporting unit exceeds its estimated fair value, additional quantitative testing is required.

If additional quantitative testing is required, the reporting unit's fair value is compared with its carrying amount, and an impairment charge, if any, is recognized for the amount by which the carrying amount exceeds the reporting unit's fair value. The company determines fair values for each of the reporting units using a discounted cash flow model (a form of the income approach), utilizing Level 3 unobservable inputs, or the market approach.

Under the income approach, fair value is determined based on the present value of estimated future cash flows, discounted at an appropriate risk-adjusted rate. The company's significant assumptions in these analyses include future cash flow projections, weighted average cost of capital, the terminal growth rate and the tax rate. The company's estimates of future cash flows are based on current regulatory and economic climates, recent operating results, and planned business strategy and includes an estimate of long-term future growth rates based on its most recent views of the long-term outlook for each reporting unit. Actual results may differ from those assumed in the company's forecasts. The company derives its discount rates using a capital asset pricing model and analyzes published rates for industries relevant to its reporting units to estimate the cost of equity financing. The company uses discount rates that are commensurate with the risks and uncertainty inherent in the respective reporting units and in its internally developed forecasts. Discount rates used in the company's valuations ranged from 9.5% to 15.5%. Under the market approach, the company uses metrics of publicly traded companies or historically completed transactions for comparable companies.

Estimating the fair value of reporting units requires the use of estimates and significant judgments that are based on a number of factors including actual operating results. It is reasonably possible that the judgments and estimates described above could change in future periods. The company believes the current assumptions and estimates utilized are both reasonable and appropriate. Based on the goodwill impairment analyses performed in the fourth quarter 2020, the company concluded the fair value of each of the reporting units exceeded their respective carrying values by more than 20 percent, and no goodwill impairment charge was necessary.

Prepaid Royalties

The company's seed segment currently has certain third-party biotechnology trait license agreements, which require up-front and variable payments subject to the licensor meeting certain conditions. These payments are reflected as other current assets and other assets and are amortized to cost of goods sold as seeds containing the respective trait technology are utilized over the term of the license. The rate of royalty amortization expense recognized is based on the company's strategic plans which include various assumptions and estimates including product portfolio, market dynamics, farmer preferences, growth rates and projected planted acres. Changes in factors and assumptions included in the strategic plans, including potential changes to the product portfolio in favor of internally developed biotechnology, could impact the rate of recognition of the relevant prepaid royalty.

At December 31, 2020, the balance of prepaid royalties reflected in other current assets and other assets was \$426 million and \$459 million, respectively. The majority of the balance of prepaid royalties relates to the company's wholly owned subsidiary, Pioneer Hi-Bred International, Inc.'s ("Pioneer") non-exclusive license in the United States and Canada for the Monsanto Company's Genuity® Roundup Ready 2 Yield® glyphosate tolerance trait and Roundup Ready 2 Xtend® glyphosate and dicamba tolerance trait for soybeans ("Roundup Ready 2 License Agreement"). The prepaid royalty asset relates to a series of up-front, fixed and variable royalty payments to utilize the traits in Pioneer's soybean product mix. The company's historical expectation has been that the technology licensed under the Roundup Ready 2 License Agreement would be used as the primary herbicide tolerance trait platform in the Pioneer® brand soybean through the term of the agreement. DAS and MS Technologies, L.L.C. jointly developed and own the Enlist E3™ herbicide tolerance trait for soybeans which provides tolerance to 2, 4-D choline in Enlist Duo® and Enlist One® herbicides, as well as glyphosate and glufosinate herbicides. In connection with the validation of breeding plans and large-scale product development timelines, during the fourth quarter of 2019, the company accelerated the ramp up of the Enlist E3™ trait platform in the company's soybean portfolio mix across all brands, including Pioneer® brands, over the subsequent five years. During the ramp-up period, the company is expected to significantly reduce the volume of products with the Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits beginning in 2021, with expected minimal use of the trait platform thereafter for the remainder of the Roundup Ready 2 License Agreement (the "Transition Plan"). The rate of royalty expense is therefore expected to significantly increase through higher amortization of the prepaid royalty as fewer seeds containing the respective trait are expected to be utilized.

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

In connection with the departure from these traits in the company's product portfolio, beginning January 1, 2020 the company presents and discloses the accelerated prepaid royalty amortization expense as a component of restructuring and asset related charges - net in the Consolidated Statement of Operations. The accelerated prepaid royalty amortization expense represents the difference between the rate of amortization based on the revised number of units expected to contain the Roundup Ready 2 Yield[®] and Roundup Ready 2 Xtend[®] trait technology and the per unit cash rate per the Roundup Ready 2 License Agreement. For the year ended December 31, 2020, the company recognized \$159 million in restructuring and asset related charges - net in the Consolidated Statement of Operations from non-cash accelerated prepaid royalty amortization expense. The expected non-cash accelerated prepaid royalty amortization expense estimated for 2021 is approximately \$184 million, aggregating to approximately \$360 million over the next four years.

Further changes in factors and assumptions associated with usage of the trait platform licensed under the Roundup Ready 2 License Agreement, including the Transition Plan, could further impact the rate of recognition of the prepaid royalty and statement of operations presentation of the accelerated prepaid royalty amortization expense.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Off-Balance Sheet Arrangements

Certain Guarantee Contracts

Information with respect to the company's guarantees is included in Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements. Historically, the company has not had to make significant payments to satisfy guarantee obligations; however, the company believes it has the financial resources to satisfy these guarantees.

Contractual Obligations

Information related to the company's significant contractual obligations is summarized in the following table:

(Dollars in millions)	Total at December 31, 2020	Payments Due In			
		2021	2022-2023	2024-2025	2026 and beyond
Operating lease and finance lease obligations ¹	\$ 603	\$ 153	\$ 199	\$ 114	\$ 137
Expected cumulative cash requirements for interest payments through maturity	158	20	40	40	58
Long-term debt ¹	1,110	1	—	500	609
Purchase obligations ²					
Information technology infrastructure & services	52	32	20	—	—
Raw material obligations	1,486	480	629	317	60
Other	136	112	14	10	—
Total purchase obligations	1,674	624	663	327	60
Other liabilities ^{1,3}					
Pension and other post employment benefits	5,434	264	584	920	3,666
Workers' compensation	66	11	28	12	15
Environmental remediation	329	100	80	73	76
License agreements ⁴	481	169	245	45	22
Other ⁵	287	113	54	31	89
Total other long-term liabilities	6,597	657	991	1,081	3,868
Total contractual obligations ^{6,7}	\$ 10,142	\$ 1,455	\$ 1,893	\$ 2,062	\$ 4,732

1. Included in the Consolidated Financial Statements.

2. Represents enforceable and legally binding agreements in excess of \$1 million to purchase goods or services that specify fixed or minimum quantities; fixed, minimum or variable price provisions; and the approximate timing of the agreement.

3. The company's contractual obligations do not reflect an offset for recoveries associated with indemnifications by Chemours, Dow, and DuPont in accordance with the Chemours Separation Agreement and the Separation Agreement (related to the Corteva Distribution), respectively. Refer to Note 5 - Divestitures and Other Transactions, and Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements for additional detail related to the indemnifications.

4. Represents undiscounted remaining payments under Pioneer license agreements (\$464 million on a discounted basis).

5. Primarily represents employee-related benefits other than pensions and other post employment benefits and asset retirement obligations.

6. Due to uncertainty regarding the completion of tax audits and possible outcomes, the timing of certain payments of obligations related to unrecognized tax benefits cannot be made and have been excluded from the table above. See Note 10 - Income Taxes, to the Consolidated Financial Statements for additional detail.

7. The timing and amount of escrow funding requirements under the MOU cannot be estimated, as a result of the cost sharing arrangement with DuPont, and have been excluded from the table. See Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements for additional information.

The company expects to meet its contractual obligations through its normal sources of liquidity and believes it has the financial resources to satisfy the contractual obligations that arise in the ordinary course of business.

Long-term Employee Benefits

The company has various obligations to its employees and retirees. The company maintains retirement-related programs in many countries that have a long-term impact on the company's earnings and cash flows. These plans are typically defined benefit pension plans, as well as medical, dental and life insurance benefits for pensioners and survivors and disability benefits for employees (other post employment benefits or OPEB plans). Substantially all of the company's worldwide benefit

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

obligation for pensions and essentially all of the company's worldwide OPEB obligations are attributable to the U.S. benefit plans.

Pension coverage for employees of the company's non-U.S. consolidated subsidiaries is provided, to the extent deemed appropriate, through separate plans. The company regularly explores alternative solutions to meet its global pension obligations in the most cost effective manner possible as demographics, life expectancy and country-specific pension funding rules change. Where permitted by applicable law, the company reserves the right to change, modify or discontinue its plans that provide pension, medical, dental, life insurance and disability benefits.

Benefits under defined benefit pension plans are based primarily on years of service and employees' pay near retirement. In November 2016, the company announced changes to the U.S. pension and OPEB plans. The company froze the pay and service amounts used to calculate pension benefits for active employees who participate in the U.S. pension plans on November 30, 2018. Therefore, as of November 30, 2018, active employees participating in the U.S. pension plans will not accrue additional benefits for future service and eligible compensation received. In addition to the changes to the U.S. pension plans, OPEB eligible employees who will be under the age of 50 as of November 30, 2018 will not receive post-retirement medical, dental and life insurance benefits. The majority of employees hired in the U.S. on or after January 1, 2007 are not eligible to participate in the pension and post-retirement medical, dental and life insurance plans, but receive benefits in the defined contribution plans.

In December 2020, the company amended its retiree medical, dental and life insurance plans. Effective January 1, 2022, the company will no longer provide retiree dental and life insurance benefits. In addition, Corteva's portion of the cost of non-Medicare retiree medical coverage will no longer be adjusted for cost increases, resulting in Corteva's cost to be capped at the level in effect as of December 31, 2021. As a result of these changes, the company recorded a \$(939) million decrease in OPEB benefit obligations as of December 31, 2020 with a corresponding prior service benefit within other comprehensive income for the year ended December 31, 2020.

Pension benefits are paid primarily from trust funds established to comply with applicable laws and regulations. The actuarial assumptions and procedures utilized are reviewed periodically by the plans' actuaries to provide reasonable assurance that there will be adequate funds for the payment of benefits. The company did not make contributions to the principal U.S. pension plan for the year ended December 31, 2020.

Funding for each pension plan other than the principal U.S. pension plan is governed by the rules of the sovereign country in which it operates. Thus, there is not necessarily a direct correlation between pension funding and pension expense. In general, however, improvements in plans' funded status tends to moderate subsequent funding needs. The company contributed \$9 million, \$39 million, and \$103 million to its funded pension plans other than the principal U.S. pension plan for the years ended December 31, 2020, 2019 and 2018, respectively.

U.S. pension benefits that exceed federal limitations are covered by separate unfunded plans and these benefits are paid to pensioners and survivors from operating cash flows. The company's remaining pension plans with no plan assets are paid from operating cash flows. The company made benefit payments of \$53 million, \$82 million and \$111 million to its unfunded plans for the years ended December 31, 2020, 2019 and 2018, respectively.

The company's OPEB plans are unfunded and the cost of the approved claims is paid from operating cash flows. Pre-tax cash requirements to cover actual net claims costs and related administrative expenses were \$207 million, \$202 million, and \$216 million for the years ended December 31, 2020, 2019 and 2018, respectively. Changes in cash requirements reflect the net impact of higher per capita health care costs, demographic changes, plan amendments and changes in participant premiums, co-pays and deductibles.

In 2021, the company expects to contribute approximately \$47 million to its pension plans other than the principal U.S. pension plan. The company expects to contribute approximately \$217 million to its OPEB plans in 2021, and expects the amount to decrease to approximately \$140 million in 2022 as a result of the OPEB plan amendment. The company is evaluating potential discretionary contributions in 2021 to the principal U.S. pension plan, that could reduce a portion of the underfunded benefit obligation. Any discretionary contributions depend on various factors including market conditions and tax deductible limits.

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

The company's income can be significantly affected by pension and defined contribution benefits as well as OPEB costs. The following table summarizes the extent to which the company's income (loss) from continuing operations before income taxes for the years ended December 31, 2020, 2019 and 2018 was affected by pre-tax charges related to long-term employee benefits:

<i>(Dollars in millions)</i>	For the Year Ended December 31,		
	2020	2019	2018
Net periodic benefit (credit) cost - pension and OPEB	\$ (340)	\$ (163)	\$ (186)
Defined contributions	127	115	117
Long-term employee benefit plan (credit) charges - continuing operations	\$ (213)	\$ (48)	\$ (69)

The above (credit) charges for pension and OPEB are determined as of the beginning of each period. Long-term employee credits were \$(213) million for the year ended December 31, 2020 and \$(48) million for the year ended December 31, 2019. The change is due to lower discount rates. See "Pension Plans and Other Post Employment Benefits" under the Critical Accounting Estimates section beginning on page 67 of this report for additional information on determining annual expense.

For 2021, long-term employee benefits credit is expected to increase by about \$930 million. The increase is mainly due to amendments to the OPEB plans and a decrease in the discount rates, partly offset by a change in expected return on plan assets from 6.25 percent to 5.75 percent.

Environmental Matters

The company operates global manufacturing, product handling and distribution facilities that are subject to a broad array of environmental laws and regulations. Such rules are subject to change by the implementing governmental agency, and the company monitors these changes closely. Company policy requires that all operations fully meet or exceed legal and regulatory requirements. In addition, the company implements voluntary programs to reduce air emissions, minimize the generation of hazardous waste, decrease the volume of water use and discharges, increase the efficiency of energy use and reduce the generation of persistent, bioaccumulative and toxic materials. Management has noted a global upward trend in the amount and complexity of proposed chemicals regulation. The costs to comply with complex environmental laws and regulations, as well as internal voluntary programs and goals, are significant and will continue to be significant for the foreseeable future.

Pre-tax environmental expenses charged to income from continuing operations before income taxes are summarized below:

<i>(Dollars in millions)</i>	For the Year Ended December 31,		
	2020	2019	2018
Environmental operating costs	\$ 138	\$ 136	\$ 142
Environmental remediation costs ¹	63	29	48
	\$ 201	\$ 165	\$ 190

¹ Environmental remediation costs include costs that are subject to the \$200 million thresholds and sharing arrangements as discussed in Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements, under Corteva Separation Agreement.

About 85 percent of total pre-tax environmental operating costs charged to income from continuing operations for the year ended December 31, 2020 resulted from operations in the U.S. Based on existing facts and circumstances, management does not believe that year-over-year changes, if any, in environmental operating costs charged to current operations will have a material impact on the company's financial position, liquidity or results of operations. Annual expenditures in the near term are not expected to vary significantly from the range of such expenditures experienced in the past few years. Longer term, expenditures are subject to considerable uncertainty and may fluctuate significantly.

Environmental Operating Costs

As a result of its operations, the company incurs costs for pollution abatement activities including waste collection and disposal, installation and maintenance of air pollution controls and wastewater treatment, emissions testing and monitoring, and obtaining permits. The company also incurs costs related to environmental related research and development activities including environmental field and treatment studies as well as toxicity and degradation testing to evaluate the environmental impact of products and raw materials.

Part II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, continued

Remediation Accrual

Changes in the remediation accrual balance are summarized below:

<i>(Dollars in millions)</i>	
Balance at December 31, 2018	\$ 398
Remediation payments	(49)
Net increase in remediation accrual ¹	29
Net change, indemnification ²	(42)
Balance at December 31, 2019	\$ 336
Remediation payments	(57)
Net increase in remediation accrual ¹	63
Net change, indemnification ²	(13)
Balance at December 31, 2020	\$ 329

1. Excludes indemnified remediation obligations.

2. Represents the net change in indemnified remediation obligations based on activity as well as the removal from EID's accrued remediation liabilities of obligations that have been fully transferred to Chemours and DuPont. Pursuant to the Chemours Separation Agreement and subsequent MOU, and the Corteva Separation Agreement, as discussed in Note 5 - Divestitures and Other Transactions, and Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements, EID is indemnified by Chemours and DuPont for certain environmental matters.

Considerable uncertainty exists with respect to environmental remediation costs and, under adverse changes in circumstances, the potential liability may range up to \$620 million above the amount accrued as of December 31, 2020. However, based on existing facts and circumstances, management does not believe that any loss, in excess of amounts accrued, related to remediation activities at any individual site will have a material impact on the financial position, liquidity or results of operations of the company.

The above noted \$329 million accrued obligations includes the following:

<i>(In millions)</i>	As of December 31, 2020		
	Indemnification Asset	Accrual balance ^{3,4}	Potential exposure above amount accrued ³
<i>Environmental Remediation Stray Liabilities</i>			
Chemours related obligations - subject to indemnity ^{1,2}	\$ 153	\$ 154	\$ 282
Other discontinued or divested businesses obligations ¹	—	74	222
Environmental remediation liabilities primarily related to DuPont - subject to indemnity from DuPont ²	37	36	61
Environmental remediation liabilities not subject to indemnity	—	65	55
Total	\$ 190	\$ 329	\$ 620

1. Represents liabilities that are subject to the \$200 million thresholds and sharing arrangements as discussed on page F-51, under Corteva Separation Agreement.

2. The company has recorded an indemnification asset related to these accruals, including \$30 million related to the Superfund sites.

3. Accrual balance represents management's best estimate of the costs of remediation and restoration, although it is reasonably possible that the potential exposure, as indicated, could range above the amounts accrued, as there are inherent uncertainties in these estimates.

4. Accrual balance excludes indemnification liabilities of \$39 million to Chemours, related to the cost sharing arrangement under the MOU (see page F-27).

As of December 31, 2020, the company has been notified of potential liability under the Comprehensive Environmental Response, Compensation and Liability Act ("Superfund") or similar state laws at about 500 sites around the U.S., including approximately 130 sites for which the company does not believe it has liability based on current information. Active remediation is under way at 70 of the 500 sites. In addition, the company has resolved its liability at approximately 210 sites, either by completing remedial actions with other PRPs or by participating in "de minimis buyouts" with other PRPs whose

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

waste, like the company's, represented only a small fraction of the total waste present at a site. The company received notice of potential liability at 2 new sites during 2018. There were no new notices in 2019 or 2020.

Environmental Capital Expenditures

Capital expenditures for environmental projects, either required by law or necessary to meet the company's internal environmental goals, were approximately \$5 million for the year ended December 31, 2020. The company currently estimates expenditures for environmental-related capital projects to be approximately \$11 million in 2021.

Climate Change

The company believes that climate change is an important global environmental concern that presents risks and opportunities. The Board of Directors maintains oversight of these risks and opportunities. Management regularly assesses and manages climate-related issues. Across its business, individuals who are responsible for climate-related initiatives may have annual performance goals tied to the delivery of projects related to these initiatives.

Continuing political and social attention to climate change and its impacts has resulted in regulatory and market-based approaches to limit greenhouse gas emissions. The company believes there is a way forward for sustainable climate change mitigation that both enables farmers to meet the demands of a growing population and secures the economic future for the vast majority of the world's population who depend on agriculture for their livelihoods.

Extreme and volatile weather due to climate change may have an adverse impact on customers' ability to use the company's products, potentially reducing sales volumes, revenues and margins. The company continuously evaluates opportunities for existing and new product and service offerings to meet the anticipated demands of climate-smart agriculture and mitigate the impact of extreme and volatile weather. The company integrates processes for identifying, assessing and managing climate-related risk into its overall risk management.

The company completed a non-financial materiality assessment and identified short-, medium- and long-term climate-related risks and opportunities. The results of this assessment are integrated into the company's businesses, strategy and financial planning and are presented in the 14 ten-year sustainability goals that were set in 2020. For each goal, the company established key performance indicators and criteria to achieve the goals, which are provided on the company's website at: <https://www.corteva.com/sustainability.html>. The information contained on the company's website is not part of, nor incorporated by reference into, this Annual Report on Form 10-K or the company's other SEC filings.

As demonstrated by the goals, Corteva is working to shrink its role in the emission of greenhouse gasses while enabling a more resilient agriculture value chain. Corteva will establish a climate strategy, including appropriate Scopes 1, 2 and 3 greenhouse gas reduction targets, by June 2021. The company is seeking ways to reduce its impact and providing tools and incentives for customers to do the same. Corteva champions climate positive agriculture, utilizing carbon storage and other means to remove more carbon from the atmosphere than it emits without sacrificing farmer productivity or ongoing profitability.

The company is committed to engaging with multiple stakeholders and partners around the globe who have innovative and actionable ideas to help safeguard the health and well-being of the planet and its people. By doing more to address climate change today, the company is fortifying its ability to grow food, grow progress and build a sustainable industry that will help humanity thrive for generations to come.

Part II

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The company's global operations are exposed to financial market risks relating to fluctuations in foreign currency exchange rates, commodity prices, and interest rates. The company has established a variety of programs including the use of derivative instruments and other financial instruments to manage the exposure to financial market risks as to minimize volatility of financial results. In the ordinary course of business, the company enters into derivative instruments to hedge its exposure to foreign currency and commodity price risks under established procedures and controls. For additional information on these derivatives and related exposures, see Note 22 - Financial Instruments, to the Consolidated Financial Statements. Decisions regarding whether or not to hedge a given commitment are made on a case-by-case basis, taking into consideration the amount and duration of the exposure, market volatility and economic trends. Foreign currency exchange contracts may be used, from time to time, to manage near-term foreign currency cash requirements.

Foreign Currency Exchange Rate Risks

The company has significant international operations resulting in a large number of currency transactions that result from international sales, purchases, investments and borrowings. The primary currencies for which the company has an exchange rate exposure are the Brazilian Real, Swiss franc, European Euro ("EUR"), and Canadian dollar. The company uses foreign exchange contracts to offset its net exposures, by currency, related to the foreign currency denominated monetary assets and liabilities of its operations. The company also uses foreign currency exchange contracts to offset a portion of the company's exposure to certain forecasted transactions, investment in foreign subsidiaries, as well as the translation of foreign currency-denominated earnings and uses commodity contracts to offset risks associated with foreign currency devaluation in certain countries. In addition to the contracts disclosed in Note 22 - Financial Instruments, to the Consolidated Financial Statements, from time to time, the company will enter into foreign currency exchange contracts to establish with certainty the U.S. dollar ("USD") amount of future firm commitments denominated in a foreign currency.

Certain foreign entities of the company held USD denominated marketable securities, mainly U.S. government securities, at December 31, 2020. The USD/EUR was the primary foreign exchange exposure for these nonfunctional currency denominated marketable securities. These marketable securities were classified as available-for-sale and as such, fluctuations in foreign exchange were recorded in accumulated other comprehensive loss (AOCL) within the Consolidated Statements of Equity. These fluctuations are subsequently reclassified from AOCL to earnings in the period in which the marketable securities are sold.

The following table illustrates the fair values of outstanding foreign currency contracts at December 31, 2020 and 2019, and the effect on fair values of a hypothetical adverse change in the foreign exchange rates that existed at December 31, 2020 and 2019. The sensitivities for foreign currency contracts are based on a 10 percent adverse change in foreign exchange rates.

	Fair Value (Liability)/Asset		Fair Value Sensitivity	
	2020	2019	2020	2019
<i>(Dollars in millions)</i>				
Foreign currency contracts	\$ (80)	\$ (18)	\$ (388)	\$ (296)
Marketable securities	\$ 226	\$ —	\$ (36)	\$ —

Since the company's risk management programs are highly effective, the potential loss in value for each risk management portfolio described above would be largely offset by changes in the value of the underlying exposure.

Concentration of Credit Risk

The company maintains cash and cash equivalents, marketable securities, derivatives and certain other financial instruments with various financial institutions. These financial institutions are generally highly rated and geographically dispersed and the company has a policy to limit the dollar amount of credit exposure with any one institution.

As part of the company's financial risk management processes, it continuously evaluates the relative credit standing of all of the financial institutions that service Corteva and monitors actual exposures versus established limits. The company has not sustained credit losses from instruments held at financial institutions.

The company's sales are not materially dependent on any single customer. Credit risk associated with its receivables balance is representative of the geographic, industry and customer diversity associated with the company's global product lines.

Part II

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The company also maintains strong credit controls in evaluating and granting customer credit. As a result, it may require that customers provide some type of financial guarantee in certain circumstances. Length of terms for customer credit varies by region.

Part II

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and supplementary data required by this Item are included herein, commencing on page F-1 of this report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Corteva, Inc.

a) Evaluation of Disclosure Controls and Procedures

The company maintains a system of disclosure controls and procedures to give reasonable assurance that information required to be disclosed in the company's reports filed or submitted under the Securities Exchange Act of 1934 ("Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. These controls and procedures also give reasonable assurance that information required to be disclosed in such reports is accumulated and communicated to management to allow timely decisions regarding required disclosures.

As of December 31, 2020, the company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), together with management, conducted an evaluation of the effectiveness of the company's disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on that evaluation, the CEO and CFO concluded that these disclosure controls and procedures are effective.

b) Changes in Internal Control over Financial Reporting

There have been no changes in the company's internal control over financial reporting that occurred during the quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, the company's internal control over financial reporting.

Part II

E. I. du Pont de Nemours and Company

a) Evaluation of Disclosure Controls and Procedures

EID maintains a system of disclosure controls and procedures to give reasonable assurance that information required to be disclosed in their reports filed or submitted under the Securities Exchange Act of 1934 ("Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. These controls and procedures also give reasonable assurance that information required to be disclosed in such reports is accumulated and communicated to management to allow timely decisions regarding required disclosures.

As of December 31, 2020, EID's CEO and CFO, together with management, conducted an evaluation of the effectiveness of EID's disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on that evaluation, the CEO and CFO concluded that these disclosure controls and procedures are effective.

b) Changes in Internal Control over Financial Reporting

There have been no changes in EID's internal control over financial reporting that occurred during the quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, EID's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

On June 1, 2019, Corteva, Inc. became an independent, publicly traded company through the previously announced separation (the "Separation") of the agriculture business of DowDuPont Inc. ("DowDuPont"). The separation was effectuated through a pro rata distribution of all of the then-issued and outstanding shares of common stock, par value \$0.01 per share, of Corteva, Inc., which was then a wholly-owned subsidiary of DowDuPont, to holders of record of DowDuPont common stock as of the close of business on May 24, 2019. The Separation is intended to qualify as a tax-free spinoff for United States tax purposes under Section 355 of the Internal Revenue Code.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information with respect to this Item is incorporated herein by reference to the Proxy, including information within the sections entitled, "Election of Directors," "Corporate Governance," and "Delinquent Section 16(a) Reports".

The company has adopted a Code of Financial Ethics for its CEO, CFO, and Controller that may be accessed from the company's website at www.corteva.com by clicking on "Investors" and then "Corporate Governance." Any amendments to, or waiver from, any provision of the code will be posted on the company's website at the above address.

Executive Officers of the Registrant

Each of the executive officers became officers of the company in May 2019 with the exception of Dr. Sam Eathington who became an executive officer in January 2021.

James C. Collins, Jr., age 58, is the Chief Executive Officer of Corteva. He previously served as the chief operating officer of the agriculture division of DowDuPont Inc. since September 2017. Prior to this appointment, Mr. Collins was executive vice president of DuPont with responsibility for the company's agriculture segment, including DuPont Pioneer and Crop Protection, since January 2016. Prior to this, beginning in September 2013, he was senior vice president with responsibility for DuPont's performance materials segment, was named to the position of executive vice president in December 2014, and added responsibility for the electronics & communications segment in July 2015. Previously, Mr. Collins was vice president for acquisition & integration of Danisco, since January 2011, and was named president of DuPont's industrial biosciences segment in May of that year. From 2004 to 2010, he was responsible for DuPont's crop protection segment as vice president and general manager and then president. Mr. Collins joined DuPont as an engineer in 1984 and held positions in engineering, supervision and business management at a variety of manufacturing sites. In 1993, he joined the agriculture sales & marketing group where he served in a variety of roles across the globe supporting DuPont's seed and crop protection businesses. Mr. Collins currently serves on the board of directors of CropLife International and the U.S. China Business Council. He also serves on the Advisory Councils of the University of Tennessee Loan Oaks Farm and the Food Forever Initiative Global Crop Diversity Trust.

Gregory R. Friedman, age 53, is Executive Vice President and Chief Financial Officer of Corteva. Mr. Friedman previously served as chief financial officer of the agriculture division of DowDuPont Inc. since September 2018. Prior to this appointment, he served as vice president of investor relations for DuPont since September 2014, general auditor and chief ethics & compliance leader from 2013 to 2014 and was chief financial officer of DuPont Pioneer from 2011 to 2013. Prior to this, he served as assistant treasurer of DuPont from 2010 to 2011 with responsibility for financial risk management, cash operations and leasing. From 2002 to 2010, he served in various business and finance leadership roles after joining DuPont in 2001 as chief financial officer of Polar Vision, Inc., a newly acquired electronics joint venture in Torrance, California. On February 4, 2021, Mr. Friedman notified the Company of his intention to retire.

Rajan Gajaria, age 53, is Executive Vice President, Business Platforms of Corteva. Mr. Gajaria previously served as vice president, global crop protection business platform, of DowDuPont Inc. Prior to this, he served as Vice President, Latin America and North America, for Dow AgroSciences since 2015. He was selected to lead Dow AgroSciences' Latin America and Asia Pacific geographies in 2012 after being named marketing director for the company's U.S. business in 2009. Mr. Gajaria advanced through leadership roles at Dow AgroSciences in corporate strategy, marketing, and e-business before serving as global supply chain director. He joined Dow AgroSciences' Indian joint venture partner in Mumbai in 1993, where he served in sales and marketing roles as well as in human resources before moving to the company's global headquarters in Indianapolis, Indiana.

Timothy P. Glenn, age 54, is Executive Vice President, Chief Commercial Officer of Corteva. Mr. Glenn previously served as Vice President, Global Seed Business Platform of DowDuPont Inc. Prior to this, he served as President, DuPont Crop Protection since 2015, and from 2014 to 2015 served as vice president, integrated operations and commercial effectiveness for DuPont Pioneer. He previously held other leadership positions at DuPont Pioneer, including regional business director, Latin America and Canada, after rejoining DuPont Pioneer in 2006 as director, North America Marketing. In 1997, he joined Dow AgroSciences as corn product manager, Mycogen Seeds, and served in sales and business leadership roles in the crop protection and seeds businesses of Dow AgroSciences. He first joined Pioneer Hi-Bred International, Inc. in 1991, and held a variety of marketing roles in seed markets around the world.

Part III

Meghan Cassidy, age 45, is Senior Vice President, Chief Human Resources Officer of Corteva. Ms. Cassidy previously served as the head of human resources of the agriculture division of DowDuPont Inc. since September 2017. Prior to this, Ms. Cassidy was director, global talent management and leadership development for DuPont since 2015. From 2011 to 2015, she served as chief human resources officer for Sunoco Logistics after joining Sunoco in 2010 as director, corporate human resources. Ms. Cassidy's early career was spent at Aramark, where she held progressive human resources roles before serving as vice president, executive development and corporate human resources.

Sam Eathington, age 52, joined Corteva in November 2020 and became Senior Vice President, Chief Technology Officer of Corteva in January 2021, where he is responsible for leading the company's global research and development organization and building and expanding its industry-leading pipeline. A recognized leader in agricultural innovation, Dr. Eathington most recently served as chief science officer of The Climate Corporation (part of the crop science division of Bayer AG) from December 2015 until April 2020. Prior to assuming that role, Dr. Eathington spent more than two decades with Monsanto Corporation, rising through the ranks in quantitative traits and molecular breeding to become vice president, global plant breeding beginning in February 2011.

Cornel B. Fuerer, age 54, is Senior Vice President, General Counsel and Secretary of Corteva. Mr. Fuerer previously served as general counsel of the agriculture division of DowDuPont Inc. since June 2018 and prior to that served as associate general counsel supporting the agriculture division of DowDuPont after the Merger in September 2017. From 2013 to 2017, he served as associate general counsel of DuPont with responsibility for the legal affairs of DuPont's agriculture business and from 2012 to 2013 he served as the corporate secretary of DuPont. From 2007 to 2012, Mr. Fuerer served as the vice president, general counsel and company secretary of Solae, a food ingredients joint venture between DuPont and Bunge. After joining DuPont in 1995 as an attorney in Geneva, Switzerland, he served in various legal roles around the world until his appointment at Solae in 2007.

Brian Titus, age 48, is Vice President, Controller and Principal Accounting Officer of Corteva. Mr. Titus previously served as the controller and principal accounting officer of the agriculture division of DowDuPont Inc. since February 2019. Prior to this, he was general auditor of DuPont since August 2015 and previously served as the director of corporate accounting from 2014 to 2015 and global finance leader of DuPont Crop Protection from 2013 to 2014. Prior to joining DuPont's corporate accounting group in 2010, he spent 14 years in public accounting, primarily with PricewaterhouseCoopers LLP, providing audit and transactional support services.

ITEM 11. EXECUTIVE COMPENSATION

Information related to executive compensation and the company's equity compensation plans is contained in the definitive Proxy Statement for the 2021 Annual Meeting of Stockholders of Corteva, Inc. and is incorporated herein by reference.

Part III

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information with respect to beneficial ownership of Corteva, Inc. common stock by each director, executive officer, and all directors and executive officers of the Company as a group is contained in the definitive Proxy Statement for the 2021 Annual Meeting of Stockholders of Corteva, Inc. and is incorporated herein by reference.

Information relating to any person who beneficially owns in excess of 5 percent of the total outstanding shares of Corteva, Inc. common stock is contained in the definitive Proxy Statement for the 2021 Annual Meeting of Stockholders of Corteva, Inc. and is incorporated herein by reference.

Information with respect to compensation plans under which equity securities are authorized for issuance is contained in the definitive Proxy Statement for the 2021 Annual Meeting of Stockholders of Corteva, Inc. and is incorporated herein by reference.

Part III

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information with respect to this Item is incorporated herein by reference to the definitive Proxy Statement for the 2021 Annual Meeting of Stockholders of Corteva, Inc., including information within the sections entitled, "Certain Relationships and Related Transactions", and "Director Independence."

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information with respect to this Item is incorporated herein by reference to the definitive Proxy Statement for the 2021 Annual Meetings of Stockholders of Corteva, Inc., including information within the section entitled, "Ratification of Independent Registered Public Accounting Firm."

Part IV

ITEM 15. EXHIBITS AND CONSOLIDATED FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements, Financial Statement Schedules and Exhibits:

1. Corteva Financial Statements (See the Index to the Consolidated Financial Statements on page F-1 of this report).
2. Corteva Financial Statement Schedule (presented below)
3. EID Financial Statements (Starting on page F-89 of this report).
4. EID Financial Statement Schedule (presented below)

Schedule II—Valuation and Qualifying Accounts (EID and Corteva, Inc.)

(Dollars in millions)

	For the Year Ended December 31,		
	2020	2019	2018
Accounts Receivable—Allowance for Doubtful Receivables			
Balance at beginning of period	\$ 174	\$ 127	\$ 64
Additions charged to expenses	154	69	80
Deductions from reserves ¹	(120)	(22)	(17)
Balance at end of period	\$ 208	\$ 174	\$ 127
Deferred Tax Assets—Valuation Allowance			
Balance at beginning of period	\$ 457	\$ 669	\$ 559
Additions charged to expenses	56	20	451
Deductions from reserves ²	(60)	(232)	(341)
Balance at end of period	\$ 453	\$ 457	\$ 669

¹ Deductions include write-offs, recoveries collected and currency translation adjustments.

² Deductions include currency translation adjustments.

Financial Statement Schedules listed under the Securities and Exchange Commission ("SEC") rules but not included in this report are omitted because they are not applicable or the required information is shown in the Consolidated Financial Statements or notes thereto incorporated by reference.

Part IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES, *continued*

3. Exhibits

The following list of exhibits includes both exhibits submitted with this Form 10-K as filed with the SEC and those incorporated by reference to other filings:

Exhibit Number	Description
2.1	Separation and Distribution Agreement by and among DuPont Inc., Dow Inc. and Corteva, Inc. (incorporated by reference to Exhibit No. 2.1 to Amendment 3 to Corteva's Registration Statement on Form 10 (Commission file number 001-38710), filed on April 16, 2019).
3.1	Amended and Restated Certificate of Incorporation of Corteva, Inc. (incorporated by reference to Exhibit No. 3.1 to Corteva's Current Report on Form 8-K (Commission file number 001-38710), filed on June 3, 2019).
3.2	Amended and Restated Bylaws of Corteva, Inc. (incorporated by reference to Exhibit No. 3.1 to Corteva's Current Report on Form 8-K (Commission file number 001-38710), filed on October 10, 2019).
3.3	Amended and Restated Certificate of Incorporation of E.I. du Pont de Nemours and Company (incorporated by reference to Exhibit 3.1 to E. I. du Pont de Nemours and Company's Current Report on Form 8-K (Commission file number 1-815) dated September 1, 2017).
3.4	Amended and Restated Bylaws of E.I. du Pont de Nemours and Company (incorporated by reference to Exhibit 3.2 to E. I. du Pont de Nemours and Company's Current Report on Form 8-K (Commission file number 1-815) dated September 1, 2017).
4.1	Description of Corteva, Inc. registered securities (incorporated by reference from Exhibit 4.1 to the Company's Annual Report on Form 10-K (Commission file number 001-38710) filed February 14, 2020).
4.2	Description of E.I. du Pont de Nemours and Company registered securities (incorporated by reference from Exhibit 4.2 to the Company's Annual Report on Form 10-K (Commission file number 001-38710) filed February 14, 2020).
10.1*	Amended and Restated Tax Matters Agreement, effective as of June 1, 2019 by and among DowDuPont Inc., Corteva, Inc. and Dow Inc. (incorporated by reference to Exhibit 10.3 of Corteva's Current Report on Form 8-K (Commission file number 001-38710) filed on June 3, 2019).
10.2*	Employee Matters Agreement by and among DowDuPont Inc., Corteva, Inc. and Dow Inc. (incorporated by reference to Exhibit No. 10.2 to Amendment 3 to Corteva's Registration Statement on Form 10 (Commission file number 001-38710), filed on April 16, 2019).
10.3*	SpecCo/AgCo Intellectual Property Cross-License Agreement, effective as of June 1, 2019, by and among DowDuPont Inc., Corteva, Inc. and the other parties identified therein (incorporated by reference to Exhibit 10.1 to Corteva's Current Report on Form 8-K (Commission file number 001-38710), filed on June 3, 2019).
10.4*	Intellectual Property Cross-License Agreement by and between Corteva, Inc. and Dow Inc. (incorporated by reference to Exhibit No. 10.4 to Amendment 3 to Corteva's Registration Statement on Form 10 (Commission file number 001-38710), filed on April 16, 2019).
10.5	Corteva, Inc. 2019 Omnibus Incentive Plan. (incorporated by reference to Exhibit No. 10.5 to Corteva's Registration Statement on Form 10 (Commission file number 001-38710), filed on May 6, 2019).
10.6	Fondation de Prevoyance en Faveur du Personnel de DuPont de Nemours International SÁRL. (incorporated by reference to Exhibit No. 10.6 to Corteva's Registration Statement on Form 10 (Commission file number 001-38710), filed on May 6, 2019).
10.7*	Separation Agreement by and between E. I. du Pont de Nemours and Company and The Chemours Company (incorporated by reference to Exhibit 2.1 to E. I. du Pont de Nemours and Company's Current Report on Form 8-K (Commission file number 1-815) dated July 8, 2015).
10.8	Amendment No. 1 to Separation Agreement by and between E. I. du Pont de Nemours and Company and The Chemours Company, dated August 24, 2017 (incorporated by reference to Exhibit 2.1 to E. I. du Pont de Nemours and Company's Current Report on Form 8-K (Commission file number 1-815) dated August 25, 2017).
10.9	Tax Matters Agreement by and between E. I. du Pont de Nemours and Company and The Chemours Company (incorporated by reference to Exhibit 2.2 to E. I. du Pont de Nemours and Company's Current Report on Form 8-K (Commission file number 1-815) dated July 8, 2015).
10.10*	Transaction Agreement, dated as of March 31, 2017, by and between E. I. du Pont de Nemours and Company and FMC Corporation (incorporated by reference to Exhibit 10.25 to E. I. du Pont de Nemours and Company's Quarterly Report on Form 10-Q (Commission file number 1-815) for the period ended March 31, 2017).
10.11	The E. I. du Pont de Nemours and Company Management Deferred Compensation Plan, incorporated by reference to Exhibit 4.3 to DowDuPont Inc. Registration Statement on Form S-8 (Commission file number 333-220324) filed September 1, 2017.
10.12	The E. I. du Pont de Nemours and Company Stock Accumulation and Deferred Compensation Plan for Directors, (incorporated by reference to Exhibit 4.4 to DowDuPont Inc. Registration Statement on Form S-8 (Commission file number 333-220324) filed September 1, 2017.)
10.13	E. I. du Pont de Nemours and Company's Pension Restoration Plan, as last amended effective June 29, 2015 (incorporated by reference to Exhibit 10.3 to E. I. du Pont de Nemours and Company's Quarterly Report on Form 10-Q (Commission file number 1-815) for the period ended June 30, 2015).

Part IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES, *continued*

10.14	E. I. du Pont de Nemours and Company's Rules for Lump Sum Payments, as last amended effective May 15, 2014 (incorporated by reference to Exhibit 10.4 to E. I. du Pont de Nemours and Company's Quarterly Report on Form 10-Q (Commission file number 1-815) for the period ended June 30, 2015).
10.15	E. I. du Pont de Nemours and Company's Retirement Savings Restoration Plan, as last amended effective May 15, 2014. (incorporated by reference to Exhibit 10.08 to E. I. du Pont de Nemours and Company's Quarterly Report on Form 10-Q (Commission file number 1-815) for the period ended June 30, 2014).
10.16	E. I. du Pont de Nemours and Company's Retirement Income Plan for Directors, as last amended January 2011 (incorporated by reference to Exhibit 10.9 to E. I. du Pont de Nemours and Company's Quarterly Report on Form 10-Q (Commission file number 1-815) for the period ended March 31, 2012).
10.17*	E. I. du Pont de Nemours and Company's Senior Executive Severance Plan, as amended and restated effective December 10, 2015 (incorporated by reference to Exhibit 10.10 to E. I. du Pont de Nemours and Company's Annual Report on Form 10-K (Commission file number 1-815) for the year ended December 31, 2015).
10.19*	Corteva, Inc. Severance Plan (incorporated by reference to Exhibit 10.1 to Corteva's Current Report on Form 8-K (Commission file number 001-38710), filed on June 26, 2019).
10.20*	Letter Agreement effective as of June 1, 2019 by and between DowDuPont Inc. and Corteva, Inc. (incorporated by reference to Exhibit 10.2 to Corteva's Current Report on Form 8-K (Commission file number 001-38710) filed June 3, 2019)
10.21*	Memorandum of Understanding, dated January 22, 2021, by and among The Chemours Company, Corteva, Inc., E. I. du Pont de Nemours and Company and DuPont de Nemours, Inc. (incorporated by reference from the Form 8-K (Commission file number 001-38710) filed January 22, 2021)
10.22	Form of Award Terms for Options granted under the Corteva, Inc. 2019 Omnibus Incentive Plan for U.S. grantees (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report Form 10-Q (Commission file number 001-38710) filed May 7, 2020).
10.23	Form of Award Terms for Performance Stock Units granted under the Corteva, Inc. 2019 Omnibus Incentive Plan for U.S. grantees (incorporated by reference from Exhibit 10.4 to the Company's Quarterly Report Form 10-Q (Commission file number 001-38710) filed May 7, 2020).
10.24	Form of Award Terms for Restricted Stock Units granted under the Corteva, Inc. 2019 Omnibus Incentive Plan for U.S. grantees (incorporated by reference from Exhibit 10.5 to the Company's Quarterly Report Form 10-Q (Commission file number 001-38710) filed May 7, 2020).
21	Subsidiaries of the Registrant.
23.1	Consent of Independent Registered Public Accounting Firm, PricewaterhouseCoopers LLP - Corteva, Inc.
23.2	Consent of Independent Registered Public Accounting Firm, PricewaterhouseCoopers LLP - E. I. du Pont de Nemours and Company.
23.3	Consent of Independent Registered Public Accounting Firm, Deloitte & Touche LLP.
31.1	Rule 13a-14(a)/15d-14(a) Certification of the company's and EID's Principal Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) Certification of the company's and EID's Principal Financial Officer.
32.1	Section 1350 Certification of the company's and EID's Principal Executive Officer. The information contained in this Exhibit shall not be deemed filed with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the registrant under the Securities Act of 1933, as amended.
32.2	Section 1350 Certification of the company's and EID's Principal Financial Officer. The information contained in this Exhibit shall not be deemed filed with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the registrant under the Securities Act of 1933, as amended.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File – The Cover Page XBRL tags are embedded within the Inline XBRL document (included in Exhibit 101.INS)

* Upon request of the U.S. Securities and Exchange Commission, (the "SEC"), Corteva hereby undertakes to furnish supplementally a copy of any omitted schedule or exhibit to such agreement; provided, however, that Corteva may omit confidential information pursuant to Item 601(b)(10) or request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any schedule or exhibit so furnished.

Signature	Title(s)	Date
_____ /s/ James C. Collins, Jr. James C. Collins, Jr.	Chief Executive Officer and Director (Principal Executive Officer)	February 11, 2021
_____ /s/ Gregory R. Page Gregory R. Page	Non-Executive Chairman of the Board of Directors and Director	February 11, 2021
_____ /s/ Lamberto Andreotti Lamberto Andreotti	Director	February 11, 2021
_____ /s/ Robert A. Brown Robert A. Brown	Director	February 11, 2021
_____ /s/ Klaus Engel Klaus Engel	Director	February 11, 2021
_____ /s/ Michael O. Johanns Michael O. Johanns	Director	February 11, 2021
_____ /s/ Lois D. Juliber Lois D. Juliber	Director	February 11, 2021
_____ /s/ Rebecca B. Liebert Rebecca B. Liebert	Director	February 11, 2021
_____ /s/ Marcos M. Lutz Marcos M. Lutz	Director	February 11, 2021
_____ /s/ Nayaki Nayyar Nayaki Nayyar	Director	February 11, 2021
_____ /s/ Lee M. Thomas Lee M. Thomas	Director	February 11, 2021
_____ /s/ Patrick J. Ward Patrick J. Ward	Director	February 11, 2021
_____ /s/ Gregory R. Friedman Gregory R. Friedman	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 11, 2021

E. I. du Pont de Nemours and Company

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

February 11, 2021

E. I. DU PONT DE NEMOURS AND COMPANY

By: /s/ Brian Titus

Brian Titus
Vice President, Controller
(Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated:

Signature	Title(s)	Date
<u>/s/ James C. Collins, Jr.</u> James C. Collins, Jr.	Chief Executive Officer and Director (Principal Executive Officer)	February 11, 2021
<u>/s/ Gregory R. Friedman</u> Gregory R. Friedman	Executive Vice President, Chief Financial Officer and Director (Principal Financial Officer)	February 11, 2021

Corteva, Inc.

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Management's Reports on Responsibility for Financial Statements and Internal Control over Financial Reporting

Management's Report on Responsibility for Financial Statements

Management is responsible for the Consolidated Financial Statements and the other financial information contained in this Annual Report on Form 10-K. The financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and are considered by management to present fairly the company's financial position, results of operations and cash flows. The financial statements include some amounts that are based on management's best estimates and judgments. The financial statements have been audited by the company's independent registered public accounting firm, PricewaterhouseCoopers LLP. The purpose of their audit is to express an opinion as to whether the Consolidated Financial Statements included in this Annual Report on Form 10-K present fairly, in all material respects, the company's financial position, results of operations and cash flows in conformity with GAAP. Their reports are presented on the following pages.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. The company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The company's internal control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of the company's assets that could have a material effect on the financial statements.

Internal control over financial reporting has certain inherent limitations which may not prevent or detect misstatements. In addition, changes in conditions and business practices may cause variation in the effectiveness of internal controls.

Management assessed the effectiveness of the company's internal control over financial reporting as of December 31, 2020, based on criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control-Integrated Framework (2013)*. Based on its assessment and those criteria, management concluded that the company maintained effective internal control over financial reporting as of December 31, 2020.

PricewaterhouseCoopers LLP, an independent registered public accounting firm, has audited the effectiveness of the company's internal control over financial reporting as of December 31, 2020, as stated in their report, which is presented on the following pages.



James C. Collins, Jr.
Chief Executive Officer and Director

Gregory R. Friedman
Executive Vice President and
Chief Financial Officer

February 11, 2021

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of Corteva, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Corteva, Inc. and its subsidiaries (the “Company”) as of December 31, 2020 and 2019, and the related consolidated statements of operations, comprehensive income (loss), equity and cash flows for each of the three years in the period ended December 31, 2020, including the related notes and schedule of valuation and qualifying accounts for each of the three years in the period ended December 31, 2020 appearing under Item 15(a) (collectively referred to as the “consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, based on our audits and the report of other auditors with respect to the consolidated financial statements for the year ended December 31, 2018, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

We did not audit the combined financial statements of the Dow Agricultural Sciences Business, a business under common control of the Company, which statements reflect total assets of \$7,773 million as of December 31, 2018, and total net sales of \$5,646 million for the year ended December 31, 2018. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for the Dow Agricultural Sciences Business as of and for the year ended December 31, 2018, is based solely on the report of the other auditors.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for leases in 2019.

Basis for Opinions

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits and the report of other auditors provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill (Seed Reporting Unit) and Intangible Asset (Trade name) Impairment Assessments

As described in Notes 2 and 15 to the consolidated financial statements, the Company's consolidated goodwill and intangible asset balances were \$10.3 billion and \$10.7 billion, respectively, as of December 31, 2020. The goodwill associated with the seed reporting unit was \$5.5 billion and the trademarks/trade names intangible assets were \$1.9 billion as of December 31, 2020, which includes a trade name for which management changed the indefinite life assertion to definite-lived with a useful life of 25 years beginning on October 1, 2020. Management tests goodwill for impairment at the reporting unit level at least annually, or more frequently when events or changes in circumstances indicate it is more likely than not that the fair value of a reporting unit has declined below its carrying value. Indefinite-lived intangible assets are tested for impairment at least annually; however, these tests are performed more frequently when events or changes in circumstances indicate that the asset may be impaired. During the second quarter of 2020, management determined a triggering event had occurred that required an interim impairment assessment for its seed and crop protection reporting units and trade name indefinite-lived intangible asset. Prior to changing the useful life of the trade name asset, management tested the asset for impairment, concluding the asset was not impaired. Management determined fair values for each of the reporting units using a discounted cash flow model. Management's significant assumptions in these analyses included future cash flow projections, the weighted average cost of capital, the terminal growth rate, and the tax rate. Management performed the intangible asset impairment assessments using the relief from royalty method. The significant assumptions used by management in the relief from royalty method included projected revenue, the royalty rate, the discount rate, and the terminal growth rate.

The principal considerations for our determination that performing procedures relating to the goodwill (seed reporting unit) and intangible asset (trade name) impairment assessments is a critical audit matter are (i) the significant judgment by management when developing the fair value measurements of the seed reporting unit and trade name intangible asset, (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to future cash flow projections, which included projected revenue, gross margin and other costs and expenses, the weighted average cost of capital, and the terminal growth rate as it relates to the fair value of the seed reporting unit, and management's significant assumptions related to projected revenue, the royalty rate, the discount rate, and the terminal growth rate as it relates to the fair value of the trade name intangible asset, and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill (seed reporting unit) and intangible asset (trade name) impairment assessments, including controls over the valuations of the seed reporting unit and trade name intangible asset. These procedures also included, among others, testing management's process for developing the fair value estimates; evaluating the appropriateness of the discounted cash flow models and relief from royalty method; testing the completeness, accuracy, and relevance of underlying data used in the discounted cash flow models and relief from royalty method; and evaluating the reasonableness of significant assumptions used

by management related to projected revenue, gross margin, other costs and expenses, the weighted average cost of capital and the terminal growth rate as it relates to the fair value of the seed reporting unit, and projected revenue, the royalty rate, the discount rate and the terminal growth rate as it relates to the fair value of the trade name intangible asset. Evaluating management's assumptions related to projected revenue, gross margin and other costs and expenses involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the reporting unit, (ii) the consistency with external market and industry data, and (iii) whether the assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's discounted cash flow models and relief from royalty method and the significant assumptions related to the weighted average cost of capital and terminal growth rate used by management in developing the fair value of the seed reporting unit and the discount rate, the royalty rate, and the terminal growth rate used by management in developing the fair value of the trade name intangible asset.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 11, 2021

We have served as the Company's or its predecessor's auditor since 1946.

Report of Independent Registered Public Accounting Firm

To Management of the Dow Agricultural Sciences Business

Opinion on the Financial Statements

We have audited the accompanying combined statements of income and comprehensive income, cash flows, and equity of the Dow Agricultural Sciences Business (the "Business") for the year ended December 31, 2018, and the related notes (collectively referred to as the "financial statements") (not presented herein). In our opinion, the financial statements present fairly, in all material respects, the results of operations and cash flows of the Business for the year ended December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Business' management. Our responsibility is to express an opinion on the Business' financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Business in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Business is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Business' internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

Midland, Michigan

July 12, 2019

Corteva, Inc.
Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share amounts)	For the Year Ended December 31,		
	2020	2019	2018
Net sales	\$ 14,217	\$ 13,846	\$ 14,287
Cost of goods sold	8,507	8,575	9,948
Research and development expense	1,142	1,147	1,355
Selling, general and administrative expenses	3,043	3,065	3,041
Amortization of intangibles	682	475	391
Restructuring and asset related charges - net	335	222	694
Integration and separation costs	—	744	992
Goodwill impairment charge	—	—	4,503
Other income - net	212	215	249
Loss on early extinguishment of debt	—	13	81
Interest expense	45	136	337
Income (loss) from continuing operations before income taxes	675	(316)	(6,806)
Benefit from income taxes on continuing operations	(81)	(46)	(31)
Income (loss) from continuing operations after income taxes	756	(270)	(6,775)
(Loss) income from discontinued operations after income taxes	(55)	(671)	1,748
Net income (loss)	701	(941)	(5,027)
Net income attributable to noncontrolling interests	20	18	38
Net income (loss) attributable to Corteva	\$ 681	\$ (959)	\$ (5,065)
Basic earnings (loss) per share of common stock:			
Basic earnings (loss) per share of common stock from continuing operations	\$ 0.98	\$ (0.38)	\$ (9.08)
Basic (loss) earnings per share of common stock from discontinued operations	(0.07)	(0.90)	2.32
Basic earnings (loss) per share of common stock	\$ 0.91	\$ (1.28)	\$ (6.76)
Diluted earnings (loss) per share of common stock:			
Diluted earnings (loss) per share of common stock from continuing operations	\$ 0.98	\$ (0.38)	\$ (9.08)
Diluted (loss) earnings per share of common stock from discontinued operations	(0.07)	(0.90)	2.32
Diluted earnings (loss) per share of common stock	\$ 0.91	\$ (1.28)	\$ (6.76)

See Notes to the Consolidated Financial Statements beginning on page F-13.

Corteva, Inc.
Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Net income (loss)	\$ 701	\$ (941)	\$ (5,027)
Other comprehensive income (loss) - net of tax:			
Cumulative translation adjustments	(26)	(274)	(1,576)
Adjustments to pension benefit plans	(186)	(718)	(715)
Adjustments to other benefit plans	671	(160)	132
Unrealized gain (loss) on investments	(10)	—	—
Derivative instruments	(69)	28	(24)
Total other comprehensive income (loss)	380	(1,124)	(2,183)
Comprehensive income (loss)	1,081	(2,065)	(7,210)
Comprehensive income attributable to noncontrolling interests - net of tax	20	18	38
Comprehensive income (loss) attributable to Corteva	\$ 1,061	\$ (2,083)	\$ (7,248)

See Notes to the Consolidated Financial Statements beginning on page F-13.

Corteva, Inc.
Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

(In millions, except share and per share amounts)	December 31, 2020	December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	\$ 3,526	\$ 1,764
Marketable securities	269	5
Accounts and notes receivable - net	4,926	5,528
Inventories	4,882	5,032
Other current assets	1,165	1,190
Total current assets	14,768	13,519
Investment in nonconsolidated affiliates	66	66
Property, plant and equipment	8,253	7,872
Less: Accumulated depreciation	3,857	3,326
Net property, plant and equipment	4,396	4,546
Goodwill	10,269	10,229
Other intangible assets	10,747	11,424
Deferred income taxes	464	287
Other assets	1,939	2,326
Total Assets	\$ 42,649	\$ 42,397
Liabilities and Equity		
Current liabilities		
Short-term borrowings and finance lease obligations	\$ 3	\$ 7
Accounts payable	3,615	3,702
Income taxes payable	123	95
Accrued and other current liabilities	4,807	4,434
Total current liabilities	8,548	8,238
Long-Term Debt	1,102	115
Other Noncurrent Liabilities		
Deferred income tax liabilities	893	920
Pension and other post employment benefits - noncurrent	5,176	6,377
Other noncurrent obligations	1,867	2,192
Total noncurrent liabilities	9,038	9,604
Commitments and contingent liabilities		
Stockholders' equity		
Common stock, \$0.01 par value; 1,666,667,000 shares authorized; issued at December 31, 2020 - 743,458,000 and December 31, 2019 - 748,577,000	7	7
Additional paid-in capital	27,707	27,997
Retained earnings / (accumulated deficit)	—	(425)
Accumulated other comprehensive loss	(2,890)	(3,270)
Total Corteva stockholders' equity	24,824	24,309
Noncontrolling interests	239	246
Total equity	25,063	24,555
Total Liabilities and Equity	\$ 42,649	\$ 42,397

See Notes to the Consolidated Financial Statements beginning on page F-13.

Corteva, Inc.
Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	For the Year Ended December 31,		
	2020	2019 ¹	2018 ¹
Operating activities			
Net income (loss)	\$ 701	\$ (941)	\$ (5,027)
Adjustments to reconcile net income (loss) to cash provided by operating activities:			
Depreciation and amortization	1,177	1,599	2,790
(Benefit from) provision for deferred income tax	(330)	(477)	31
Net periodic pension benefit	(409)	(264)	(321)
Pension contributions	(62)	(121)	(1,314)
Net loss (gain) on sales of property, businesses, consolidated companies, and investments	3	(142)	(11)
Restructuring and asset related charges - net	335	339	803
Amortization of inventory step-up	—	272	1,628
Goodwill impairment charge	—	1,102	4,503
Loss on early extinguishment of debt	—	13	81
Other net loss	290	246	262
Changes in assets and liabilities, net			
Accounts and notes receivable	187	(361)	(1,522)
Inventories	104	74	(498)
Accounts payable	(118)	149	642
Other assets and liabilities	186	(418)	(1,564)
Cash provided by operating activities	2,064	1,070	483
Investing activities			
Capital expenditures	(475)	(1,163)	(1,501)
Proceeds from sales of property, businesses, and consolidated companies - net of cash divested	83	249	69
Acquisitions of businesses - net of cash acquired	—	(10)	—
Investments in and loans to nonconsolidated affiliates	(1)	(10)	(8)
Proceeds from sale of ownership interest in non-consolidated affiliates	—	21	9
Purchases of investments	(995)	(138)	(1,257)
Proceeds from sales and maturities of investments	721	160	2,186
Other investing activities - net	(7)	(13)	(3)
Cash used for investing activities	(674)	(904)	(505)
Financing activities			
Net change in borrowings (less than 90 days)	—	(1,868)	400
Proceeds from debt	2,439	1,001	756
Payments on debt	(1,441)	(6,804)	(5,956)
Repurchase of common stock	(275)	(25)	—
Proceeds from exercise of stock options	56	47	85
Dividends paid to stockholders	(388)	(194)	—
Payment for acquisition of subsidiary's interest from the non-controlling interest	(60)	—	—
Distributions to DowDuPont	—	(317)	(2,806)
Cash transferred to DowDuPont at Internal Reorganizations	—	(2,053)	—
Contributions from Dow and DowDuPont	—	7,396	5,363
Debt extinguishment costs	—	(79)	(378)
Other financing activities	(28)	(33)	(88)
Cash provided by (used for) financing activities	303	(2,929)	(2,624)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	7	(88)	(244)
Increase (decrease) on cash, cash equivalents and restricted cash	1,700	(2,851)	(2,890)
Cash, cash equivalents and restricted cash at beginning of period	2,173	5,024	7,914

Corteva, Inc.
Consolidated Financial Statements

(In millions)	For the Year Ended December 31,		
	2020	2019 ¹	2018 ¹
Cash, cash equivalents and restricted cash at end of period²	\$ 3,873	\$ 2,173	\$ 5,024
Supplemental cash flow information			
Cash paid during the period for			
Interest, net of amounts capitalized	\$ 36	\$ 263	\$ 923
Income taxes	229	234	961

¹The cash flows for the years ended December 31, 2018 and 2019 includes cash flows of EID's ECP and Specialty Products Entities.

² See page F-35 for reconciliation of cash and cash equivalents and restricted cash presented in Consolidated Balance Sheets to total cash, cash equivalents and restricted cash presented in the Consolidated Statements of Cash Flows.

See Notes to the Consolidated Financial Statements beginning on page F-13.

Corteva, Inc.
Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF EQUITY

(In millions)	Common Stock	Preferred Stock	Additional Paid-in Capital	Divisional Equity	Retained Earnings (Accum Deficit)	Accumulated Other Comp Loss	Treasury Stock	Non-controlling Interests	Total Equity
Balance at January 1, 2018	\$ —		\$ —	\$ 80,318	\$ —	\$ (1,177)	\$ —	\$ 452	\$ 79,593
Net (loss) income				(5,065)				38	(5,027)
Other comprehensive loss						(2,183)			(2,183)
Distributions to Dow and DowDuPont				(2,806)					(2,806)
Issuance of DowDuPont stock				85					85
Share-based compensation				129					129
Contributions from Dow and DowDuPont				5,363					5,363
Other				(4)				3	(1)
Balance at December 31, 2018	\$ —		\$ —	\$ 78,020	\$ —	\$ (3,360)	\$ —	\$ 493	\$ 75,153
Net (loss) income				(641)	(318)			18	(941)
Other comprehensive loss						(1,124)			(1,124)
Common dividends (\$0.26 per share)			(97)		(97)				(194)
Distributions to Dow and DowDuPont				(317)					(317)
Issuance of DowDuPont stock				39					39
Issuance of Corteva stock			8						8
Share-based compensation			41	62					103
Common Stock Repurchase			(25)						(25)
Contributions from Dow and DowDuPont				7,396					7,396
Impact of Internal Reorganizations				(56,479)		1,214		(231)	(55,496)
Reclassification of Divisional Equity to Additional Paid-in Capital	7		28,070	(28,077)					—
Other				(3)	(10)			(34)	(47)
Balance at December 31, 2019	\$ 7		\$ 27,997		\$ (425)	\$ (3,270)	\$ —	\$ 246	\$ 24,555
Net (loss) income					681			20	701
Other comprehensive income (loss)						380			380
Share-based compensation			60		(1)				59
Common dividends (\$.52 per share)			(194)		(194)				(388)
Common Stock Repurchase			(216)		(59)				(275)
Issuance of Corteva stock			56						56
Acquisition of a noncontrolling interest in consolidated subsidiaries			(37)					(15)	(52)
Other - net			41		(2)			(12)	27
Balance at December 31, 2020	\$ 7		\$ 27,707		\$ —	\$ (2,890)	\$ —	\$ 239	\$ 25,063

See Notes to the Consolidated Financial Statements beginning on page F-13.

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NOTE 1 - BACKGROUND AND BASIS OF PRESENTATION

Corteva, Inc. is a leading global provider of seed and crop protection solutions focused on the agriculture industry. The company intends to leverage its rich heritage of scientific achievement to advance its robust innovation pipeline and continue to shape the future of responsible agriculture. The company's broad portfolio of agriculture solutions fuels farmer productivity in approximately 140 countries. Corteva has two reportable segments: seed and crop protection. See Note 25 - Segment Information, to the Consolidated Financial Statements, for additional information on the company's reportable segments.

Throughout this Annual Report on Form 10-K, except as otherwise noted by the context, the terms "Corteva" or "company" used herein mean Corteva, Inc. and its consolidated subsidiaries (including EID) and the term "EID" used herein means E. I. du Pont de Nemours and Company and its consolidated subsidiaries or E. I. du Pont de Nemours and Company excluding its consolidated subsidiaries, as the context may indicate. Additionally, on June 1, 2019, DowDuPont Inc. changed its registered name to DuPont de Nemours, Inc. ("DuPont"), for certain events prior to, or on, June 1, 2019, DuPont may be referred to as DowDuPont.

Principles of Consolidation and Basis of Presentation

On June 1, 2019, Corteva, Inc. became an independent, publicly traded company through the previously announced separation (the "Separation") of the agriculture business of DuPont de Nemours, Inc. (formerly known as DowDuPont Inc.) ("DowDuPont" or "DuPont"). The separation was effectuated through a pro rata distribution (the "Corteva Distribution") of all of the then-issued and outstanding shares of common stock, par value \$0.01 per share, of Corteva, Inc., which was then a wholly-owned subsidiary of DowDuPont, to holders of record of DowDuPont common stock as of the close of business on May 24, 2019.

Previously, DowDuPont was formed on December 9, 2015, to effect an all-stock merger of equals strategic combination between The Dow Chemical Company ("Historical Dow") and EID. On August 31, 2017 at 11:59 pm ET (the "Merger Effectiveness Time") pursuant to the Agreement and Plan of Merger, dated as of December 11, 2015, as amended March 31, 2017 (the "Merger Agreement"), Historical Dow and EID each merged with wholly-owned subsidiaries of DowDuPont and became subsidiaries of DowDuPont (the "Merger"). Prior to the Merger, DowDuPont did not conduct any business activities other than those required for its formation and matters contemplated by the Merger Agreement.

Subsequent to the Merger, Historical Dow and EID engaged in a series of internal reorganization and realignment steps to realign their businesses into three subgroups: agriculture, materials science and specialty products through a series of tax-efficient transactions (collectively, the "Business Separations"). Effective as of 5:00 pm ET on April 1, 2019, DowDuPont completed the previously announced separation of its materials science business into a separate and independent public company by way of a distribution of Dow Inc. ("Dow") through a pro rata dividend in-kind of all of the then-issued and outstanding shares of Dow's common stock, par value \$0.01 per share, to holders of DowDuPont's common stock, as of the close of business on March 21, 2019 (the "Dow Distribution" and together with the Corteva Distribution, the "Distributions").

Prior to the Dow Distribution, Historical Dow conveyed or transferred the assets and liabilities aligned with Historical Dow's agriculture business to separate legal entities ("Dow Ag Entities") and the assets and liabilities associated with its specialty products business to separate legal entities (the "Dow SP Entities"). On April 1, 2019, Dow Ag Entities and the Dow SP Entities were transferred and conveyed to DowDuPont.

In furtherance of the Business Separations, EID engaged in a series of internal reorganization and realignment steps (the "Internal Reorganization" and the "Business Realignment," respectively) to realign its businesses into three subgroups: agriculture, materials science and specialty products. As part of the Internal Reorganization:

- the assets and liabilities aligned with EID's materials science business, including EID's ethylene and ethylene copolymers business, excluding its ethylene acrylic elastomers business, ("EID ECP") were transferred or conveyed to separate legal entities (the "Materials Science Entities") that were ultimately conveyed by DowDuPont to Dow;
- the assets and liabilities aligned with the EID's specialty products business were transferred or conveyed to separate legal entities ("EID Specialty Products Entities");
- on April 1, 2019, EID transferred and conveyed its Materials Science Entities to DowDuPont;
- on May 1, 2019, EID distributed its Specialty Products Entities to DowDuPont;

- on May 2, 2019, DowDuPont conveyed Dow Ag Entities to EID and in connection with the foregoing, EID issued additional shares of its Common Stock to DowDuPont; and
- on May 31, 2019, DowDuPont contributed EID to Corteva, Inc.

On May 6, 2019, the Board of Directors of DowDuPont approved the distribution of all the then issued and outstanding shares of common stock of Corteva, Inc., a wholly-owned subsidiary of DowDuPont, to DowDuPont stockholders. On June 1, 2019, DowDuPont completed the Separation. Each DowDuPont stockholder received one share of Corteva common stock for every three shares of DowDuPont common stock held at the close of business on May 24, 2019, the record date of distribution. Corteva, Inc.'s common stock began trading the "regular way" under the ticker symbol "CTVA" on June 3, 2019, the first business day after June 1, 2019. Upon becoming an independent company, the capital structure of Corteva consisted of 748,815,000 authorized shares of common stock (par value of \$0.01 per share), which represents the number of common shares issued on June 3, 2019. Information related to the Corteva Distribution and its effect on the company's financial statements is discussed throughout these Notes to the Consolidated Financial Statements.

As a result of the Business Realignment and the Internal Reorganization discussed above, Corteva owns 100% of the outstanding common stock of EID, and EID owns 100% of DAS. EID is a subsidiary of Corteva, Inc. and continues to be a reporting company, subject to the requirements of the Securities Exchange Act of 1934, as amended.

DAS Common Control Business Combination

The transfer or conveyance of DAS to Corteva was treated as a transfer of entities under common control. As such, the company recorded the assets, liabilities, and equity of DAS on its balance sheet at their historical basis. Transfers of businesses between entities under common control requires the financial statements to be presented as if the transaction had occurred at the point at which common control first existed (the Merger Effectiveness Time). As a result, the accompanying Consolidated Financial Statements and Notes thereto include the results of DAS as of the Merger Effectiveness Time. See Note 4 - Common Control Business Combination, to the Consolidated Financial Statements, for additional information.

For periods prior to the Corteva Distribution, the combined results of operations and assets and liabilities of EID and DAS were derived from the Consolidated Financial Statements and accounting records of EID as well as the carve-out financial statements of DAS. The DAS carve-out financial statements reflect the historical results of operations, financial position, and cash flows of Historical Dow's Agricultural Sciences Business and include allocations of certain expenses for services from Historical Dow, including, but not limited to, general corporate expenses related to finance, legal, information technology, human resources, ethics and compliance, shared services, employee benefits and incentives, insurance, and stock-based compensation. These expenses were allocated on the basis of direct usage when identifiable, with the remainder allocated under the basis of headcount or other measures.

The company's Consolidated Balance Sheets for all periods presented consist of Corteva, Inc. and its consolidated subsidiaries.

The company's Consolidated Statements of Operations (the "Consolidated Statements of Operations") for all periods prior to the Corteva Distribution consist of the combined results of operations for Historical EID and DAS. The Consolidated Statements of Operations for all periods after the Corteva Distribution represent the consolidated balances of the company. Intercompany balances and transactions with Historical EID and DAS have been eliminated.

During the first quarter 2020, the company recorded an increase of \$40 million to APIC relating to net assets recorded as transferred as part of the 2019 Internal Reorganizations that were retained.

Divestiture of EID ECP

The transfer of EID ECP meets the criteria for discontinued operations and as such, results of operations are presented as discontinued operations and have been excluded from continuing operations for all periods presented. The comprehensive income (loss), stockholder's equity and cash flows related to EID ECP have not been segregated and are included in the Consolidated Statements of Comprehensive Income (Loss), Consolidated Statements of Equity and Consolidated Statements of Cash Flows, respectively, for 2019 and all prior periods. Amounts related to EID ECP are consistently included or excluded from the Notes to the Consolidated Financial Statements based on the respective financial statement line item. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements, for additional information.

Divestiture of EID Specialty Products Entities

The transfer of the EID Specialty Products Entities meets the criteria for discontinued operations and as such, results of operations are presented as discontinued operations and have been excluded from continuing operations for all periods presented. The comprehensive income (loss), stockholder's equity and cash flows related to the EID Specialty Products Entities

have not been segregated and are included in the Consolidated Statements of Comprehensive Income (Loss), Consolidated Statements of Equity and Consolidated Statements of Cash Flows, respectively, for 2019 and all prior periods. Amounts related to the EID Special Products Entities are consistently included or excluded from the Notes to the Consolidated Financial Statements based on the respective financial statement line item. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements, for additional information.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Consolidated Financial Statements include the accounts of the company and subsidiaries in which a controlling interest is maintained. For those consolidated subsidiaries in which the company's ownership is less than 100 percent, the outside stockholders' interests are shown as noncontrolling interests. Investments in affiliates over which the company has the ability to exercise significant influence but does not have a controlling interest are accounted for under the equity method.

The company is also involved with certain joint ventures accounted for under the equity method of accounting that are variable interest entities ("VIEs"). The company is not the primary beneficiary, as the nature of the company's involvement with the VIEs does not provide it the power to direct the VIEs significant activities. Future events may require these VIEs to be consolidated if the company becomes the primary beneficiary. At December 31, 2020 and 2019, the maximum exposure to loss related to the nonconsolidated VIEs is not considered material to the Consolidated Financial Statements.

Use of Estimates in Financial Statement Preparation

The preparation of financial statements in accordance with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The company's consolidated financial statements include amounts that are based on management's best estimates and judgments. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents represent investments with maturities of three months or less from time of purchase. They are carried at cost plus accrued interest.

Restricted Cash

Restricted cash represents trust assets of \$347 million and \$409 million as of December 31, 2020 and 2019, respectively, and is included within other current assets on the Consolidated Balance Sheets. See Note 9 - Supplementary Information, to the Consolidated Financial Statements, for further information.

Marketable Securities

Marketable securities represent investments in fixed and floating rate financial instruments with maturities greater than three months and up to twelve months at time of purchase. Investments classified as held-to-maturity are recorded at amortized cost. The carrying value approximates fair value due to the short-term nature of the investments. Investments classified as available-for-sale are carried at estimated fair value with unrealized gains and losses recorded as a component of accumulated other comprehensive income (loss) or current period earnings if an allowance for credit losses has been established. The cost of investments sold is determined by specific identification.

Fair Value Measurements

Under the accounting guidance for fair value measurements and disclosures, a fair value hierarchy was established that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The company uses the following valuation techniques to measure fair value for its assets and liabilities:

- Level 1 – Quoted market prices in active markets for identical assets or liabilities;
- Level 2 – Significant other observable inputs (e.g. quoted prices for similar items in active markets, quoted prices for identical or similar items in markets that are not active, inputs other than quoted prices that are observable such as interest rate and yield curves, and market-corroborated inputs);
- Level 3 – Unobservable inputs for the asset or liability, which are valued based on management's estimates of assumptions that market participants would use in pricing the asset or liability.

Foreign Currency Translation

The company's worldwide operations utilize the U.S. dollar ("USD") or a related foreign currency as the functional currency, where applicable. The company identifies its separate and distinct foreign entities and groups the foreign entities into two categories: 1) extension of the parent or foreign subsidiaries operating in a hyper-inflationary environment (USD functional currency) and 2) self-contained (related foreign functional currency). If a foreign entity does not align with either category, factors are evaluated and a judgment is made to determine the functional currency.

For foreign entities where the USD is the functional currency, all foreign currency-denominated asset and liability amounts are re-measured into USD at end-of-period exchange rates, except for inventories, prepaid expenses, property, plant and equipment, goodwill and other intangible assets, which are re-measured at historical rates. Foreign currency income and expenses are re-measured at average exchange rates in effect during the year, except for expenses related to balance sheet amounts re-measured at historical exchange rates. Exchange gains and losses arising from re-measurement of foreign currency-denominated monetary assets and liabilities are included in income in the period in which they occur.

For foreign entities where a related foreign currency is the functional currency, assets and liabilities denominated in the related foreign currencies are translated into USD at end-of-period exchange rates and the resultant translation adjustments are reported, net of their related tax effects, as a component of accumulated other comprehensive loss in equity. Assets and liabilities denominated in other than the functional currency are re-measured into the functional currency prior to translation into USD and the resultant exchange gains or losses are included in income in the period in which they occur. Income and expenses are translated into USD at average exchange rates in effect during the period.

The company changes the functional currency of its separate and distinct foreign entities only when significant changes in economic facts and circumstances indicate clearly that the functional currency has changed.

Inventories

The company's inventories are valued at the lower of cost or net realizable value. Elements of cost in inventories include raw materials, direct labor and manufacturing overhead. Stores and supplies are valued at cost or net realizable value, whichever is lower; cost is generally determined by the average cost method.

As of December 31, 2020, approximately 62% and 38% of the company's inventories were accounted for under the first-in, first-out ("FIFO") and average cost methods, respectively. As of December 31, 2019, approximately 59% and 41% of the company's inventories were accounted for under the FIFO and average cost methods, respectively. Inventories accounted for under the FIFO method are primarily comprised of products with shorter shelf lives such as seeds. See Note 13 - Inventories, to the Consolidated Financial Statements, for further information.

The company establishes an obsolescence reserve for inventory based upon quality considerations and assumptions about future demand and market conditions.

Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation. In connection with the Merger, the fair value of property, plant and equipment was determined using a market approach and a replacement cost approach. Depreciation is based on the estimated service lives of depreciable assets and is calculated using the straight-line method. Fully depreciated assets are retained in property and accumulated depreciation accounts until they are removed from service. When assets are surrendered, retired, sold, or otherwise disposed of, their gross carrying values and related accumulated depreciation are removed from the Consolidated Balance Sheets and included in determining gain or loss on such disposals.

Goodwill and Other Intangible Assets

The company records goodwill when the purchase price of a business acquisition exceeds the estimated fair value of net identified tangible and intangible assets acquired. Goodwill is tested for impairment at the reporting unit level at least annually,

or more frequently when events or changes in circumstances indicate that the fair value of a reporting unit has more likely than not declined below its carrying value. The company performs an annual goodwill impairment test in the fourth quarter.

When testing goodwill for impairment, the company has the option to first perform qualitative testing to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If the company chooses not to complete a qualitative assessment for a given reporting unit or if the initial assessment indicates that it is more likely than not that the carrying value of a reporting unit exceeds its estimated fair value, additional quantitative testing is required. The company determines fair values for each of the reporting units using a discounted cash flow model (a form of the income approach) or the market approach. Under the income approach, fair value is determined based on the present value of estimated future cash flows, discounted at an appropriate risk-adjusted rate. The company's significant assumptions in this analysis included future cash flow projections, weighted average cost of capital, the terminal growth rate, and the tax rate. Under the market approach, the company uses metrics of publicly traded companies or historically completed transactions for comparable companies. See Note 15 - Goodwill and Other Intangible Assets, to the Consolidated Financial Statements, for further information on goodwill.

Indefinite-lived intangible assets are tested for impairment at least annually; however, these tests are performed more frequently when events or changes in circumstances indicate that the asset may be impaired. Impairment exists when carrying value exceeds fair value. The company performs an impairment assessment using the relief from royalty method (a form of the income approach) using Level 3 inputs within the fair value hierarchy. The significant assumptions used in the calculation included projected revenue, the royalty rate, the discount rate, and the terminal growth rate. These significant assumptions involve management judgment and estimates relating to future operating performance and economic conditions that may differ from actual cash flows.

Definite-lived intangible assets are amortized over their estimated useful lives, generally on a straight-line basis for periods ranging primarily from 2 years to 25 years. The company continually evaluates the reasonableness of the useful lives of these assets. Once these assets are fully amortized, they are removed from the Consolidated Balance Sheets.

Leases

The company adopted ASU 2016-02, Leases (Topic 842), and associated ASUs related to Topic 842, in the first quarter of 2019. Prior periods are not restated and continue to be reported under ASC 840. Under Topic 842, the company determines whether an arrangement is a lease at the inception of the arrangement based on the terms and conditions in the contract. A contract contains a lease if there is an identified asset and the company has the right to control the asset. Operating lease right-of-use ("ROU") assets are included in other assets on the company's Consolidated Balance Sheets. Operating lease liabilities are included in accrued and other current liabilities and other noncurrent obligations on the company's Consolidated Balance Sheets. Finance lease assets are included in property, plant and equipment on the company's Consolidated Balance Sheets. Finance lease liabilities are included in short-term borrowings and finance lease obligations and long-term debt on the company's Consolidated Balance Sheets.

Operating lease ROU assets represent the company's right to use an underlying asset for the lease term and lease liabilities represent the company's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As most of the company's leases do not provide the lessor's implicit rate, the company uses its incremental borrowing rate at the commencement date in determining the present value of lease payments. Lease terms include options to extend the lease when it is reasonably certain those options will be exercised. Leases with an initial term of 12 months or less are not recorded on the balance sheet. The company recognizes lease expense for these leases on a straight-line basis over the lease term.

The company has lease agreements with lease and non-lease components, which are accounted for as a single lease component for all asset classes. In the Consolidated Statements of Operations, lease expense for operating lease payments is recognized on a straight-line basis over the lease term. For finance leases, interest expense is recognized on the lease liability and the ROU asset is amortized over the lease term. See Note 16 - Leases, to the Consolidated Financial Statements, for further information.

Impairment of Long-Lived Assets

The company evaluates the carrying value of long-lived assets to be held and used when events or changes in circumstances indicate the carrying value may not be recoverable. The carrying value of a long-lived asset group is considered impaired when the total projected undiscounted cash flows from the assets are separately identifiable and are less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset. The company's fair value methodology is an estimate of fair market value which is made based on prices of similar assets or other valuation methodologies including present value techniques. Long-lived assets to be disposed of by sale, if material, are classified as held for sale and reported at the lower of carrying amount or fair value less cost to sell, and depreciation is ceased.

Long-lived assets to be disposed of other than by sale are classified as held and used until they are disposed of and reported at the lower of carrying amount or fair value. Depreciation is recognized over the remaining useful life of the assets.

Derivative Instruments

Derivative instruments are reported in the Consolidated Balance Sheets at their fair values. The company utilizes derivatives to manage exposures to foreign currency exchange rates and commodity prices. Changes in the fair values of derivative instruments that are not designated as hedges are recorded in current period earnings. For derivative instruments designated as cash flow hedges, the (loss) gain is reported in accumulated other comprehensive loss until it is cleared to earnings during the same period in which the hedged item affects earnings. For derivative instruments designated as net investment hedges, the (loss) gain is reported within accumulated other comprehensive loss until the subsidiary is divested.

In the event that a derivative designated as a hedge of a firm commitment or an anticipated transaction is terminated prior to the maturation of the hedged transaction, the net gain or loss in accumulated other comprehensive income ("AOCI") generally remains in AOCI until the item that was hedged affects earnings. If a hedged transaction matures, or is sold, extinguished, or terminated prior to the maturity of a derivative designated as a hedge of such transaction, gains or losses associated with the derivative through the date the transaction matured are included in the measurement of the hedged transaction and the derivative is reclassified as for trading purposes. Derivatives designated as hedges of anticipated transactions are reclassified as for trading purposes if the anticipated transaction is no longer probable.

The company included foreign currency exchange contract settlements within cash flows from operating activities, regardless of hedge accounting qualification. See Note 22 - Financial Instruments, to the Consolidated Financial Statements, for additional discussion regarding the company's objectives and strategies for derivative instruments.

Environmental Matters

Accruals for environmental matters are recorded when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. These accruals are adjusted periodically as assessment and remediation efforts progress or as additional technical or legal information becomes available. Accruals for environmental liabilities are included in the Consolidated Balance Sheets in accrued and other current liabilities and other noncurrent obligations at undiscounted amounts. Accruals for related insurance or other third-party recoveries for environmental liabilities are recorded when it is probable that a recovery will be realized and are included in the Consolidated Balance Sheets as accounts and notes receivable - net.

Environmental costs are capitalized if the costs extend the life of the property, increase its capacity, and/or mitigate or prevent contamination from future operations. Environmental costs are also capitalized in recognition of legal asset retirement obligations resulting from the acquisition, construction and/or normal operation of a long-lived asset. Costs related to environmental contamination treatment and cleanup are charged to expense. Estimated future incremental operations, maintenance and management costs directly related to remediation are accrued when such costs are probable and reasonably estimable.

Revenue Recognition

The company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the company expects to receive in exchange for those goods or services. To determine revenue recognition for the arrangements that the company determines are within the scope of FASB ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), the company performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation. See Note 6 - Revenue, to the Consolidated Financial Statements, for additional information on revenue recognition.

Prepaid Royalties

The company currently has certain third-party biotechnology trait license agreements, which require up-front and variable payments subject to the licensor meeting certain conditions. These payments are reflected as other current assets and other assets and are amortized to cost of goods sold as seeds containing the respective trait technology are utilized over the life of the license. The rate of royalty amortization expense recognized is based on the company's strategic plans which include various assumptions and estimates including product portfolio, market dynamics, farmer preferences, growth rates and projected planted acres. Changes in factors and assumptions included in the strategic plans, including potential changes to the product portfolio in favor of internally developed biotechnology, could impact the rate of recognition of the relevant prepaid royalty.

At December 31, 2020, the balance of prepaid royalties reflected in other current assets and other assets was \$426 million and \$459 million, respectively. The majority of the balance of prepaid royalties relates to the company's wholly owned subsidiary, Pioneer Hi-Bred International, Inc.'s ("Pioneer") non-exclusive license in the United States and Canada for the Monsanto Company's Genuity® Roundup Ready 2 Yield® glyphosate tolerance trait and Roundup Ready 2 Xtend® glyphosate and dicamba tolerance trait for soybeans ("Roundup Ready 2 License Agreement"). Each of these licensed technologies are now trademarks of the Bayer Group, which acquired the Monsanto Company in 2018. The prepaid royalty asset relates to a series of up-front, fixed and variable royalty payments to utilize the traits in Pioneer's soybean product mix. The company's historical expectation has been that the technology licensed under the Roundup Ready 2 License Agreement would be used as the primary herbicide tolerance trait platform in the Pioneer® brand soybean through the term of the agreement. DAS and MS Technologies, L.L.C. jointly developed and own the Enlist E3™ herbicide tolerance trait for soybeans which provides tolerance to 2, 4-D choline in Enlist Duo® and Enlist One® herbicides, as well as glyphosate and glufosinate herbicides. In connection with the validation of breeding plans and large-scale product development timelines, during the fourth quarter of 2019, the company accelerated the ramp up of the Enlist E3™ trait platform in the company's soybean portfolio mix across all brands, including Pioneer® brands, over the subsequent five years. During the ramp-up period, the company is expected to significantly reduce the volume of products with the Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits beginning in 2021, with expected minimal use of the trait platform thereafter for the remainder of the Roundup Ready 2 License Agreement (the "Transition Plan"). The rate of royalty expense has therefore increased significantly through higher amortization of the prepaid royalty as fewer seeds containing the respective trait are expected to be utilized.

In connection with the departure from these traits, beginning January 1, 2020 the company presents and discloses the non-cash accelerated prepaid royalty amortization expense as a component of Restructuring and Asset Related Charges - Net, in the Consolidated Statement of Operations. The accelerated prepaid royalty amortization expense represents the difference between the rate of amortization based on the revised number of units expected to contain the Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® trait technology and the variable cash rate per the Roundup Ready 2 License Agreement.

Further changes in factors and assumptions associated with usage of the trait platform licensed under the Roundup Ready 2 License Agreement, including the Transition Plan, could further impact the rate of recognition of the prepaid royalty and statement of operations presentation of the accelerated prepaid royalty amortization expense.

Cost of Goods Sold

Cost of goods sold primarily includes the cost of manufacture and delivery, ingredients or raw materials, direct salaries, wages and benefits and overhead, non-capitalizable costs associated with capital projects, royalties and other operational expenses. No amortization of intangibles is included within costs of goods sold.

Research and Development

Research and development costs are expensed as incurred. Research and development expense includes costs (primarily consisting of employee costs, materials, contract services, research agreements, and other external spend) relating to the discovery and development of new products, enhancement of existing products, and regulatory approval of new and existing products.

Selling, General and Administrative Expenses

Selling, general and administrative expenses primarily include selling and marketing expenses, commissions, functional costs, and business management expenses.

Integration and Separation Costs

Integration and separation costs includes costs incurred to prepare for and close the Merger, post-Merger integration expenses, and costs incurred to prepare for the Business Separations. These costs primarily consist of financial advisory, information technology, legal, accounting, consulting and other professional advisory fees associated with preparation and execution of these activities.

Litigation and Other Contingencies

Accruals for legal matters and other contingencies are recorded when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Legal costs, such as outside counsel fees and expenses, are charged to expense in the period incurred.

Severance Costs

Severance benefits are provided to employees under the company's ongoing benefit arrangements. Severance costs are accrued when management commits to a plan of termination and it becomes probable that employees will be entitled to benefits at amounts that can be reasonably estimated.

Insurance/Self-Insurance

The company self-insures certain risks where permitted by law or regulation, including workers' compensation, vehicle liability and employee related benefits. Liabilities associated with these risks are estimated in part by considering historical claims experience, demographic factors and other actuarial assumptions. For other risks, the company uses a combination of insurance and self-insurance, reflecting comprehensive reviews of relevant risks. A receivable for an insurance recovery is generally recognized when the loss has occurred and collection is considered probable.

Income Taxes

The company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying amounts and tax bases of assets and liabilities using enacted tax rates. The effect of a change in tax rates on deferred tax assets or liabilities is recognized in income in the period that includes the enactment date (see Note 10 - Income Taxes, to the Consolidated Financial Statements, for further information relating to the enactment of the Tax Cuts and Job Act).

The company recognizes the financial statement effects of an uncertain income tax position when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. The current portion of uncertain income tax positions is included in income taxes payable or income tax receivable, and the long-term portion is included in other noncurrent obligations and other noncurrent assets in the Consolidated Balance Sheets.

Income tax related penalties are included in the provision for income taxes in the Consolidated Statements of Operations. Interest accrued related to unrecognized tax benefits is included within the (benefit from) provision for income taxes from continuing operations in the Consolidated Statements of Operations.

Earnings per Common Share

The calculation of earnings per common share is based on the weighted-average number of the company's common shares outstanding for the applicable period. The calculation of diluted earnings per common share reflects the effect of all potential common shares that were outstanding during the respective periods, unless the effect of doing so is antidilutive.

Segments

As a result of the Corteva Distribution, the company changed its reportable segments to seed and crop protection to reflect the manner in which the company's chief operating decision maker assesses performance and allocates resources. The company also updated its reporting units to align with the level at which discrete financial information is available for review by management.

NOTE 3 - RECENT ACCOUNTING GUIDANCE**Recently Adopted Accounting Guidance**

In June 2016, the FASB issued ASU 2016-13, Financial Instruments (Topic 326): Credit Losses - Measurement of Credit Losses on Financial Statements, which requires financial assets measured at amortized cost basis to be presented at the net amount expected to be collected. The amortized cost basis of financial assets should be reduced by expected credit losses to present the net carrying value in the financial statements at the amount expected to be collected. The measurement of expected credit losses is based on past events, historical experience, current conditions and forecasts that affect the collectability of the financial assets. Additionally, credit losses relating to available-for-sale debt securities should be recorded through an allowance for credit losses.

The company adopted the guidance in the first quarter of 2020. The primary impact of adoption related to the credit losses on accounts and notes receivable, which is applied using a cumulative-effect adjustment in the period of adoption, and prior periods are not restated. The adoption of ASU 2016-13 did not have a material impact on the company's financial position, results of operations or cash flows. See Note 10 - Accounts and Notes Receivable - Net, to the Consolidated Financial Statements, for additional information.

In November 2018, the FASB issued ASU 2018-18, Collaborative Arrangements (Topic 808): Clarifying the Interaction between Topic 808 and Topic 606, which provides guidance on whether certain transactions between collaborative arrangement participants should be accounted for as revenue under Topic 606 when the collaborative arrangement participant is a customer in the context of a unit of account. Accordingly, this amendment added unit of account guidance in Topic 606 when an entity is assessing whether the collaborative arrangement, or a part of the arrangement, is within the scope of Topic 606. In addition, the amendment provides certain guidance on presenting the collaborative arrangement transaction together with Topic 606. This

ASU is to be applied retrospectively to the date of initial application of Topic 606. The company adopted this guidance on January 1, 2020 and it did not have a material impact on the company's financial position, results of operations or cash flows.

In March 2020, the FASB issued ASU 2020-04, Facilitation of the Effects of Reference Rate Reform on Financial Reporting (Topic 848), which provides companies with optional financial reporting alternatives to reduce the cost and complexity associated with the accounting for contracts and hedging relationships affected by reference rate reform. The amendments in this Update are effective for all entities as of March 12, 2020 through December 31, 2022. The adoption of ASU 2020-04 did not have a material impact on the company's financial position, results of operations or cash flows, and will apply to future changes.

In January 2021, the FASB issued ASU 2021-01, Reference Rate Reform (Topic 848): Scope, which provides certain optional expedients that allow derivative instruments impacted by changes in the interest rate used for margining, discounting or contract price alignment to qualify for certain optional relief. The amendments in this Update are effective immediately for all entities and may be applied retrospectively as of any date from the beginning of any interim period that includes March 12, 2020 or prospectively to new modifications subsequent to the issuance of this Update. The adoption of ASU 2021-01 did not have a material impact on the company's financial position, results of operation or cash flows.

Accounting Guidance Issued But Not Adopted as of December 31, 2020

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes, which as part of the FASB's Simplification Initiative to identify, evaluate, and improve areas of U.S. GAAP for which cost and complexity can be reduced, while maintaining or improving the usefulness of the information provided to users of financial statements. This ASU amends ASC 740, Income Taxes, by removing certain exceptions to the general principles, and clarifying and amending current guidance. The new standard is effective for fiscal years, and periods within those fiscal years, beginning after December 15, 2020. Early adoption is permitted, however all amended guidance must be adopted in the same period and should be reflected as of the beginning of the annual period if initially adopted and applied during an interim period. The company does not expect the impact of adoption to be material.

NOTE 4 - COMMON CONTROL BUSINESS COMBINATIONS

DAS Common Control Combination

Based on an evaluation of the provisions of ASC 805 (Business Combinations), Corteva and DAS represented entities under common control, as both shared DowDuPont as their parent company. As a result, the assets, liabilities and operations of Corteva and DAS were combined at their historical carrying amounts, and periods prior to the Internal Reorganizations are adjusted as if Corteva and DAS had been combined since the Merger Effectiveness Time, when the entities were first under common control. Accordingly, in 2019, the accompanying Consolidated Financial Statements and Notes thereto were retrospectively revised to include the transferred net assets and results of operations of DAS beginning on September 1, 2017. Refer to Note 1 - Background and Basis of Presentation, for additional information on the common control combination.

The following table provides supplemental results of EID and DAS, as previously reported, for the year ended December 31, 2018:

For the Year Ended December 31, 2018				
(In millions)	Historical EID	Discontinued Operations and Other Adjustments¹	DAS	Corteva
Net Sales	\$ 26,279	\$ (17,638)	\$ 5,646	\$ 14,287
(Loss) income from continuing operations before income taxes	\$ (4,793)	\$ (2,128)	\$ 115	\$ (6,806)
Loss from continuing operations after income taxes	\$ (5,013)	\$ (1,753)	\$ (9)	\$ (6,775)

1. Reflects discontinued operations of EID's ECP and Specialty Products Entities and adjustments primarily related to the elimination of intercompany transactions between EID and DAS for periods subsequent to the Merger, as if they were combined affiliates, and adjustments made to align historical financial statement presentation of DAS and Corteva.

Intercompany balances and transactions with Historical EID and DAS have been eliminated.

NOTE 5 - DIVESTITURES AND OTHER TRANSACTIONS

Separation Agreements

In connection with the Distributions, DuPont, Corteva, and Dow (together, the "Parties" and each a "Party") entered into certain agreements to effect the separation, provide for the allocation of DowDuPont's assets, employees, liabilities and obligations (including its investments, property and employee benefits and tax-related assets and liabilities) among the Parties, and provide a framework for Corteva's relationship with Dow and DuPont following the separations and Distributions (collectively, the "Separation Agreements"). The Parties entered into, among other agreements, the following agreements:

- Separation and Distribution Agreement - Effective April 1, 2019, the Parties entered into an agreement that sets forth, among other things, the agreements among the Parties regarding the principal transactions necessary to effect the Distributions. It also sets forth other agreements that govern certain aspects of the Parties' ongoing relationships after the completion of the Distributions (the "Corteva Separation Agreement").
- Tax Matters Agreement - The Parties entered into an agreement effective as of April 1, 2019 as amended on June 1, 2019 that governs their respective rights, responsibilities and obligations with respect to tax liabilities and benefits, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and other matters regarding taxes.
- Employee Matters Agreement - The Parties entered into an agreement that identifies employees and employee-related liabilities (and attributable assets) to be allocated (either retained, transferred and accepted, or assigned and assumed, as applicable) to the Parties as part of the Distributions and describes when and how the relevant transfers and assignments will occur.
- Intellectual Property Cross-License Agreement - Effective as of April 1, 2019 Corteva and Dow, and effective June 1, 2019 Corteva and DuPont entered into Intellectual Property Cross-License Agreements. The Intellectual Property Cross-License Agreements set forth the terms and conditions under which the applicable Parties may use in their respective businesses, following each of the Distributions, certain know-how (including trade secrets), copyrights, and software, and certain patents and standards, allocated to another Party pursuant to the Corteva Separation Agreement.
- Letter Agreement - DuPont and Corteva entered into a Letter Agreement. The Letter Agreement sets forth certain additional terms and conditions related to the Separation, including certain limitations on each party's ability to transfer certain businesses and assets to third parties without assigning certain of such party's indemnification obligations under the Corteva Separation Agreement to the other party to the transferee of such businesses and assets or meeting certain other alternative conditions.

DuPont

Pursuant to the Separation Agreements, DuPont and Corteva indemnifies the other against certain litigation, environmental, tax, workers' compensation and other liabilities that arose prior to the Corteva Distribution. The term of this indemnification is generally indefinite and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. In connection with the recognition of liabilities related to these matters, the company records an indemnification asset when recovery is deemed probable. At December 31, 2020, the indemnification assets are \$27 million within accounts and notes receivable - net and \$51 million within other assets in the Consolidated Balance Sheet. At December 31, 2020, the indemnification liabilities are \$5 million within accrued and other current liabilities and \$79 million within other noncurrent obligations in the Consolidated Balance Sheet.

Dow

Pursuant to the Separation Agreements, Dow and Corteva indemnifies the other against certain litigation, environmental, tax and other liabilities that arose prior to the Corteva Distribution. The term of this indemnification is generally indefinite and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. In connection with the recognition of liabilities related to these matters, the company records an indemnification asset when recovery is deemed probable. At December 31, 2020, the indemnification assets are \$5 million within accounts and notes receivable - net in the Consolidated Balance Sheet. At December 31, 2020, the indemnification liabilities are \$87 million within accrued and other current liabilities and \$13 million within other noncurrent obligations in the Consolidated Balance Sheet.

EID ECP Divestiture

As discussed in Note 1 - Background and Basis of Presentation, on April 1, 2019, EID completed the transfer of the entities and related assets and liabilities of EID ECP to DowDuPont.

As a result, the financial results of EID ECP are reflected as discontinued operations, as summarized below:

(In millions)	For the Year Ended December 31,	
	2019	2018
Net sales	\$ 362	\$ 1,564
Cost of goods sold	259	1,082
Research and development expense	4	23
Selling, general and administrative expenses	9	43
Amortization of intangibles	23	96
Restructuring and asset related charges - net	2	12
Integration and separation costs	44	135
Other income - net	2	13
Income from discontinued operations before income taxes	23	186
Provision for income taxes on discontinued operations	4	35
Income from discontinued operations after income taxes	\$ 19	\$ 151

The following table presents the depreciation, amortization of intangibles, and capital expenditures of the discontinued operations related to EID ECP:

(In millions)	For the Year Ended December 31,	
	2019	2018
Depreciation	\$ 28	\$ 133
Amortization of intangibles	23	96
Capital expenditures	16	77

EID Specialty Products Divestiture

As discussed in Note 1 - Background and Basis of Presentation, on May 1, 2019, the company completed the transfer of the entities and related assets and liabilities of the EID Specialty Products Entities to DowDuPont.

As a result, the financial results of the EID Specialty Products Entities are reflected as discontinued operations, as summarized below:

(In millions)	For the Year Ended December 31,	
	2019	2018
Net sales	\$ 5,030	\$ 15,711
Cost of goods sold	3,352	10,533
Research and development expense	204	626
Selling, general and administrative expenses	573	1,599
Amortization of intangibles	267	815
Restructuring and asset related charges - net	115	97
Integration and separation costs	253	340
Goodwill impairment	1,102	—
Other income - net	57	241
(Loss) income from discontinued operations before income taxes	(779)	1,942
Provision for income taxes on discontinued operations	80	340
(Loss) income from discontinued operations after income taxes	\$ (859)	\$ 1,602

EID Specialty Products Impairment

As a result of the Merger and related acquisition method of accounting, Historical DuPont's assets and liabilities were measured at fair value resulting in increases to the company's goodwill and other intangible assets. The fair value valuation increased the risk that any declines in financial projections, including changes to key assumptions, could have a material, negative impact on the fair value of the company's reporting units and assets, and therefore could result in an impairment.

As a result of the Internal Reorganization, in the second quarter of 2019, EID assessed the recoverability of the goodwill within the electronics and communications, protection solutions, nutrition and health, transportation and advanced polymers, packaging and specialty plastics, industrial biosciences, and clean technologies reporting units, and the overall carrying value of the net assets in the disposal group that was distributed to DowDuPont on May 1, 2019. As a result of this analysis, the company determined that the fair value of certain reporting units related to the EID specialty products businesses were below carrying value resulting in pre-tax, non-cash goodwill impairment charges totaling \$1,102 million reflected in loss from discontinued operations after income taxes. Revised financial projections reflect unfavorable market conditions, driven by slowed demand in the biomaterials business unit, coupled with challenging conditions in U.S. bioethanol markets. These revised financial projections resulted in a reduction in the long-term forecasts of sales and profitability as compared to prior projections.

The company's analyses above using discounted cash flow models (a form of the income approach) utilized Level 3 unobservable inputs. The company's significant assumptions in these analyses include, but are not limited to, future cash flow projections, the weighted average cost of capital, the terminal growth rate, and the tax rate. The company's estimates of future cash flows are based on current regulatory and economic climates, recent operating results, and planned business strategies. These estimates could be negatively affected by changes in federal, state, or local regulations or economic downturns. Future cash flow estimates are, by their nature, subjective and actual results may differ materially from the company's estimates. The company also used a form of the market approach (utilizes Level 3 unobservable inputs), which is derived from metrics of publicly traded companies or historically completed transactions of comparable businesses. The selection of comparable businesses is based on the markets in which the reporting units operate giving consideration to risk profiles, size, geography, and diversity of products and services. As such, the company believes the current assumptions and estimates utilized are both reasonable and appropriate.

In addition, the company performed an impairment analysis related to the equity method investments held by the EID specialty products businesses, as of May 1, 2019. The company applied the net asset value method under the cost approach to determine the fair value of the equity method investments in the EID specialty products businesses. Based on updated projections, the company determined the fair value of an equity method investment was below the carrying value and had no expectation the fair value would recover in the short-term due to the current economic environment. As a result, management concluded the impairment was other-than-temporary and recorded an impairment charge of \$63 million, reflected in loss from discontinued operations after income taxes. Additionally, this impairment is reflected within restructuring and asset related charges - net in the year ended December 31, 2019, within the table above.

The following table presents the depreciation, amortization of intangibles, and capital expenditures of the discontinued operations related to the EID Specialty Products Entities:

(In millions)	For the Year Ended December 31,	
	2019	2018
Depreciation	\$ 281	\$ 837
Amortization of intangibles	267	815
Capital expenditures	481	911

Merger Remedy - Divested Ag Business

As a condition of the regulatory approval for the Merger, including by the European Commission, EID was required to divest (the "Divested Ag Business") certain assets related to its crop protection business and research and development ("R&D") organization, specifically EID's Cereal Broadleaf Herbicides and Chewing Insecticides portfolios, including Rynaxypyr®, Cyazypyr® and Indoxacarb as well as the crop protection R&D pipeline and organization, excluding seed treatment, nematocides, and late-stage R&D programs. On March 31, 2017, EID and FMC Corporation ("FMC") entered into a definitive agreement (the "FMC Transaction Agreement"), and on November 1, 2017 FMC acquired the Divested Ag Business. As a result of the agreement, EID entered into favorable contracts with FMC of \$495 million, which were recorded as intangible assets recognized at the fair value of off-market contracts.

For the year ended December 31, 2019, the company recorded income from discontinued operations after income taxes related to the Divested Ag Business of \$80 million related to changes in accruals for certain prior year tax positions. For the year ended December 31, 2018, the company recorded a loss from discontinued operations before income taxes related to the Divested Ag Business of \$(10) million, \$(5) million after tax.

Performance Chemicals

On July 1, 2015, Historical DuPont completed the separation of its Performance Chemicals segment through the spin-off of all of the issued and outstanding stock of The Chemours Company (the "Chemours Separation"). In connection with the Chemours Separation, Historical DuPont and The Chemours Company ("Chemours") entered into a Separation Agreement (as amended, the "Chemours Separation Agreement"), discussed below, a Tax Matters Agreement and certain ancillary agreements, including an employee matters agreement, agreements related to transition and site services, and intellectual property cross licensing arrangements. In addition, the companies have entered into certain supply agreements.

Separation Agreement

The Chemours Separation Agreement sets forth, among other things, the agreements between the company and Chemours regarding the principal transactions necessary to effect the Chemours Separation and also sets forth ancillary agreements that govern certain aspects of the company's relationship with Chemours after the separation. Among other matters, the Chemours Separation Agreement and the ancillary agreements provide for the allocation between Historical DuPont and Chemours of

assets, employees, liabilities and obligations (including investments, property and employee benefits and tax-related assets and liabilities) attributable to periods prior to, at and after the completion of the Chemours Separation.

Pursuant to the Chemours Separation Agreement, Chemours indemnifies the company against certain litigation, environmental, workers' compensation and other liabilities that arose prior to the distribution. The term of this indemnification is generally indefinite and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. In 2017, EID and Chemours amended the Chemours Separation Agreement to provide for a limited sharing of potential future perfluorooctanoic acid ("PFOA") liabilities for a period of five years beginning July 6, 2017. In January 2021, Chemours, DuPont and Corteva entered into a binding memorandum of understanding ("MOU") amending the Chemours Separation Agreement, and thereby replacing the 2017 amendment.

In connection with the recognition of liabilities related to these matters, the company records an indemnification asset when recovery is deemed probable. At December 31, 2020, the indemnified assets are \$66 million within accounts and notes receivable - net and \$257 million within other assets (along with the corresponding liabilities within accrued and other current liabilities and other noncurrent obligations on the Consolidated Balance Sheet). Additionally, at December 31, 2020 the company recorded indemnification liabilities related to the MOU, primarily associated with environmental remediation related to PFAS, of \$8 million within accrued and other current liabilities and \$31 million within other noncurrent obligations in the Consolidated Balance Sheet with corresponding charges to (loss) income from discontinued operations after income taxes, during the year ended December 31, 2020.

In addition, in January 2021 Chemours, DuPont and Corteva agreed to settle approximately 95 matters, as well as unfiled matters remaining in the Ohio MDL, for \$83 million, with Chemours contributing \$29 million to the settlement, and DuPont and Corteva contributing \$27 million each. The company has recorded a liability for its share of the settlement, with a charge to (loss) income from discontinued operations after income taxes, during the year ended December 31, 2020.

See Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements, for further discussion of the amendment to the Chemours Separation Agreement, memorandum of understanding and certain litigation and environmental matters indemnified by Chemours.

Other Discontinued Operations Activity

For the year ended December 31, 2020, the company recorded income from discontinued operations after income taxes of \$10 million related to the adjustment of certain prior year tax positions for previously divested businesses. For the year ended December 31, 2019, the company recorded income from discontinued operations after income taxes of \$89 million related to the adjustment of certain unrecognized tax benefits for positions taken on items from prior years from previously divested businesses.

NOTE 6 - REVENUE

Revenue Recognition

Products

Substantially all of Corteva's revenue is derived from product sales. Product sales consist of sales of Corteva's products to farmers, distributors, and manufacturers. Corteva considers purchase orders, which in some cases are governed by master supply agreements, to be a contract with a customer. Contracts with customers are considered to be short-term when the time between order confirmation and satisfaction of the performance obligations is equal to or less than one year. However, the company has some long-term contracts which can span multiple years.

Revenue from product sales is recognized when the customer obtains control of the company's product, which occurs at a point in time according to shipping terms. Payment terms are generally less than one year from invoicing. The company elected the practical expedient and does not adjust the promised amount of consideration for the effects of a significant financing component when the company expects it will be one year or less between when a customer obtains control of the company's product and when payment is due. The company has elected to recognize shipping and handling activities when control has transferred to the customer as an expense in cost of goods sold. Taxes collected from customers relating to product sales and remitted to governmental authorities are excluded from revenues. In addition, the company elected the practical expedient to expense any costs to obtain contracts as incurred, as the amortization period for these costs would have been one year or less.

The transaction price includes estimates of variable consideration, such as rights of return, rebates, and discounts, that are reductions in revenue. All estimates are based on the company's historical experience, anticipated performance, and the company's best judgment at the time the estimate is made. Estimates of variable consideration included in the transaction price utilize either the expected value method or most likely amount depending on the nature of the variable consideration. These

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Notes to the Consolidated Financial Statements (continued)

estimates are reassessed each reporting period and are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur upon resolution of uncertainty associated with the variable consideration. The majority of contracts have a single performance obligation satisfied at a point in time and the transaction price is stated in the contract, usually as quantity times price per unit. For contracts with multiple performance obligations, the company allocates the transaction price to each performance obligation based on the relative standalone selling price. The standalone selling price is the observable price which depicts the price as if sold to a similar customer in similar circumstances.

Licenses of Intellectual Property

Corteva enters into licensing arrangements with customers under which it licenses its intellectual property. Revenue from the majority of intellectual property licenses is derived from sales-based royalties. Revenue for licensing agreements that contain sales-based royalties is recognized at the later of (i) when the subsequent sale occurs or (ii) when the performance obligation to which some or all of the royalty has been allocated is satisfied.

Remaining Performance Obligations

Remaining performance obligations represent the transaction price allocated to unsatisfied or partially unsatisfied performance obligations. The company applies the practical expedient to disclose the transaction price allocated to remaining performance obligations for only those contracts with an original duration of one year or more. The transaction price allocated to remaining performance obligations with an original duration of more than one year related to material rights granted to customers for contract renewal options were \$115 million and \$108 million at December 31, 2020 and December 31, 2019, respectively. The company expects revenue to be recognized for the remaining performance obligations over the next 1 year to 6 years.

Contract Balances

Contract liabilities primarily reflect deferred revenue from prepayments under contracts with customers where the company receives advance payments for products to be delivered in future periods. Corteva classifies deferred revenue as current or noncurrent based on the timing of when the company expects to recognize revenue. Contract assets primarily include amounts related to contractual rights to consideration for completed performance not yet invoiced. Accounts receivable are recorded when the right to consideration becomes unconditional.

Contract Balances (In millions)	December 31, 2020	December 31, 2019
Accounts and notes receivable - trade ¹	\$ 3,917	\$ 4,396
Contract assets - current ²	\$ 22	\$ 20
Contract assets - noncurrent ³	\$ 54	\$ 49
Deferred revenue - current ⁴	\$ 2,662	\$ 2,584
Deferred revenue - noncurrent ⁵	\$ 116	\$ 108

^{1.} Included in accounts and notes receivable - net in the Consolidated Balance Sheets.

^{2.} Included in other current assets in the Consolidated Balance Sheets.

^{3.} Included in other assets in the Consolidated Balance Sheets.

^{4.} Included in accrued and other current liabilities in the Consolidated Balance Sheets.

^{5.} Included in other noncurrent obligations in the Consolidated Balance Sheets.

Revenue recognized during the year ended December 31, 2020 from amounts included in deferred revenue at the beginning of the period was \$2,540 million (\$2,146 million for the year ended December 31, 2019).

Disaggregation of Revenue

Corteva's operations are classified into two reportable segments: Seed and Crop Protection. The company disaggregates its revenue by major product line and geographic region, as the company believes it best depicts the nature, amount and timing of its revenue and cash flows. Net sales by major product line are included below:

(In millions)	For the Year Ended December 31,		
	2020	2019 ¹	2018 ¹
Corn	\$ 5,182	\$ 5,126	\$ 5,220
Soybean	1,445	1,387	1,497
Other oilseeds	619	593	645
Other	510	484	480
Seed	7,756	7,590	7,842
Herbicides	3,280	3,206	3,413
Insecticides	1,764	1,652	1,506
Fungicides	1,032	1,072	1,142
Other	385	326	384
Crop Protection	6,461	6,256	6,445
Total	\$ 14,217	\$ 13,846	\$ 14,287

1. Prior periods have been reclassified to conform to current period presentation.

Sales are attributed to geographic regions based on customer location. Net sales by geographic region and segment are included below:

Seed (In millions)	For the Year Ended December 31,		
	2020	2019	2018
North America ¹	\$ 4,795	\$ 4,724	\$ 4,974
EMEA ²	1,468	1,378	1,408
Latin America	1,117	1,130	1,102
Asia Pacific	376	358	358
Total	\$ 7,756	\$ 7,590	\$ 7,842

Crop Protection (In millions)	For the Year Ended December 31,		
	2020	2019	2018
North America ¹	\$ 2,373	\$ 2,205	\$ 2,438
EMEA ²	1,374	1,362	1,357
Latin America	1,688	1,759	1,715
Asia Pacific	1,026	930	935
Total	\$ 6,461	\$ 6,256	\$ 6,445

1. Represents U.S. & Canada.
2. Europe, Middle East, and Africa ("EMEA").

Refer to Note 24 - Geographic Information, for the breakout of consolidated net sales by geographic region.

NOTE 7 - RESTRUCTURING AND ASSET RELATED CHARGES - NET

Execute to Win Productivity Program

During the first quarter of 2020, Corteva approved restructuring actions designed to improve productivity through optimizing certain operational and organizational structures primarily related to the Execute to Win Productivity Program. The company recorded net pre-tax restructuring charges in 2020 under the Execute to Win Program, as disclosed in the tables below. Future cash payments related to this charge are anticipated to be \$77 million, primarily related to the payment of severance and related benefits and asset retirement obligations. The company does not anticipate any additional material charges from the Execute to Win Program as actions associated with this charge are substantially complete.

The Execute to Win Productivity Program charges related to the segments, as well as corporate expenses, were as follows:

(In millions)	For the Year Ended December 31, 2020
Seed	\$ 15
Crop Protection	98
Corporate expenses	63
Total	\$ 176

The below is a summary of charges incurred related to the Execute to Win Productivity Program for the year ended December 31, 2020:

(In millions)	For the Year Ended December 31, 2020
Severance and related benefit costs - net	\$ 63
Asset related charges	113
Total restructuring and asset related charges - net	\$ 176

A reconciliation of the December 31, 2019 to the December 31, 2020 liability balances related to the Execute to Win Productivity Program is summarized below:

(In millions)	<i>Severance and Related Benefit (Credits) Costs</i>	<i>Asset Related Charges</i>	<i>Total</i>
Balance at December 31, 2019	\$ —	\$ —	\$ —
Charges to income from continuing operations for the year ended December 31, 2020	63	113	176
Payments	(10)	(5)	(15)
Asset write-offs	—	(105)	(105)
Balance at December 31, 2020	\$ 53	\$ 3	\$ 56

In addition to the above, the company has recorded asset retirement obligations of \$21 million as of December 31, 2020. The asset retirement obligations relate to the company's required demolition and removal for buildings and equipment, primarily at third party leased sites and will be recognized as asset related charges over the remaining useful lives of the related assets. The company's leases require these assets be removed from leased land within 12-24 months of operations being ceased. The company ceased substantially all operations in 2020 and the assets are expected to be removed within the contractual timeframe.

DowDuPont Cost Synergy Program

In September and November 2017, DowDuPont and EID approved post-merger restructuring actions under the DowDuPont Cost Synergy Program (the "Synergy Program"), adopted at the time by the DowDuPont Board of Directors. The Synergy Program was designed to integrate and optimize the organization following the Merger and in preparation for the Business Separations. The company recorded net pre-tax restructuring charges of \$845 million from inception-to-date under the Synergy Program, consisting of severance and related benefit costs of \$317 million, contract termination costs of \$193 million, and asset related charges of \$335 million. Actions associated with the Synergy Program, including employee separations, were substantially complete by the end of 2019.

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Notes to the Consolidated Financial Statements (continued)

The Synergy Program net charges (benefits) related to the segments, as well as corporate expenses, were as follows:

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Seed	\$ (9)	\$ 66	\$ 237
Crop Protection	11	27	57
Corporate expenses	(2)	(1)	190
Total	\$ —	\$ 92	\$ 484

The below is a summary of net charges (benefits) incurred related to the Synergy Program for the years ended December 31, 2020, 2019 and 2018:

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Severance and related benefit (credits) costs - net	\$ (2)	\$ (7)	\$ 191
Contract termination charges	—	69	84
Asset related charges	2	30	209
Total restructuring and asset related charges - net	\$ —	\$ 92	\$ 484

Account balances and activity for the Synergy Program are summarized below:

(In millions)	Severance and Related Benefit (Credits) Costs	Costs Associated with Exit and Disposal Activities ¹	Asset Related Charges	Total
Balance at December 31, 2019	\$ 29	\$ 40	\$ —	\$ 69
(Benefits) charges to income from continuing operations for the year ended December 31, 2020	(2)	—	5	3
Payments	(19)	(10)	2	(27)
Asset write-offs	—	—	(7)	(7)
Balance at December 31, 2020	\$ 8	\$ 30	\$ —	\$ 38

¹ Relates primarily to contract terminations charges.

DowDuPont Agriculture Division Restructuring Program

During the fourth quarter of 2018 and in connection with the ongoing integration activities, DowDuPont approved restructuring actions to simplify and optimize certain organizational structures in preparation for the Business Separations. The company recorded net pre-tax restructuring charges, from inception-to-date, as disclosed in the tables below. The actions related to this program were completed in 2019.

The DowDuPont Agriculture Division Restructuring Program (benefits) charges related to the segments, as well as corporate expenses, were as follows:

(In millions)	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Seed	\$ 3	\$ 5
Crop Protection	(4)	1
Corporate expenses	(13)	78
Total	\$ (14)	\$ 84

The below is a summary of net (benefits) charges incurred related to the DowDuPont Agriculture Division Restructuring Program for the years ended December 31, 2019 and 2018:

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

(In millions)	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Severance and related benefit (credits) costs - net	\$ (17)	\$ 78
Asset related charges	3	6
Total	\$ (14)	\$ 84

Other Asset Related Charges

For the year ended December 31, 2020, the company recognized \$159 million, in restructuring and asset related charges, net in the Consolidated Statement of Operations, from non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits.

Asset Impairment

During the third and fourth quarters of 2019, the company recognized non-cash impairment charges of \$54 million pre-tax (\$41 million after-tax) and \$90 million pre-tax (\$69 million after-tax), respectively, in restructuring and asset related charges - net in the company's Consolidated Statements of Operations related to certain in-process research and development ("IPR&D") assets within the seed segment. Refer to Note 15 - Goodwill and Other Intangible Assets, and Note 23 - Fair Value Measurements, for further information.

During the third quarter of 2018, the company recognized an \$85 million pre-tax (\$66 million after-tax) non-cash impairment charge in restructuring and asset related charges - net in the company's Consolidated Statements of Operations related to certain IPR&D within the seed segment. Refer to Note 15 - Goodwill and Other Intangible Assets, and Note 23 - Fair Value Measurements, for further information.

In addition, in 2018, based on updated projections for the company's investments in nonconsolidated affiliates in China related to the seed segment, management determined the fair values of the investments in nonconsolidated affiliates were below the carrying values and had no expectation the fair values would recover due to the continuing unfavorable regulatory environment including lack of intellectual property protection, uncertain product registration timing and limited freedom to operate. As a result, management concluded the impairment was other than temporary and in the third quarter of 2018 recorded a non-cash impairment charge of \$41 million in restructuring and asset related charges - net in the company's Consolidated Statements of Operations, none of which is tax-deductible. Refer to Note 23 - Fair Value Measurements, for further information.

NOTE 8 - RELATED PARTY TRANSACTIONS

Services Provided by and to Historical Dow and its affiliates

Following the Merger and prior to the Dow Distribution, Corteva reported transactions with Historical Dow and its affiliates as related party transactions.

Purchases from Historical Dow and its affiliates were \$42 million, and \$149 million for the years ended December 31, 2019 and 2018, respectively.

Transactions with DowDuPont

In November 2017, DowDuPont's Board of Directors authorized an initial \$4,000 million share repurchase program to buy back shares of DowDuPont common stock. The \$4,000 million share repurchase program was completed in the third quarter of 2018. In February, May, August and November 2018, the DowDuPont Board declared first, second, third and fourth quarter dividends per share of DowDuPont common stock payable on March 15, 2018, June 15, 2018, September 15, 2018 and December 14, 2018, respectively. For the year ended December 31, 2018, EID declared and paid distributions in cash to DowDuPont of about \$2,806 million primarily to fund a portion of DowDuPont's share repurchases and dividend payments for these periods. In addition, in 2019 and 2018, DowDuPont contributed cash to Corteva to fund portions of the company's debt redemption/repayment transactions. See Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements, for additional information.

In February 2019, the DowDuPont Board declared first quarter dividends per share of DowDuPont common stock payable on March 15, 2019. EID declared and paid distributions to DowDuPont of about \$317 million for the year ended December 31, 2019 to fund a portion of DowDuPont's dividend payments.

NOTE 9 - SUPPLEMENTARY INFORMATION

Other Income - Net (In millions)	For the Year Ended December 31,		
	2020	2019	2018
Interest income	\$ 56	\$ 59	\$ 86
Equity in losses of affiliates - net	—	(9)	(1)
Net (loss) gain on sales of businesses and other assets ¹	(2)	64	62
Net exchange losses ^{2,3}	(174)	(99)	(127)
Non-operating pension and other post employment benefit credit ⁴	368	191	275
Miscellaneous (expenses) income - net ⁵	(36)	9	(46)
Other income - net	\$ 212	\$ 215	\$ 249

1 The year ended December 31, 2020 includes a loss of \$(53) million and a gain of \$27 million relating to the expected sale of the La Porte site, for which the company signed an agreement in 2020, and the sale of a business in Asia Pacific in the crop protection segment, respectively.

2 Includes net pre-tax exchange losses of \$(82) million, \$(51) million and \$(68) million associated with the devaluation of the Argentine peso for the years ended December 31, 2020, 2019 and 2018, respectively.

3 Includes a \$(50) million foreign exchange loss for the year ended December 31, 2018 related to adjustments to foreign currency exchange contracts as a result of U.S. tax reform, which is included within significant items.

4 Includes non-service related components of net periodic benefit credits (costs) (interest cost, expected return on plan assets, amortization of unrecognized (gain) loss, amortization of prior service benefit and settlement (loss) gain).

5 Miscellaneous (expenses) income - net, includes losses from sale of receivables, tax indemnification adjustments related to changes in indemnification balances as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont, and other items. In addition, the year ended December 31, 2018 includes a \$(53) million loss related to the deconsolidation of a subsidiary (refer to Note 25 - Segment Information). Refer to Note 12 - Accounts and Notes Receivable - Net, for additional information on losses on the sale of receivables.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

The following table summarizes the impacts of the company's foreign currency hedging program on the company's results of operations. The company routinely uses foreign currency exchange contracts to offset its net exposures, by currency, related to the foreign currency-denominated monetary assets and liabilities. The objective of this program is to maintain an approximately balanced position in foreign currencies in order to minimize, on an after-tax basis, the effects of exchange rate changes on net monetary asset positions. The hedging program gains (losses) are largely taxable (tax deductible) in the United States (U.S.), whereas the offsetting exchange gains (losses) on the remeasurement of the net monetary asset positions are often not taxable (tax deductible) in their local jurisdictions. The net pre-tax exchange gains (losses) are recorded in other income (expense) - net and the related tax impact is recorded in provision for (benefit from) income taxes on continuing operations in the Consolidated Statements of Operations.

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Subsidiary Monetary Position (Loss) Gain			
Pre-tax exchange (loss) gain	\$ (263)	\$ (41)	\$ (221)
Local tax benefits (expenses)	34	2	(31)
Net after-tax impact from subsidiary exchange loss	\$ (229)	\$ (39)	\$ (252)
Hedging Program (Loss) Gain			
Pre-tax exchange gain (loss)	\$ 89	\$ (58)	\$ 94
Tax (expenses) benefits	(21)	13	(21)
Net after-tax impact from hedging program exchange gain (loss)	\$ 68	\$ (45)	\$ 73
Total Exchange (Loss) Gain			
Pre-tax exchange loss	\$ (174)	\$ (99)	\$ (127)
Tax benefits (expenses)	13	15	(52)
Net after-tax exchange loss	\$ (161)	\$ (84)	\$ (179)

Cash, cash equivalents and restricted cash

The following table provides a reconciliation of cash and cash equivalents and restricted cash (included in other current assets) presented in the Consolidated Balance Sheets to the total cash, cash equivalents and restricted cash presented in the Consolidated Statements of Cash Flows.

(In millions)	December 31, 2020	December 31, 2019
Cash and cash equivalents	\$ 3,526	\$ 1,764
Restricted cash	347	409
Total cash, cash equivalents and restricted cash	3,873	2,173

EID entered into a trust agreement in 2013 (as amended and restated in 2017), establishing and requiring EID to fund a trust (the "Trust") for cash obligations under certain non-qualified benefit and deferred compensation plans upon a change in control event as defined in the Trust agreement. Under the Trust agreement, the consummation of the Merger was a change in control event. Restricted cash at December 31, 2020 and December 31, 2019 is related to the Trust.

Accrued and other current liabilities

Accrued and other current liabilities were \$4,807 million at December 31, 2020 and \$4,434 million at December 31, 2019. Refer to Note 6 - Revenue, for discussion of deferred revenue, which is a component of accrued and other current liabilities. No other components of accrued and other current liabilities were more than 5 percent of total current liabilities.

Accounts payable

Accounts payable was \$3,615 million at December 31, 2020 and \$3,702 million at December 31, 2019. Accounts payable - trade, which is a component of accounts payable, was \$2,557 million at December 31, 2020 and \$2,577 million at December 31, 2019. Accounts payable - other, which is a component of accounts payable, was \$1,058 million at December 31, 2020 and \$927 million at December 31, 2019. No other components of accounts payable were more than 5 percent of total current liabilities.

NOTE 10 - INCOME TAXES

On December 22, 2017, the Tax Cuts and Jobs Act (“The Act”) was enacted. The Act reduced the U.S. federal corporate income tax rate from 35 percent to 21 percent, required companies to pay a one-time transition tax (“transition tax”) on earnings of certain foreign subsidiaries that were previously tax deferred, created new provisions related to foreign sourced earnings, eliminated the domestic manufacturing deduction and moved to a territorial system. At December 31, 2017, the Company had not completed its accounting for the tax effects of The Act; however, as described below, the company made a reasonable estimate of the effects on its existing deferred tax balances and the one-time transition tax. In accordance with Staff Accounting Bulletin 118 (“SAB 118”), income tax effects of The Act were refined upon obtaining, preparing, or analyzing additional information during the measurement period.

At December 31, 2018, the company had completed its accounting for the tax effects of The Act.

- As a result of The Act, the company remeasured its U.S. federal deferred income tax assets and liabilities based on the rates at which they are expected to reverse in the future, which is generally 21 percent. The company recorded a cumulative benefit of \$(2,847) million (which includes a \$(34) million benefit in the year ended December 31, 2018) to benefit from income taxes on continuing operations with respect to the remeasurement of the company's deferred tax balances. Of the \$(34) million benefit, \$(114) million relates to the company's discretionary pension contribution in 2018, which was deducted on a 2017 tax return. The remaining charges relate to purchase accounting adjustments made throughout 2018.
- The Act requires a mandatory deemed repatriation of post-1986 undistributed foreign earnings and profits (“E&P”), which results in a one-time transition tax. The company recorded a cumulative charge of \$928 million (which includes a \$182 million charge in the year ended December 31, 2018) to benefit from income taxes on continuing operations with respect to the one-time transition tax.
- In the year ended December 31, 2018, the company recorded a \$16 million charge to benefit from income taxes on continuing operations associated with an indirect impact of The Act related to prepaid tax on the intercompany sale of inventory.

For tax years beginning after December 31, 2017, The Act introduces new provisions for U.S. taxation of certain global intangible low-taxed income (“GILTI”). The company has made the policy election to record any liability associated with GILTI in the period in which it is incurred.

Geographic Allocation of Income (Loss) and Provision for (Benefit from) Income Taxes (In millions)	For the Year Ended December 31,		
	2020	2019	2018
Income (loss) from continuing operations before income taxes			
Domestic	\$ (83)	\$ (1,352)	\$ (5,040)
Foreign	758	1,036	(1,766)
Income (loss) from continuing operations before income taxes	\$ 675	\$ (316)	\$ (6,806)
Current tax expense (benefit)			
Federal	\$ 28	\$ (11)	\$ (112)
State and local	9	1	(32)
Foreign	222	317	446
Total current tax expense	\$ 259	\$ 307	\$ 302
Deferred tax (benefit) expense			
Federal	\$ (116)	\$ (392)	\$ (124)
State and local	27	156	(39)
Foreign	(251)	(117)	(170)
Total deferred tax benefit	\$ (340)	\$ (353)	\$ (333)
Benefit from income taxes on continuing operations	(81)	(46)	(31)
Net income (loss) from continuing operations after taxes	\$ 756	\$ (270)	\$ (6,775)

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

Reconciliation to U.S. Statutory Rate	For the Year Ended December 31,		
	2020	2019	2018
Statutory U.S. federal income tax rate	21.0 %	21.0 %	21.0 %
Effective tax rates on international operations - net ¹	(13.9)	(18.4)	0.4
Acquisitions, divestitures and ownership restructuring activities ^{2, 3, 4}	(0.3)	(10.7)	(2.3)
U.S. research and development credit	(2.9)	7.0	0.1
Exchange gains/losses ⁵	3.5	(1.8)	(1.3)
SAB 118 Impact of Enactment of U.S. Tax Reform ⁶	—	—	(3.0)
State and local incomes taxes - net	4.0	3.2	0.5
Impact of Swiss Tax Reform ⁷	(27.0)	11.9	—
Excess tax benefits/deficiencies from stock compensation	1.0	(0.6)	0.1
Tax settlements and expiration of statute of limitations	0.4	3.9	(0.1)
Goodwill impairment ⁸	—	—	(15.2)
Other - net	2.2	(0.9)	0.3
Effective tax rate on income from continuing operations	(12.0)%	14.6 %	0.5 %

1. Includes the effects of local and U.S. taxes related to earnings of non-U.S. subsidiaries, changes in the amount of unrecognized tax benefits associated with these earnings, losses at non-U.S. subsidiaries without local tax benefits due to valuation allowances, and other permanent differences between tax and U.S. GAAP results. Includes a tax benefit of \$(51) million for the year ended December 31, 2020, related to a return to accrual adjustment associated with an elective change in accounting method for the 2019 tax year impact of The Act's foreign tax provisions.
2. See Notes 4 - Common Control Business Combination, and Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements, for additional information.
3. Includes a net tax charge of \$50 million related to repatriation activities to facilitate the Business Separations for the year ended December 31, 2018.
4. Includes a net tax charge of \$25 million for the year ended December 31, 2018 related to an internal legal entity restructuring associated with the Business Separations.
5. Principally reflects the impact of foreign exchange gains and losses on net monetary assets for which no corresponding tax impact is realized. Further information about the company's foreign currency hedging program is included in Note 9 - Supplementary Information, and Note 22 - Financial Instruments, under the heading Foreign Currency Risk.
6. Reflects a net tax charge of \$164 million associated with the company's completion of the accounting for the tax effects of The Act for the year ended December 31, 2018.
7. Reflects tax benefits of \$(182) million primarily driven by the recognition of an elective cantonal component of the recent enactment of the Federal Act on Tax Reform and AHV Financing ("Swiss Tax Reform") for the year ended December 31, 2020. Reflects tax benefits of \$(38) million associated with the enactment of the Federal Act on Tax Reform and AHV Financing ("Swiss Tax Reform"), for the year ended December 31, 2019.
8. Reflects the impact of the non-tax-deductible, non-cash impairment charge for the agriculture reporting unit and corresponding \$75 million tax charge associated with a valuation allowance recorded against the net deferred tax asset position of a legal entity in Brazil for the year ended December 31, 2018.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

Deferred Tax Balances at December 31 (In millions)	2020		2019	
	<i>Assets</i>	<i>Liabilities</i>	<i>Assets</i>	<i>Liabilities</i>
Property	\$ —	\$ 170	\$ —	\$ 369
Tax loss and credit carryforwards ¹	497	—	761	—
Accrued employee benefits	1,415	—	1,717	—
Other accruals and reserves	238	—	135	—
Intangibles	—	2,418	—	2,738
Inventory	127	—	25	—
Research and development capitalization	186	—	131	—
Investments	56	—	53	—
Unrealized exchange gains/losses	2	—	—	39
Other – net	91	—	148	—
Subtotal	\$ 2,612	\$ 2,588	\$ 2,970	\$ 3,146
Valuation allowances ²	(453)	—	(457)	—
Total	\$ 2,159	\$ 2,588	\$ 2,513	\$ 3,146
Net Deferred Tax Liability	\$ (429)	\$ —	\$ (633)	\$ —

- Primarily related to the realization of recorded tax benefits on tax loss and credit carryforwards from operations in the United States, Brazil, and Spain.
- During the year ended December 31, 2020, the company established a \$19 million state tax valuation allowance in the U.S. based on a change in judgement about the realizability of a deferred tax asset. During the year ended December 31, 2019, the company released a valuation allowance against the net deferred tax asset position of a legal entity in Switzerland in connection with an internal merger, resulting in a tax benefit of \$(34) million. During the year ended December 31, 2018, the company established a full valuation allowance against the net deferred tax asset position of a legal entity in Brazil due to revised financial projections, resulting in tax expense of \$75 million. See Note 15 - Goodwill and Other Intangible Assets, to the Consolidated Financial Statements, for additional information. However, it is reasonably possible that sufficient positive evidence required to release all, or a portion, of certain valuation allowance in certain jurisdictions will exist within the next 12 months.

Operating Loss and Tax Credit Carryforwards (In millions)	<i>Deferred Tax Asset</i>	
	2020	2019
Operating loss carryforwards		
Expire within 5 years	\$ 99	\$ 131
Expire after 5 years or indefinite expiration	343	400
Total operating loss carryforwards	\$ 442	\$ 531
Tax credit carryforwards		
Expire within 5 years	\$ 14	\$ 30
Expire after 5 years or indefinite expiration	41	200
Total tax credit carryforwards	\$ 55	\$ 230
Total Operating Loss and Tax Credit Carryforwards	\$ 497	\$ 761

Total Gross Unrecognized Tax Benefits (In millions)	For the Year Ended December 31,		
	2020	2019	2018
Total unrecognized tax benefits as of beginning of period	\$ 426	\$ 749	\$ 741
Decreases related to positions taken on items from prior years	(14)	(167)	(44)
Increases related to positions taken on items from prior years	5	77	74
Increases related to positions taken in the current year	6	54	9
Settlement of uncertain tax positions with tax authorities	(18)	(9)	(13)
Impact of Internal Reorganizations	—	(278)	—
Decreases due to expiration of statutes of limitations	(7)	—	(5)
Exchange loss (gain)	(3)	—	(13)
Total unrecognized tax benefits as of end of period	\$ 395	\$ 426	\$ 749
Total unrecognized tax benefits that, if recognized, would impact the effective tax rate	\$ 156	\$ 188	\$ 45
Total amount of interest and penalties (benefits) recognized in provision for (benefit from) income taxes on continuing operations	\$ (2)	\$ (4)	\$ 11
Total accrual for interest and penalties associated with unrecognized tax benefits at end of period	\$ 18	\$ 24	\$ 45

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

Each year the company files hundreds of tax returns in the various national, state and local income taxing jurisdictions in which it operates. These tax returns are subject to examination and possible challenge by the tax authorities. Positions challenged by the tax authorities may be settled or appealed by the company. As a result, there is an uncertainty in income taxes recognized in the company's financial statements in accordance with accounting for income taxes and accounting for uncertainty in income taxes. It is reasonably possible that changes to the company's global unrecognized tax benefits could be significant; however, due to the uncertainty regarding the timing of completion of audits and possible outcomes, a current estimate of the range of increases or decreases that may occur within the next twelve months cannot be made.

Tax years that remain subject to examination for the company's major tax jurisdictions are shown below:

Tax Years Subject to Examination by Major Tax Jurisdiction at December 31, <i>Jurisdiction</i>	<i>Earliest Open Year</i>
Argentina	2014
Brazil	2014
Canada	2012
China	2008
France	2017
India	2007
Italy	2015
Switzerland	2015
United States:	
Federal income tax	2012
State and local income tax	2001

Undistributed earnings of foreign subsidiaries and related companies that are deemed to be indefinitely invested amounted to \$4,130 million at December 31, 2020. As a result of the Act, distributions of profits from non-U.S. subsidiaries are not expected to cause a significant incremental U.S. tax impact in the future; however, those distributions may still be subject to certain taxes upon repatriation, primarily where foreign withholding taxes apply. The company is asserting indefinite reinvestment related to certain investments in foreign subsidiaries. Determination of the amount of unrecognized deferred tax liability related to indefinitely reinvested profits is not feasible primarily due to our legal entity structure and the complexity of U.S. and local tax laws.

For periods between the Merger Effectiveness Time and the Corteva Distribution, Corteva and its subsidiaries were included in DowDuPont's consolidated federal income tax group and consolidated tax return. Generally, the consolidated tax liability of the DowDuPont U.S. tax group for each year was apportioned among the members of the consolidated group based on each member's separate taxable income. Corteva, DuPont and Dow intend that to the extent Federal and/or State corporate income tax liabilities are reduced through the utilization of tax attributes of the other, settlement of any receivable and payable generated from the use of the other party's sub-group attributes will be in accordance with a tax sharing agreement and/or tax matters agreement. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements for further information related to indemnifications between Corteva, Dow and DuPont.

NOTE 11 - EARNINGS PER SHARE OF COMMON STOCK

On June 1, 2019, the date of the Corteva Distribution, 748,815,000 shares of the company's common stock were distributed to DowDuPont shareholders of record as of May 24, 2019.

The following tables provide earnings per share calculations for the periods indicated below:

Net Income (Loss) for Earnings Per Share Calculations - Basic and Diluted	For the Year Ended December 31,		
	2020	2019	2018
(In millions)			
Income (loss) from continuing operations after income taxes	\$ 756	\$ (270)	\$ (6,775)
Net income attributable to continuing operations noncontrolling interests	20	13	29
Income (loss) from continuing operations attributable to Corteva common stockholders	736	(283)	(6,804)
(Loss) income from discontinued operations, net of tax	(55)	(671)	1,748
Net income attributable to discontinued operations noncontrolling interests	—	5	9
(Loss) income from discontinued operations attributable to Corteva common stockholders	(55)	(676)	1,739
Net income (loss) attributable to common stockholders	\$ 681	\$ (959)	\$ (5,065)

Earnings (Loss) Per Share Calculations - Basic	For the Year Ended December 31,		
	2020	2019	2018
(Dollars per share)			
Earnings (loss) per share of common stock from continuing operations	\$ 0.98	\$ (0.38)	\$ (9.08)
(Loss) earnings per share of common stock from discontinued operations	(0.07)	(0.90)	2.32
Earnings (loss) per share of common stock	\$ 0.91	\$ (1.28)	\$ (6.76)

Earnings (Loss) Per Share Calculations - Diluted	For the Year Ended December 31,		
	2020	2019	2018
(Dollars per share)			
Earnings (loss) per share of common stock from continuing operations	\$ 0.98	\$ (0.38)	\$ (9.08)
(Loss) earnings per share of common stock from discontinued operations	(0.07)	(0.90)	2.32
Earnings (loss) per share of common stock	\$ 0.91	\$ (1.28)	\$ (6.76)

Share Count Information	For the Year Ended December 31,		
	2020	2019	2018
(Shares in millions)			
Weighted-average common shares - basic ¹	748.7	749.5	749.4
Plus dilutive effect of equity compensation plans ²	2.5	—	—
Weighted-average common shares - diluted	751.2	749.5	749.4
Potential shares of common stock excluded from EPS calculations ³	9.4	14.4	—

1. Share amounts for all periods prior to the Corteva Distribution were based on 748.8 million shares of Corteva, Inc. common stock distributed to holders of DowDuPont's common stock on June 1, 2019, plus 0.6 million of additional shares in which accelerated vesting conditions have been met.
2. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect.
3. These outstanding potential shares of common stock relating to stock options, restricted stock units and performance-based restricted stock units were excluded from the calculation of diluted earnings per share because the effect of including them would have been anti-dilutive.

NOTE 12 - ACCOUNTS AND NOTES RECEIVABLE - NET

(In millions)	December 31, 2020	December 31, 2019
Accounts receivable – trade ¹	\$ 3,754	\$ 4,225
Notes receivable – trade ^{1,2}	163	171
Other ³	1,009	1,132
Total accounts and notes receivable - net	\$ 4,926	\$ 5,528

- ¹ Accounts receivable – trade and notes receivable - trade are net of allowances of \$208 million at December 31, 2020 and \$174 million at December 31, 2019. Allowances are equal to the estimated uncollectible amounts. The allowance at December 31, 2020 is equal to the expected credit losses and was developed using a loss-rate method. The allowance at December 31, 2019 is equal to the estimated uncollectible amounts and is based on historical collection experience, current economic and market conditions, and review of the current status of customers' accounts.
- ² Notes receivable – trade primarily consists of receivables for deferred payment loan programs for the sale of seed products to customers. These loans have terms of one year or less and are primarily concentrated in North America. The company maintains a rigid pre-approval process for extending credit to customers in order to manage overall risk and exposure associated with credit losses. As of December 31, 2020 and 2019, there were no significant impairments related to current loan agreements.
- ³ Other includes receivables in relation to indemnification assets, value added tax, general sales tax and other taxes. No individual group represents more than 10 percent of total receivables. In addition, Other includes amounts due from nonconsolidated affiliates of \$106 million and \$119 million as of December 31, 2020 and 2019, respectively.

Accounts and notes receivable are carried at the expected amount to be collected, which approximates fair value.

The following table summarizes changes in the allowance for doubtful receivables for the twelve months ended December 31, 2020:

(In millions)	
Balance at December 31, 2019	\$ 174
Additions charged to expense	154
Write-offs charged against allowance	(8)
Recoveries collected	(101)
Other	(11)
Balance at December 31, 2020	\$ 208

The company enters into various factoring agreements with third-party financial institutions to sell its trade receivables under both recourse and non-recourse agreements in exchange for cash proceeds. These financing arrangements result in a transfer of the company's receivables and risks to the third-party. As these transfers qualify as true sales under the applicable accounting guidance, the receivables are derecognized from the Consolidated Balance Sheets upon transfer, and the company receives a payment for the receivables from the third-party within a mutually agreed upon time period. For arrangements involving an element of recourse, which is typically provided through a guarantee of accounts in the event of customer default, the guarantee obligation is measured using market data from similar transactions and reported as a current liability in the Consolidated Balance Sheets.

Trade receivables sold under these agreements were \$255 million, \$328 million, and \$133 million for the years ended December 31, 2020, 2019 and 2018, respectively. The trade receivables sold that remained outstanding under these agreements which include an element of recourse as of December 31, 2020 and December 31, 2019 were \$157 million and \$171 million, respectively. The net proceeds received were included in cash provided by operating activities in the Consolidated Statements of Cash Flows. The difference between the carrying amount of the trade receivables sold and the sum of the cash received is recorded as a loss on sale of receivables in other income (expense) - net in the Consolidated Statements of Operations. The loss on sale of receivables were \$55 million, \$44 million, and \$25 million for the years ended December 31, 2020, 2019 and 2018, respectively. The guarantee obligations recorded as of December 31, 2020 and December 31, 2019 in the Consolidated Balance Sheets were not material. See Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements, for additional information on the company's guarantees.

NOTE 13 - INVENTORIES

(In millions)	December 31, 2020	December 31, 2019
Finished products	\$ 2,584	\$ 2,684
Semi-finished products	1,813	1,850
Raw materials and supplies	485	498
Total inventories	\$ 4,882	\$ 5,032

As a result of the Merger, a fair value step-up of \$2,297 million was recorded for inventories. This fair value step-up was fully amortized, as of December 31, 2019. During the years ended December 31, 2019 and 2018, the company recognized \$272 million and \$1,554 million in cost of goods sold in the Consolidated Statements of Operations, respectively, related to the amortization of the step-up.

NOTE 14 - PROPERTY, PLANT AND EQUIPMENT

(In millions)	December 31, 2020	December 31, 2019
Land and land improvements	\$ 451	\$ 459
Buildings	1,525	1,508
Machinery and equipment	5,556	5,323
Construction in progress	721	582
Total property, plant and equipment	8,253	7,872
Accumulated depreciation	(3,857)	(3,326)
Total property, plant and equipment - net	\$ 4,396	\$ 4,546

Buildings, machinery and equipment and land improvements are depreciated over useful lives on a straight-line basis ranging from 1 year to 25 years. Capitalizable costs associated with computer software for internal use are amortized on a straight-line basis over 1 year to 8 years.

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Depreciation expense	\$ 495	\$ 525	\$ 518

NOTE 15 - GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill

The following table summarizes changes in the carrying amount of goodwill by segment for the years ended December 31, 2020 and 2019, respectively.

(In millions)	Agriculture	Crop Protection	Seed	Total
Balance as of December 31, 2018	\$ 10,193	\$ —	\$ —	\$ 10,193
Currency translation adjustment	(28)	—	—	(28)
Other goodwill adjustments and acquisitions ¹	14	—	—	14
Realignment of segments	(10,179)	4,726	5,453	—
Balance as of June 1, 2019	\$ —	\$ 4,726	\$ 5,453	\$ 10,179
Currency translation adjustment	—	28	32	60
Other goodwill adjustments and acquisitions ²	—	(11)	1	(10)
Balance as of December 31, 2019	—	4,743	5,486	10,229
Currency translation adjustment	—	31	38	69
Other goodwill adjustments and acquisitions ²	—	(29)	—	(29)
Balance as of December 31, 2020	\$ —	\$ 4,745	\$ 5,524	\$ 10,269

¹ Primarily consists of the acquisition of a distributor in Greece.

² Primarily consists of the goodwill included in the sale of businesses in the crop protection segment.

The company tests goodwill for impairment annually (during the fourth quarter), or more frequently when events or changes in circumstances indicate it is more likely than not that the fair value of a reporting unit has declined below its carrying value. As mentioned in Note 2 - Summary of Significant Accounting Policies, as a result of the Internal Reorganizations and Business Realignments, the company changed its reportable segments to seed and crop protection to reflect the manner in which the company's chief operating decision maker assesses performance and allocates resources. The change in reportable segments resulted in changes to the company's reporting units for goodwill impairment testing to align with the level at which discrete financial information is available for review by management. The company's reporting units include seed, crop protection and digital.

In connection with the change in reportable segments and reporting units in the second quarter of 2019, goodwill was reassigned from the former agriculture reporting unit to the seed, crop protection and digital reporting units using a relative fair value allocation approach. As a result, the company performed a goodwill impairment assessment for the former agriculture reporting unit immediately prior to the realignment and the newly created reporting units immediately after the realignment.

Additionally, during the second quarter of 2020, the company determined a triggering event had occurred as a result of changes in the company's long-term projections driven largely by the impacts of the COVID-19 pandemic on the mid-term forecasted cash flows of the business, including, but not limited to currency fluctuations, expectations of future planted area (as influenced by consumer demand, ethanol markets and government policies and regulations) and relative commodity prices, which required an interim impairment assessment for its seed and crop protection reporting units and trade name indefinite lived intangible asset. Based on the impairment analysis performed over the company's trade name indefinite lived intangible asset it was determined that the fair value approximated the carrying value, and no impairment charge was necessary.

The company performed quantitative testing on all of its reporting units and determined that no goodwill impairments existed in 2019 and 2020.

During the third quarter of 2018, and in connection with strategic business reviews, the company assembled updated financial projections. The revised financial projections of the agriculture reporting unit assessed and quantified the impacts of developing market conditions, events and circumstances that have evolved throughout 2018, resulting in a reduction in the forecasts of sales and profitability as compared to prior forecasts. The reduction in financial projections was principally driven by lower growth in sales and margins in North America and Latin America and unfavorable currency impacts related to the Brazilian Real. The lower growth expectation was driven by reduced planted area, an expected unfavorable shift to soybeans from corn in Latin America, and delays in expected product registrations. In addition, decreases in commodity prices and higher than anticipated industry grain inventories were expected to impact farmers' income and buying choices resulting in shifts to lower technologies and pricing pressure. The company considered the combination of these factors and the resulting reduction in its

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Notes to the Consolidated Financial Statements (continued)

forecasted projections for the agriculture reporting unit and determined it was more likely than not that the fair value of the agriculture reporting unit was less than the carrying value, thus requiring the performance of an updated goodwill and intangible asset impairment analysis for the agriculture reporting unit as of September 30, 2018.

For the year ended December 31, 2018, the company performed an interim impairment analysis for the agriculture reporting unit using a discounted cash flow model (a form of the income approach), utilizing Level 3 unobservable inputs. The company's significant estimates in this analysis included, but were not limited to, future cash flow projections, Merger-related cost and growth synergies, the weighted average cost of capital, the terminal growth rate, and the tax rate. The company believed the current assumptions and estimates utilized were both reasonable and appropriate. The key assumption driving the change in fair value was the lower financial projections discussed above. Future cash flow estimates are, by their nature, subjective and actual results may differ materially from the company's estimates. If the company's ongoing estimates of future cash flows are not met, the company may have to record additional impairment charges in future periods. The company's estimates of future cash flows are based on current regulatory and economic climates, recent operating results, and planned business strategy. These estimates could be negatively affected by changes in federal, state, or local regulations or economic downturns. Based on the analysis performed, the company determined that the carrying amount of the agriculture reporting unit exceeded its fair value resulting in a pre-tax, non-cash goodwill impairment charge of \$4,503 million, reflected in goodwill impairment charge in the company's Consolidated Statement of Operations for the year ended December 31, 2018. None of the charge was tax-deductible.

Other Intangible Assets

The gross carrying amounts and accumulated amortization of other intangible assets by major class are as follows:

(In millions)	December 31, 2020			December 31, 2019		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Intangible assets subject to amortization (Definite-lived):						
Germplasm ¹	\$ 6,265	\$ (317)	\$ 5,948	\$ 6,265	\$ (63)	\$ 6,202
Customer-related	1,984	(380)	1,604	1,977	(268)	1,709
Developed technology	1,451	(525)	926	1,463	(370)	1,093
Trademarks/trade names ²	2,019	(99)	1,920	166	(86)	80
Favorable supply contracts	475	(302)	173	475	(207)	268
Other ³	405	(239)	166	404	(213)	191
Total other intangible assets with finite lives	12,599	(1,862)	10,737	10,750	(1,207)	9,543
Intangible assets not subject to amortization (Indefinite-lived):						
IPR&D	10	—	10	10	—	10
Trade name ²				1,871	—	1,871
Total other intangible assets	10	—	10	1,881	—	1,881
Total	\$ 12,609	\$ (1,862)	\$ 10,747	\$ 12,631	\$ (1,207)	\$ 11,424

- Beginning on October 1, 2019, the company changed its indefinite life assertion of germplasm assets to definite lived with a useful life of 25 years. The change is a result of a more focused development effort of new seed products coupled with an intent to out license select germplasm on a nonexclusive basis. Prior to changing the useful life of the germplasm assets, the company tested the assets for impairment under ASC 350 - Intangibles, Goodwill and Other, concluding the assets were not impaired. The increase in accumulated amortization for the year ended December 31, 2020 when compared to the year ended December 31, 2019 is due to 2020 including a full year of amortization of germplasm assets.
- Beginning on October 1, 2020, the company changed its indefinite life assertion of its trade name asset to definite lived with a useful life of 25 years. This change is the result of the launch of Brevant™ seed in the retail channel in the U.S. Prior to changing the useful life of the trade name asset, the company tested the asset for impairment under ASC 350 - Intangibles, Goodwill and Other, concluding the asset was not impaired.
- Primarily consists of sales and farmer networks, marketing and manufacturing alliances and noncompetition agreements.

During the third quarter of 2019, and in connection with strategic product and portfolio reviews, the company determined that the fair value of certain intangible assets classified as developed technology, other intangible assets and IPR&D within the seed segment that primarily relate to heritage DAS intangibles previously acquired from Cooperativa Central de Pesquisa Agrícola's ("Coodetec") was less than the carrying value due to the company's focus on advancing more competitive products and eliminating redundancy and complexity across the breeding programs. For IPR&D and developed technology, the company concluded these projects were abandoned. For other intangible assets, the company performed an impairment assessment using

the relief from royalty method (a form of the income approach) using Level 3 inputs within the fair value hierarchy. The significant assumptions used in the calculation included projected revenue, royalty rates and discount rates. These significant assumptions involve management judgment and estimates relating to future operating performance and economic conditions that may differ from actual cash flows. As a result, the company recorded a pre-tax, non-cash intangible asset impairment charge of \$54 million (\$41 million after-tax), which is reflected in restructuring and asset related charges - net, in the company's Consolidated Statements of Operations for the year ended December 31, 2019.

There were no indicators of impairment for the company's other intangible assets that would suggest that the fair value is less than its carrying value at December 31, 2019, except for IPR&D. As a result of the company's decision, during the fourth quarter of 2019, to accelerate the ramp up of the Enlist E3™ trait platform in the company's soybean portfolio mix across all brands over the subsequent five years with minimal use of the Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® traits thereafter for the remainder of the Roundup Ready 2 License Agreement, the company determined that certain IPR&D projects associated with Roundup Ready 2 Xtend® were not recoverable and were impaired. These IPR&D projects were either abandoned or tested for impairment using the relief from royalty method (a form of the income approach) using Level 3 inputs within the fair value hierarchy. The key assumptions used in the relief from royalty method calculation included projected revenue, royalty rates and discount rates. These key assumptions involve management judgment and estimates relating to future operating performance and economic conditions that may differ from actual cash flows. As a result, the company recorded a pre-tax, non-cash intangible asset charge of \$90 million (\$69 million after-tax), which is reflected in restructuring and asset related charges - net, in the company's Consolidated Statements of Operations for the year ended December 31, 2019.

During 2018, in reviewing the indefinite-lived intangible assets, the company also determined that the fair value of certain IPR&D assets had declined as a result of delays in timing of commercialization and increases to expected research and development costs. The company performed an analysis of the fair value using the relief from royalty method (a form of the income approach) using Level 3 inputs within the fair value hierarchy. The key assumptions used in the calculation included projected revenue, royalty rates and discount rates. These key assumptions involve management judgment and estimates relating to future operating performance and economic conditions that may differ from actual cash flows. As a result, the company recorded a pre-tax, non-cash intangible asset impairment charge of \$85 million (\$66 million after tax), which is reflected in restructuring and asset related charges - net, in the company's Consolidated Statement of Operations for the year ended December 31, 2018.

The aggregate pre-tax amortization expense from continuing operations for definite-lived intangible assets was \$682 million, \$475 million, and \$391 million, for the year ended December 31, 2020, the year ended December 31, 2019, and the year ended December 31, 2018, respectively. Amortization expense for the year ended December 31, 2020 related to the trade name asset was \$19 million (see discussion above for change in the indefinite life assertion).

The estimated annual future amortization expense related to the trade name asset is approximately \$75 million per year.

Total estimated amortization expense for the next five fiscal years is as follows:

(In millions)	
2021	\$ 720
2022	\$ 698
2023	\$ 619
2024	\$ 605
2025	\$ 569

NOTE 16 - LEASES

The company has operating and finance leases for real estate, transportation, certain machinery and equipment, and information technology assets. The company's leases have remaining lease terms of 1 year to 51 years. For purposes of calculating operating lease liabilities, lease terms may be deemed to include options to extend the lease when it is reasonably certain that the company will exercise that option. Some leasing arrangements require variable payments that are dependent on usage, output, or may vary for other reasons, such as insurance and tax payments. The variable lease payments are not presented as part of the initial ROU asset or lease liability.

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Certain of the company's leases include residual value guarantees. These residual value guarantees are based on a percentage of the lessor's asset acquisition price and the amount of such guarantee declines over the course of the lease term. The portion of residual value guarantees that are probable of payment are included in the related lease liability. At December 31, 2020, the company has future maximum payments for residual value guarantees in operating leases of \$248 million with final expirations through 2028. The company's lease agreements do not contain any material restrictive covenants. The components of lease cost were as follows:

(In millions)	For the Year Ended December 31,	
	2020	2019
Operating lease cost	\$ 197	\$ 166
Finance lease cost		
Amortization of right-of-use assets	2	10
Interest on lease liabilities	—	1
Total finance lease cost	2	11
Short-term lease cost	14	17
Variable lease cost	7	7
Total lease cost	\$ 220	\$ 201

New leases entered into during the years ended December 31, 2020 and December 31, 2019 were not material, on an individual basis.

Supplemental cash flow information related to leases was as follows:

(In millions)	For the Year Ended December 31,	
	2020	2019
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	\$ 202	\$ 174
Operating cash outflows from finance leases	\$ —	\$ 1
Financing cash outflows from finance leases	\$ 1	\$ 9

Supplemental balance sheet information related to leases was as follows:

(In millions)	December 31, 2020	December 31, 2019
Operating Leases		
Operating lease right-of-use assets ¹	\$ 521	\$ 555
Current operating lease liabilities ²	138	140
Noncurrent operating lease liabilities ³	391	426
Total operating lease liabilities	\$ 529	\$ 566
Finance Leases		
Property, plant, and equipment, gross	\$ 15	\$ 15
Accumulated depreciation	(10)	(8)
Property, plant, and equipment, net	5	7
Short-term borrowings and finance lease obligations	1	4
Long-Term Debt	4	5
Total finance lease liabilities	\$ 5	\$ 9

^{1.} Included in other assets in the Consolidated Balance Sheet.

^{2.} Included in accrued and other current liabilities in the Consolidated Balance Sheet.

^{3.} Included in other noncurrent obligations in the Consolidated Balance Sheet.

The company utilizes the incremental borrowing rate in determining the present value of lease payments unless the implicit rate is readily determinable.

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Lease Term and Discount Rate	December 31, 2020	December 31, 2019
Weighted-average remaining lease term (years)		
Operating leases	7.71	10.80
Financing leases	4.26	5.10
Weighted average discount rate		
Operating leases	3.06 %	3.96 %
Financing leases	3.28 %	3.26 %

Maturities of lease liabilities were as follows:

Maturity of Lease Liabilities at December 31, 2020 (In millions)	<i>Operating Leases</i>	<i>Financing Leases</i>
2021	\$ 152	\$ 1
2022	114	1
2023	83	1
2024	61	1
2025	51	1
2026 and thereafter	137	—
Total lease payments	598	5
Less: Interest	69	—
Present value of lease liabilities	\$ 529	\$ 5

Maturity of Lease Liabilities at December 31, 2019 (In millions)	<i>Operating Leases</i>	<i>Financing Leases</i>
2020	\$ 154	\$ 4
2021	120	2
2022	93	1
2023	67	1
2024	47	1
2025 and thereafter	167	1
Total lease payments	648	10
Less: Interest	82	1
Present value of lease liabilities	\$ 566	\$ 9

Net rental expense for operating leases accounted for under ASC 840, "Leases," was \$225 million for the year ended December 31, 2018.

NOTE 17 - LONG-TERM DEBT AND AVAILABLE CREDIT FACILITIES

Long-Term Debt	December 31, 2020		December 31, 2019	
	Amount	Weighted Average Rate	Amount	Weighted Average Rate
<i>(In millions)</i>				
Promissory notes and debentures:				
Maturing in 2025	500	1.7%	—	—%
Maturing in 2030	500	2.3%	—	—%
Other loans:				
Foreign currency loans, various rates and maturities	1		2	
Medium-term notes, varying maturities through 2041	109	—%	109	1.6%
Finance lease obligations	4		5	
Less: Unamortized debt discount and issuance costs	11		—	
Less: Long-term debt due within one year	1		1	
Total	\$ 1,102		\$ 115	

Principal payments of long-term debt are \$500 million for long-term debt maturing in 2025.

The estimated fair value of the company's long-term borrowings, was determined using Level 2 inputs within the fair value hierarchy, as described in Note 2 - Summary of Significant Accounting Policies. Based on quoted market prices for the same or similar issues, or on current rates offered to the company for debt of the same remaining maturities, the fair value of the company's long-term borrowings, not including long-term debt due within one year, was \$1,166 million and \$114 million at December 31, 2020 and 2019, respectively.

Debt Offering

In May 2020, EID issued \$500 million of 1.70 percent Senior Notes due 2025 and \$500 million of 2.30 percent Senior Notes due 2030 (the May 2020 Debt Offering). The proceeds of this offering are intended to be used for general corporate purposes, which may include discretionary contributions to the company's U.S. principal pension plan and repayment of other indebtedness.

Available Committed Credit Facilities

The following table summarizes the company's credit facilities:

Committed and Available Credit Facilities at December 31, 2020					
<i>(In millions)</i>	<i>Effective Date</i>	<i>Committed Credit</i>	<i>Credit Available</i>	<i>Maturity Date</i>	<i>Interest</i>
Revolving Credit Facility	May 2019	\$ 3,000	\$ 3,000	May 2024	Floating Rate
Revolving Credit Facility	May 2019	3,000	3,000	May 2022	Floating Rate
Total Committed and Available Credit Facilities		\$ 6,000	\$ 6,000		

Revolving Credit Facilities

In November 2018, EID entered into a \$3.0 billion, 5 year revolving credit facility and a \$3.0 billion, 3-year revolving credit facility (the "2018 Revolving Credit Facilities"). The 2018 Revolving Credit Facilities became effective May 2019 in connection with the termination of the EID \$4.5 billion Term Loan Facility and the \$3 billion Revolving Credit Facility dated May 2014 (discussed below). Corteva, Inc. became a party at the time of the Corteva Distribution. The 2018 Revolving Credit Facilities contain customary representations and warranties, affirmative and negative covenants and events of default that are typical for companies with similar credit ratings. Additionally, the 2018 Revolving Credit Facilities contain a financial covenant requiring that the ratio of total indebtedness to total capitalization for Corteva and its consolidated subsidiaries not exceed 0.60.

In March 2020, the company drew down \$500 million under the \$3.0 billion 3-year revolving credit facility as a result of the volatility and increased borrowing costs of commercial paper resulting from the unstable market conditions caused by the

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COVID-19 pandemic and repaid that borrowing in full in June 2020. There were no additional borrowings and the unused commitments under the 3-year revolving credit facility were \$3.0 billion as of December 31, 2020.

Debt Redemptions/Repayments

In July 2018, EID fully repaid \$1,250 million of 6 percent coupon bonds at maturity.

On November 13, 2018, EID launched a tender offer (the "Tender Offer") to purchase \$6.2 billion aggregate principal amount of its outstanding debt securities (the "Tender Notes"). The Tender Offer expired on December 11, 2018 (the "Expiration Date"). At the Expiration Date, \$4,409 million aggregate principal amount of the Tender Notes had been validly tendered and was accepted for payment. In exchange for such validly tendered Tender Notes, EID paid a total of \$4,849 million, which included breakage fees and all applicable accrued and unpaid interest on such Tender Notes. DowDuPont contributed cash (generated from its notes offering) to EID to fund the settlement of the Tender Offer and payment of associated fees. EID recorded a loss from early extinguishment of debt of \$81 million, for the year ended December 31, 2018, primarily related to the difference between the redemption price and the par value of the notes, mostly offset by the write-off of unamortized step-up related to the fair value step-up of EID's debt.

On March 22, 2019, EID issued notices of redemption in full of all of its outstanding notes (the "Make Whole Notes") listed in the table below:

<i>(in millions)</i>	Amount
4.625% Notes due 2020	\$ 474
3.625% Notes due 2021	296
4.250% Notes due 2021	163
2.800% Notes due 2023	381
6.500% Debentures due 2028	57
5.600% Senior Notes due 2036	42
4.900% Notes due 2041	48
4.150% Notes due 2043	69
Total	\$ 1,530

The Make Whole Notes were redeemed on April 22, 2019 at the make-whole redemption prices set forth in the respective Make Whole Notes. On and after the date of redemption, the Make Whole Notes were no longer deemed outstanding, interest on the Make Whole Notes ceased to accrue and all rights of the holders of the Make Whole Notes were terminated.

In March 2016, EID entered into a credit agreement that provided for a 3-year, senior unsecured term loan facility in the aggregate principal amount of \$4.5 billion (as amended, from time to time, the "Term Loan Facility") under which EID could make up to seven term loan borrowings and amounts repaid or prepaid were not available for subsequent borrowings. On May 2, 2019, EID terminated its Term Loan Facility and repaid the aggregate outstanding principal amount of \$3 billion plus accrued and unpaid interest through and including May 1, 2019.

In connection with the repayment of the Make Whole Notes and the Term Loan Facility, EID paid a total of \$4.6 billion in the second quarter 2019, which included breakage fees and accrued and unpaid interest on the Make Whole Notes and Term Loan Facility. The repayment of the Make Whole Notes and Term Loan Facility was funded with cash from operations and a contribution from DowDuPont.

On May 7, 2019, DowDuPont publicly announced the record date in connection with the Corteva Distribution. In connection with such announcement, EID was required to redeem \$1.25 billion aggregate principal amount of 2.20% Notes due 2020 and \$750 million aggregate principal amount of Floating Rate Notes due 2020 (collectively, the Special Mandatory Redemption, or "SMR Notes") setting forth the date of redemption of the SMR Notes. On May 17, 2019 EID redeemed and paid a total of \$2 billion, which included accrued and unpaid interest on the SMR Notes. EID funded the payment with a contribution from DowDuPont. Following the redemption, the SMR Notes are no longer outstanding and no longer bear interest, and all rights of the holders of the SMR Notes have terminated.

EID recorded a loss on the early extinguishment of debt of \$13 million for the year ended December 31, 2019, related to the difference between the redemption price and the par value of the Make Whole Notes, the Term Loan Facility, and the SMR Notes, partially offset by the write-off of unamortized step-up related to the fair value step-up of EID's debt.

Uncommitted Credit Facilities and Outstanding Letters of Credit

Unused bank credit lines on uncommitted credit facilities were \$418 million at December 31, 2020. These lines are available to support short-term liquidity needs and general corporate purposes, including letters of credit. Outstanding letters of credit were \$175 million at December 31, 2020. These letters of credit support commitments made in the ordinary course of business.

NOTE 18 - COMMITMENTS AND CONTINGENT LIABILITIES

Guarantees

Indemnifications

In connection with acquisitions and divestitures as of December 31, 2020, the company has indemnified respective parties against certain liabilities that may arise in connection with these transactions and business activities prior to the completion of the transactions. The term of these indemnifications, which typically pertain to environmental, tax and product liabilities, is generally indefinite. In addition, the company indemnifies its duly elected or appointed directors and officers to the fullest extent permitted by Delaware law, against liabilities incurred as a result of their activities for the company, such as adverse judgments relating to litigation matters. If the indemnified party were to incur a liability or have a liability increase as a result of a successful claim, pursuant to the terms of the indemnification, the company would be required to reimburse the indemnified party. The maximum amount of potential future payments is generally unlimited. See pages F-26 and F-23 for additional information relating to the indemnification obligations under the Chemours Separation Agreement and the Corteva Separation Agreement.

Obligations for Customers and Other Third Parties

The company has directly guaranteed various debt obligations under agreements with third parties related to customers and other third parties. At December 31, 2020 and December 31, 2019, the company had directly guaranteed \$94 million and \$97 million, respectively, of such obligations. These amounts represent the maximum potential amount of future (undiscounted) payments that the company could be required to make under the guarantees in the event of default by the guaranteed party. Of the total maximum future payments at December 31, 2020, less than \$1 million had terms greater than a year. The maximum future payments include \$17 million and \$16 million of guarantees related to the various factoring agreements that the company enters into with third-party financial institutions to sell its trade receivables at December 31, 2020 and December 31, 2019, respectively. See Note 12 - Accounts and Notes Receivable - Net, to the Consolidated Financial Statements, for additional information.

The maximum future payments also include agreements with lenders to establish programs that provide financing for select customers. The terms of the guarantees are equivalent to the terms of the customer loans that are primarily made to finance customer invoices. The total amounts owed from customers to the lenders relating to these agreements was \$16 million and \$27 million at December 31, 2020 and December 31, 2019, respectively.

The company assesses the payment/performance risk by assigning default rates based on the duration of the guarantees. These default rates are assigned based on the external credit rating of the counterparty or through internal credit analysis and historical default history for counterparties that do not have published credit ratings. For counterparties without an external rating or available credit history, a cumulative average default rate is used.

Litigation

The company is subject to various legal proceedings, including, but not limited to, product liability, intellectual property, antitrust, commercial, property damage, personal injury, environmental and regulatory matters arising out of the normal course of its current businesses or legacy EID businesses unrelated to Corteva's current businesses but allocated to Corteva as part of the separation of Corteva from DuPont. It is not possible to predict the outcome of these various proceedings, as considerable uncertainty exists. However, the ultimate liabilities could be material to results of operations and the cash flows in the period recognized.

Indemnifications under Separation Agreements

The company has entered into various agreements where the company is indemnified for certain liabilities. In connection with the recognition of liabilities related to these matters, the company records an indemnification asset when recovery is deemed probable. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements, for additional information related to indemnifications.

Chemours/Performance Chemicals

Refer to Note 5 - Divestitures and Other Transactions, for additional discussion of the Chemours Separation Agreement.

In 2017, EID and Chemours amended the Chemours Separation Agreement to provide for a limited sharing of potential future liabilities related to alleged historical releases of perfluorooctanoic acids and its ammonium salts ("PFOA") for a five-year period that began on July 6, 2017. In addition, in 2017, Chemours and EID each paid \$335 million to settle multi-district litigation in the U.S. District Court for the Southern District of Ohio ("Ohio MDL"), thereby resolving claims of about 3,550 plaintiffs alleging injury from exposure to PFOA in drinking water as a result of the historical manufacture or use of PFOA at the Washington Works plant outside Parkersburg, West Virginia. This plant was previously owned and/or operated by the performance chemicals segment of EID and is now owned and/or operated by Chemours. The 2017 settlement did not resolve claims of certain class members who did not have claims in the Ohio MDL or whose claims are based on diseases first diagnosed after February 11, 2017. About 96 claims alleging personal injury were filed in the Ohio MDL since the 2017 settlement and a number of additional pre-suit claims for personal injury were asserted.

On May 13, 2019, Chemours filed suit in the Delaware Court of Chancery against DuPont, EID, and Corteva, seeking, among other things, to limit its responsibility for the litigation and environmental liabilities allocated to and assumed by Chemours under the Chemours Separation Agreement (the "Delaware Litigation"). On March 30, 2020, the Court of Chancery granted a motion to dismiss. On December 15, 2020, the Delaware Supreme Court affirmed the judgment of the Court of Chancery. Meanwhile, a confidential arbitration process regarding the same and other claims has proceeded (the "Pending Arbitration").

For additional information regarding environmental indemnification, see discussion on page F-50.

On January 22, 2021, Chemours, DuPont, Corteva and EID entered into a binding memorandum of understanding containing a settlement to resolve legal disputes originating from the Delaware Litigation and Pending Arbitration, and to establish a cost sharing arrangement and escrow account to be used to support and manage potential future legacy per- and polyfluoroalkyl substances ("PFAS") liabilities arising out of pre-July 1, 2015 conduct (the "MOU"). The MOU replaces the 2017 amendment to the Chemours Separation Agreement. According to the terms of the cost sharing arrangement within the MOU, Corteva and DuPont together, on one hand, and Chemours, on the other hand, agreed to a 50-50 split of certain qualified expenses related to PFAS liabilities incurred over a term not to exceed twenty years or \$4 billion of qualified spend and escrow account contributions (see below for discussion of escrow account) in the aggregate. DuPont's and Corteva's 50% share under the MOU will be limited to \$2 billion, including qualified expenses and escrow contributions. These expenses and escrow account contributions will be subject to the existing Letter Agreement, under which DuPont and Corteva will each bear 50% of the first \$300 million (up to \$150 million each), and thereafter DuPont bears 71% and Corteva bears the remaining 29%.

In order to support and manage any potential future PFAS liabilities, the parties have also agreed to establish an escrow account. The MOU provides that (1) no later than each of September 30, 2021 and September 30, 2022, Chemours shall deposit \$100 million into an escrow account and DuPont and Corteva shall together deposit \$100 million in the aggregate into an escrow account and (2) no later than September 30 of each subsequent year through and including 2028, Chemours shall deposit \$50 million into an escrow account and DuPont and Corteva shall together deposit \$50 million in the aggregate into an escrow account. Subject to the terms and conditions set forth in the MOU, each party may be permitted to defer funding in any year (excluding 2021). Over this period, Chemours will deposit a total of \$500 million in the account and DuPont and Corteva will deposit an additional \$500 million pursuant to the terms of the Letter Agreement. Additionally, if on December 31, 2028, the balance of the escrow account (including interest) is less than \$700 million, Chemours will make 50% of the deposits and DuPont and Corteva together will make 50% of the deposits necessary to restore the balance of the escrow account to \$700

million. Such payments will be made in a series of consecutive annual equal installments commencing on September 30, 2029 pursuant to the escrow account replenishment terms as set forth in the MOU.

After the term of this arrangement, Chemours' indemnification obligations under the original 2015 Chemours Separation Agreement, would continue unchanged, subject in each case to certain exceptions set out in the MOU. Under the MOU, Chemours waived specified claims regarding the construct of its 2015 spin-off transaction, and the parties will dismiss the pending arbitration regarding those claims (as discussed below). Additionally, the parties have agreed to resolve the Ohio MDL PFOA personal injury litigation (as discussed below). The parties are expected to cooperate in good faith to enter into additional agreements reflecting the terms set forth in the MOU on or prior to February 28, 2021.

Corteva Separation Agreement

On April 1, 2019, in connection with the Dow Distribution, Corteva, DuPont and Dow entered into the Corteva Separation Agreement, the Tax Matters Agreement, the Employee Matters Agreement, and certain other agreements (collectively, the "Corteva Separation Agreements"). The Corteva Separation Agreements allocate among Corteva, DuPont and Dow certain liabilities and obligations among the parties and provides for indemnification obligation among the parties. Under the Corteva Separation Agreements, DuPont will indemnify Corteva against certain litigation, environmental, workers' compensation and other liabilities that arose prior to the Corteva Distribution and (ii) Dow indemnifies Corteva against certain litigation and other liabilities that relate to the Historical Dow business, but were transferred over as part of the common control combination with DAS, and Corteva indemnifies DuPont and Dow for certain liabilities. The term of this indemnification is generally indefinite with exceptions, and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. See Note 1 - Background and Basis of Presentation, and Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements, for additional information relating to the Separation.

DuPont

Under the Corteva Separation Agreement, certain legacy EID liabilities from discontinued and/or divested operations and businesses of EID (including Performance Chemicals) (a "stray liability") were allocated to Corteva or DuPont. For those stray liabilities allocated to Corteva (which may include a specified amount of liability associated with that liability), Corteva is responsible for liabilities in an amount up to that specified amount plus an additional \$200 million and, for those stray liabilities allocated to DuPont (which may include a specified amount of liability associated with that liability), DuPont is responsible for liabilities up to a specified amount plus an additional \$200 million. Once each company has met the \$200 million threshold, Corteva and DuPont will share future liabilities proportionally on the basis of 29% and 71%, respectively; provided, however, that for PFAS, DuPont will manage such liabilities with Corteva and DuPont sharing the costs on a 50% - 50% basis starting from \$1 and up to \$300 million (with such amount, up to \$150 million, to be credited to each company's \$200 million threshold) and once the \$300 million threshold is met, then the companies will share proportionally on the basis of 29% and 71% respectively, subject to a \$1 million de minimis requirement.

Litigation related to legacy EID businesses unrelated to Corteva's current businesses

PFAS, PFOA, PFOS and Other Related Liabilities

For purposes of this report, the term PFOA means collectively perfluorooctanoic acid and its salts, including the ammonium salt and does not distinguish between the two forms, and PFAS, which means per- and polyfluoroalkyl substances, including PFOA, PFOS (perfluorooctanesulfonic acid), GenX and other perfluorinated chemicals and compounds ("PFCs").

EID is a party to various legal proceedings relating to the use of PFOA by its former Performance Chemicals segment for which potential liabilities would be subject to the cost sharing arrangement under the MOU as long as it remains effective. Management believes that it is reasonably possible that EID could incur liabilities related to PFOA in excess of amounts accrued. However, any such losses are not estimable at this time due to various reasons, including, among others, that the underlying matters are in their early stages and have significant factual issues to be resolved. The company has recorded a liability of \$21 million and an indemnification asset of \$17 million at December 31, 2020, related to testing drinking water in and around certain former EID sites and offering treatment or an alternative supply of drinking water if tests indicate the presence of PFOA in drinking water at or greater than the national health advisory level established from time to time by the EPA.

Leach Settlement and Ohio MDL Settlement

EID has residual liabilities under its 2004 settlement of a West Virginia state court class action, Leach v. EID, which alleged that PFOA from EID's former Washington Works facility had contaminated area drinking water supplies and affected the health of area residents. The settlement class has about 80,000 members. In addition to relief that was provided to class members years ago, the settlement requires EID to continue providing PFOA water treatment to six area water districts and private well users and to fund, through an escrow account, up to \$235 million for a medical monitoring program for eligible

class members. As of December 31, 2020, approximately \$2 million had been disbursed from the account since its establishment in 2012 and the remaining balance is approximately \$1 million.

The Leach settlement permits class members to pursue personal injury claims for six health conditions (and no others) that an expert panel appointed under the settlement reported in 2012 had a “probable link” (as defined in the settlement) with PFOA: pregnancy-induced hypertension, including preeclampsia; kidney cancer; testicular cancer; thyroid disease; ulcerative colitis; and diagnosed high cholesterol. After the panel reported its findings, approximately 3,550 personal injury lawsuits were filed in federal and state courts in Ohio and West Virginia and consolidated in multi-district litigation in the U.S. District Court for the Southern District of Ohio (“Ohio MDL”). Ohio MDL was settled in early 2017 for \$670.7 million in cash, with Chemours and EID (without indemnification from Chemours) each paying half.

Post-MDL Settlement PFOA Personal Injury Claims

The 2017 Ohio MDL settlement did not resolve claims of plaintiffs who did not have claims in the Ohio MDL or whose claims are based on diseases first diagnosed after February 11, 2017. The first trial for these claims, a kidney cancer case, resulted in a hung jury, while the second, *Travis and Julie Abbot v. E.I du Pont de Nemours and Company* (the “Abbot Case”), a testicular cancer case, resulted in a jury verdict of \$40 million in compensatory damages and \$10 million for loss of consortium. Following entry of the judgment by the court, EID filed post-trial motions to reduce the verdict, and to appeal the verdict on the basis of procedural and substantive legal errors made by the trial court. The company believes the merits of the appeal will be successful in reducing the jury verdict or eliminating its liability, in whole or part.

In January 2021, Chemours, DuPont and Corteva agreed to settle the remaining approximately 95 matters, as well as unfiled matters, remaining in the Ohio MDL, with the exception of the Abbot case, for \$83 million, with Chemours contributing \$29 million to the settlement, and DuPont and Corteva contributing \$27 million each. The company has recorded a liability for its share of the settlement, with a charge to (loss) income from discontinued operations after income taxes, during the year ended December 31, 2020.

Other PFOA Matters

EID is a party to other PFOA lawsuits that do not involve claims for personal injury. Defense costs and any future liabilities that may arise out of these lawsuits are subject to the MOU and the cost sharing arrangement disclosed above. Under the MOU, fraudulent conveyance claims associated with these matters are not qualified expenses, unless Corteva, Inc. and EID would prevail on the merits of these claims.

New York. EID is a defendant in about 50 lawsuits, including a putative class action, brought by persons who live in and around Hoosick Falls, New York. These lawsuits assert claims for medical monitoring and property damage based on alleged PFOA releases from manufacturing facilities owned and operated by co-defendants in Hoosick Falls and allege that EID and 3M supplied some of the materials used at these facilities. EID is also one of more than ten defendants in a lawsuit brought by the Town of East Hampton, New York alleging PFOA and PFOS contamination of the town’s well water. Additionally, EID, along with 3M, Chemours and Dyneon, have been named defendants in complaints filed by eight water districts in Nassau County, New York alleging that the drinking water they provide to customers is contaminated with PFAS and seeking reimbursement for clean-up costs. The water district complaints also include allegations of fraudulent transfer.

New Jersey. At December 31, 2020, two lawsuits were pending, one brought by a local water utility and the second a putative class action, against EID alleging that PFOA from EID’s former Chambers Works facility contaminated drinking water sources. The putative class action was voluntarily dismissed without prejudice by the plaintiff.

In late March of 2019, the New Jersey State Attorney General filed four lawsuits against EID, Chemours, 3M and others alleging that operations at and discharges from former EID sites in New Jersey (Chambers Works, Pompton Lakes, Parlin and Repauno) damaged the State’s natural resources. Two of these lawsuits (those involving the Chambers Works and Parlin sites) allege contamination from PFAS. The Ridgewood Water District in New Jersey filed suit in the first quarter 2019 against EID, 3M, Chemours, and Dyneon alleging losses related to the investigation, remediation and monitoring of polyfluorinated surfactants, including PFOA, in water supplies. DuPont and Corteva were subsequently added as defendants to these lawsuits.

Alabama / Others. EID is one of more than thirty defendants in a lawsuit by the Alabama water utility alleging contamination from PFCs, including PFOA, used by co-defendant carpet manufacturers to make their products more stain and grease resistant. In addition, the states of Michigan, Mississippi, New Hampshire, South Dakota, and Vermont recently filed lawsuits against EID, Chemours, 3M and others, claiming, among other things, PFC (including PFOA) contamination of groundwater and drinking water. The complaints seek reimbursement for past and future

costs to investigate and remediate the alleged contamination and compensation for the loss of value and use of the state's natural resources.

Ohio. EID is a defendant in three lawsuits: an action by the State of Ohio based on alleged damage to natural resources, a putative nationwide class action brought on behalf of anyone who has detectable levels of PFAS in their blood serum, and an action by the City of Dayton claiming losses related to the investigation, remediation and monitoring of PFAS in water supplies.

Aqueous Firefighting Foams. Approximately 900 cases have been filed against 3M and other defendants, including EID and Chemours, and more recently also including Corteva and DuPont, alleging PFOS or PFOA contamination of soil and groundwater from the use of aqueous firefighting foams. Most of those cases claim some form of property damage and seek to recover the costs of responding to this contamination and damages for the loss of use and enjoyment of property and diminution in value. Most of these cases have been transferred to a multidistrict litigation proceeding in federal district court in South Carolina. Approximately 725 of these cases were filed on behalf of firefighters who allege personal injuries (primarily kidney and testicular cancer) as a result of aqueous firefighting foams. Most of these recent cases assert claims that the EID and Chemours separation constituted a fraudulent conveyance. A schedule of initial trials is expected to be established in 2021.

EID did not make firefighting foams, PFOS, or PFOS products. While EID made surfactants and intermediaries that some manufacturers used in making foams, which may have contained PFOA as an unintended byproduct or an impurity, EID's products were not formulated with PFOA, nor was PFOA an ingredient of these products. EID has never made or sold PFOA as a commercial product.

Fayetteville Works Facility, North Carolina

Prior to the separation of Chemours, EID introduced GenX as a polymerization processing aid and a replacement for PFOA at the Fayetteville Works facility in Bladen County, North Carolina. The facility is now owned and operated by Chemours, which continues to manufacture and use GenX.

At December 31, 2020, several actions are pending in federal court against Chemours and EID relating to PFC discharges from the Fayetteville Works facility. One of these is a consolidated putative class action that asserts claims for medical monitoring and property damage on behalf of putative classes of property owners and residents in areas near or who draw drinking water from the Cape Fear River. Another action is a consolidated action brought by various North Carolina water authorities, including the Cape Fear Public Utility Authority and Brunswick County, that seek actual and punitive damages as well as injunctive relief. In another action over approximately 100 property owners near the Fayetteville Works facility filed a complaint against Chemours and EID in May 2020. The plaintiffs seek compensatory and punitive damages for their claims of private nuisance, trespass, and negligence allegedly caused by release of PFAS.

In addition to the federal court actions, there is an action on behalf of about 100 plaintiffs who own wells and property near the Fayetteville Works facility. The plaintiffs seek damages for nuisance allegedly caused by releases of certain PFCs from the site. The plaintiffs' claims for medical monitoring, punitive damages, public nuisance, trespass, unjust enrichment, failure to warn, and negligent manufacture were dismissed.

Generally, site-related expenses related GenX claims are subject to the cost sharing arrangements as defined in the MOU.

Environmental

Accruals for environmental matters are recorded when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on current law and existing technologies. At December 31, 2020, the company had accrued obligations of \$329 million for probable environmental remediation and restoration costs, including \$52 million for the remediation of Superfund sites. These obligations are included in accrued and other current liabilities and other noncurrent obligations in the Consolidated Balance Sheets. This is management's best estimate of the costs for remediation and restoration with respect to environmental matters for which the company has accrued liabilities, although it is reasonably possible that the ultimate cost with respect to these particular matters could range up to \$620 million above the amount accrued at December 31, 2020. Consequently, it is reasonably possible that environmental remediation and restoration costs in excess of amounts accrued could have a material impact on the company's results of operations, financial condition and cash flows. Inherent uncertainties exist in these estimates primarily due to unknown conditions, changing governmental regulations and legal standards regarding liability, and emerging remediation technologies for handling site remediation and restoration. At December 31, 2019, the company had accrued obligations of \$336 million for probable environmental remediation and restoration costs, including \$51 million for the remediation of Superfund sites.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

For a discussion of the allocation of environmental liabilities under the Chemours Separation Agreement and the Corteva Separation Agreement, see the previous discussion on page F-50.

The above noted \$329 million accrued obligations includes the following:

(In millions)	As of December 31, 2020		
	Indemnification Asset	Accrual balance ^{3,4}	Potential exposure above amount accrued ³
<i>Environmental Remediation Stray Liabilities</i>			
Chemours related obligations - subject to indemnity ^{1,2}	\$ 153	\$ 154	\$ 282
Other discontinued or divested businesses obligations ¹	—	74	222
Environmental remediation liabilities primarily related to DuPont - subject to indemnity from DuPont ²	37	36	61
Environmental remediation liabilities not subject to indemnity	—	65	55
Total	\$ 190	\$ 329	\$ 620

¹ Represents liabilities that are subject the \$200 million thresholds and sharing arrangements as discussed on page F-51, under Corteva Separation Agreement.

² The company has recorded an indemnification asset related to these accruals, including \$30 million related to the Superfund sites.

³ Accrual balance represents management's best estimate of the costs of remediation and restoration, although it is reasonably possible that the potential exposure, as indicated, could range above the amounts accrued, as there are inherent uncertainties in these estimates.

⁴ Accrual balance excludes indemnification liabilities of \$39 million to Chemours, related to the cost sharing arrangement under the MOU (see page F-27).

NOTE 19 - STOCKHOLDERS' EQUITY

Common Stock

As discussed in Note 1 - Background and Basis of Presentation, on June 1, 2019, Corteva, Inc.'s common stock was distributed to DowDuPont stockholders by way of a pro rata distribution. Each DowDuPont stockholder received one share of Corteva, Inc. common stock for every three shares of DowDuPont common stock held at the close of business on May 24, 2019, the record date of distribution. Corteva, Inc.'s common stock began trading the "regular way" under the ticker symbol "CTVA" on June 3, 2019, the first business day after June 1, 2019. The number of Corteva, Inc. common shares issued on June 1, 2019 was 748,815,000 (par value of \$0.01 per share). Information related to the Corteva Distribution and its effect on the company's financial statements are discussed throughout these Notes to the Consolidated Financial Statements.

Set forth below is a reconciliation of common stock share activity for the years ended December 31, 2020 and 2019:

Shares of common stock	Issued
Balance June 1, 2019	748,815,000
Issued	586,000
Repurchased and retired	(824,000)
Balance December 31, 2019	748,577,000
Issued	3,384,000
Repurchased and retired	(8,503,000)
Balance December 31, 2020	743,458,000

Share Buyback Plan

On June 26, 2019, Corteva, Inc. announced that its Board of Directors authorized a \$1 billion share repurchase program to purchase Corteva, Inc.'s common stock, par value \$0.01 per share, without an expiration date. The timing, price and volume of purchases will be based on market conditions, relevant securities laws and other factors.

During the year ended December 31, 2020, the company purchased and retired 8,503,000 shares in the open market for a total cost of \$275 million. During the year ended December 31, 2019, the company purchased and retired 824,000 shares in the open market for a total cost of \$25 million.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

Shares repurchased pursuant to Corteva's share buyback plan are immediately retired upon purchase. Repurchased common stock is reflected as a reduction of stockholders' equity. The company's accounting policy related to its share repurchases is to reduce its common stock based on the par value of the shares and to reduce its retained earnings for the excess of the repurchase price over the par value. When Corteva has an accumulated deficit balance, the excess over the par value is applied to additional paid-in capital. When Corteva has retained earnings, the excess is charged entirely to retained earnings.

Noncontrolling Interest

In June 2020, the company completed the acquisition of the remaining 46.5 percent interest in the Phytogen Seed Company, LLC joint venture from J. G. Boswell Company. As the purchase of the remaining interest did not result in a change of control, the difference between the carrying value of the noncontrolling interest and the consideration paid, net of taxes was recorded within equity.

Corteva, Inc. owns 100% of the outstanding common shares of EID. However, EID has preferred stock outstanding to third parties which is accounted for as a noncontrolling interest in Corteva's Consolidated Balance Sheets. Each share of EID Preferred Stock - \$4.50 Series and EID Preferred Stock - \$3.50 Series issued and outstanding at the effective date of the Corteva Distribution remains issued and outstanding as to EID and was unaffected by the Corteva Distribution.

Below is a summary of the EID Preferred Stock at December 31, 2020 and December 31, 2019 which is classified as noncontrolling interests in the Corteva Consolidated Balance Sheets.

(Shares in thousands)	Number of Shares
Authorized	23,000
\$4.50 Series, callable at \$120	1,673
\$3.50 Series, callable at \$102	700

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

Other Comprehensive (Loss) Income

The changes and after-tax balances of components comprising accumulated other comprehensive (loss) income are summarized below:

(In millions)	Cumulative Translation Adjustment ¹	Derivative Instruments	Pension Benefit Plans	Other Benefit Plans	Unrealized Gain (Loss) on Investments ²	Total
2018						
Balance January 1, 2018	\$ (1,217)	\$ (2)	\$ 95	\$ (53)	\$ —	\$ (1,177)
Other comprehensive (loss) income before reclassifications	(1,576)	(19)	(724)	132	—	(2,187)
Amounts reclassified from accumulated other comprehensive income	—	(5)	9	—	—	4
Net other comprehensive (loss) income	(1,576)	(24)	(715)	132	—	(2,183)
Balance December 31, 2018	\$ (2,793)	\$ (26)	\$ (620)	\$ 79	\$ —	\$ (3,360)
2019						
Other comprehensive (loss) income before reclassifications	\$ (274)	\$ 16	\$ (723)	\$ (159)	\$ —	\$ (1,140)
Amounts reclassified from accumulated other comprehensive loss	—	12	5	(1)	—	16
Net other comprehensive (loss) income	(274)	28	(718)	(160)	—	(1,124)
Impact of Internal Reorganizations	1,123	—	91	—	—	1,214
Balance December 31, 2019	\$ (1,944)	\$ 2	\$ (1,247)	\$ (81)	\$ —	\$ (3,270)
2020						
Other comprehensive (loss) income before reclassifications	\$ (26)	\$ (81)	\$ (191)	\$ 670	\$ (10)	\$ 362
Amounts reclassified from accumulated other comprehensive loss	—	12	5	1	—	18
Net other comprehensive (loss) income	(26)	(69)	(186)	671	(10)	380
Balance December 31, 2020	\$ (1,970)	\$ (67)	\$ (1,433)	\$ 590	\$ (10)	\$ (2,890)

¹ The cumulative translation adjustment losses for the year ended December 31, 2020 was primarily driven by the strengthening of the U.S. Dollar ("USD") against the Brazilian Real ("BRL"), partially offset by the weakening of the U.S. Dollar against the Swiss franc ("CHF") and European Euro ("EUR"). The cumulative translation adjustment losses for the years ended December 31, 2019 and 2018 were primarily driven by the strengthening of the U.S. Dollar against the Brazilian Real and European Euro.

² The unrealized loss on securities during the year ended December 31, 2020 is due to the remeasurement of USD denominated marketable securities held by certain foreign entities at December 31, 2020 with a corresponding offset to cumulative translation adjustment.

The tax benefit (expense) on the net activity related to each component of other comprehensive (loss) income was as follows:

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Derivative instruments	\$ 24	\$ (8)	\$ 6
Pension benefit plans - net	54	231	199
Other benefit plans - net	(211)	52	(40)
Benefit from (provision for) income taxes related to other comprehensive income (loss) items	\$ (133)	\$ 275	\$ 165

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

A summary of the reclassifications out of accumulated other comprehensive loss is provided as follows:

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Derivative Instruments¹:	\$ 18	\$ 13	\$ (6)
Tax (benefit) expense ²	(6)	(1)	1
After-tax	\$ 12	\$ 12	\$ (5)
Amortization of pension benefit plans:			
Prior service benefit ^{3,4}	(1)	(1)	—
Actuarial losses (gains) ^{3,4,5}	\$ 4	\$ 2	\$ 6
Curtailed loss ^{3,4,5}	—	—	7
Settlement loss (gain) ^{3,4,5}	3	4	(2)
Total before tax	6	5	11
Tax (benefit) expense ²	(1)	—	(2)
After-tax	\$ 5	\$ 5	\$ 9
Amortization of other benefit plans:			
Prior service benefit ^{3,4}	\$ —	\$ —	\$ —
Actuarial (gains) losses ^{3,4}	1	(1)	—
Total before tax	1	(1)	—
Tax benefit ²	—	—	—
After-tax	\$ 1	\$ (1)	\$ —
Total reclassifications for the period, after-tax	\$ 18	\$ 16	\$ 4

¹. Reflected in cost of goods sold.

². Reflected in benefit from income taxes from continuing operations.

³. These accumulated other comprehensive (loss) income components are included in the computation of net periodic benefit (credit) cost of the company's pension and other benefit plans. See Note 20 - Pension Plans and Other Post Employment Benefits, to the Consolidated Financial Statements, for additional information.

⁴. Reflected in other income (expense) - net.

⁵. A portion reflected in (Loss) income from discontinued operations after income taxes for the years ended December 31, 2019 and 2018.

NOTE 20 - PENSION PLANS AND OTHER POST EMPLOYMENT BENEFITS

The company offers various long-term benefits to its employees. Where permitted by applicable law, the company reserves the right to change, modify or discontinue the plans.

As a result of the Merger, the company re-measured its pension and OPEB plans. The remeasurement of the company's pension and OPEB plans is included in the fair value measurement of EID's assets and liabilities as a result of the application of purchase accounting in connection with the Merger. In addition, net losses and prior service benefits recognized in accumulated other comprehensive income (loss) were eliminated. Historical Dow and EID did not merge their pension plans and OPEB plans as a result of the Merger.

In connection with the Corteva Distribution and Internal Reorganization, the company retained the benefit obligations relating to EID's principal U.S. pension plan, several other U.S. and non-U.S. pension plans and OPEB. Corteva entered into an employee matters agreement with DuPont which provides that employees of DuPont no longer participate in the benefits sponsored or maintained by the company as of the date of the Corteva Distribution and transferred certain of EID's pension and OPEB obligations and associated assets to DuPont. As a result of the transfer at Separation, about \$5.8 billion unfunded obligations of the pension and OPEB plans remained with Corteva, of which \$319 million was supported by funding under the Trust agreement.

Defined Benefit Pension Plans

The company has both funded and unfunded noncontributory defined benefit pension plans covering a majority of the U.S. employees and employees in a number of other countries. The principal U.S. pension plan is the largest pension plan held by Corteva. Most employees hired on or after January 1, 2007 are not eligible to participate in the U.S. defined benefit pension plans. The benefits under these plans are based primarily on years of service and employees' pay near retirement. In November 2016, EID announced that it will freeze the pay and service amounts used to calculate pension benefits for active employees who participate in the U.S. pension plans on November 30, 2018. Therefore, as of November 30, 2018, employees participating in the U.S. pension plans no longer accrue additional benefits for future service and eligible compensation received.

The company's funding policy is consistent with the funding requirements of federal laws and regulations. Pension coverage for employees of the company's non-U.S. consolidated subsidiaries is provided, to the extent deemed appropriate, through separate plans. Obligations under such plans are funded by depositing funds with trustees, covered by insurance contracts, or remain unfunded. The company made a discretionary contribution of \$1,100 million in the third quarter of 2018 to its principal U.S. pension plan.

The company made total contributions of \$62 million, \$121 million, and \$214 million to its pension plans other than the principal U.S. pension plan for the years ended December 31, 2020, 2019 and 2018, respectively.

Corteva expects to contribute approximately \$47 million to its pension plans other than the principal U.S. pension plan in 2021. The company is evaluating potential discretionary contributions in 2021 to the principal U.S. pension plan, that could reduce a portion of the underfunded benefit obligation. Any discretionary contributions depend on various factors including market conditions and tax deductible limits.

The weighted-average assumptions used to determine pension plan obligations for all pension plans are summarized in the table below:

Weighted-Average Assumptions used to Determine Benefit Obligations	December 31, 2020	December 31, 2019
Discount rate	2.44 %	3.20 %
Rate of increase in future compensation levels	2.54 %	2.60 %

The weighted-average assumptions used to determine net periodic benefit costs for all pension plans are summarized in the table below:

Weighted-Average Assumptions used to Determine Net Periodic Benefit Cost	For the Year Ended December 31,		
	2020	2019	2018
Discount rate	3.19 %	4.19 %	3.38 %
Rate of increase in future compensation levels	2.60 %	2.84 %	4.04 %
Expected long-term rate of return on plan assets	6.25 %	6.24 %	6.19 %

After November 30, 2018 the rate of compensation increase in the above tables excludes U.S. pension plans since the employees who participate in the U.S. pension plans no longer accrue additional benefits for future service and eligible compensation as of that date.

Other Post Employment Benefits

The company has historically provided medical, dental and life insurance benefits to certain pensioners and survivors. The majority of U.S. employees hired on or after January 1, 2007, and eligible employees under the age of 50 as of November 30, 2018, are not eligible to participate in the post-retirement medical, dental and life insurance plans. The associated plans for retiree benefits are unfunded and the cost of premiums or approved claims is paid from company funds. Substantially all of the cost and liabilities for these retiree benefit plans are attributable to the U.S. benefit plans. The non-Medicare eligible retiree medical plan is contributory with costs shared between the company and pensioners and survivors. For Medicare eligible pensioners and survivors, Corteva provides a company-funded Health Reimbursement Arrangement ("HRA"). In December 2020, the company amended its retiree medical, dental and life insurance plans. Effective January 1, 2022, the company will no longer provide retiree dental and life insurance benefits. In addition, Corteva's portion of the cost of non-Medicare retiree medical coverage will no longer be adjusted for cost increases, resulting in Corteva's cost to be capped at the level in effect as of December 31, 2021. As a result of these changes, the company recorded a \$(939) million decrease in OPEB benefit obligations as of December 31, 2020 with a corresponding prior service benefit within other comprehensive income for the year ended December 31, 2020.

The company also provides disability benefits to employees. Employee disability benefit plans are insured in many countries. However, primarily in the U.S., such plans are generally self-insured. Obligations and expenses for self-insured plans are reflected in the change in projected benefit obligations table on page F-61.

The company's OPEB plans are unfunded and the cost of the approved claims is paid from operating cash flows. Pre-tax cash requirements to cover actual net claims costs and related administrative expenses were \$207 million, \$202 million, and \$216 million for the years ended December 31, 2020, 2019 and 2018, respectively. Changes in cash requirements reflect the net impact of higher per capita health care costs, demographic changes, plan amendments and changes in participant premiums, co-pays and deductibles. In 2021, the company expects to contribute approximately \$217 million for its OPEB plans. Beginning in 2022, expected future benefit payments are anticipated to decrease to approximately \$140 million as a result of the OPEB plan amendment.

The weighted-average assumptions used to determine benefit obligations for OPEB plans are summarized in the table below:

Weighted-Average Assumptions used to Determine Benefit Obligations	December 31, 2020	December 31, 2019
Discount rate	2.09 %	3.07 %

The weighted-average assumptions used to determine net periodic benefit costs for the OPEB plans are summarized in the two tables below:

Weighted-Average Assumptions used to Determine Net Periodic Benefit Cost	For the Year Ended December 31,		
	2020	2019	2018
Discount rate	3.07 %	3.93 %	3.56 %

Assumed Health Care Cost Trend Rates	December 31, 2020	December 31, 2019
Health care cost trend rate assumed for next year	7.00%	7.20%
Rate to which the cost trend rate is assumed to decline (the ultimate health care trend rate) ¹	N/A	5.00%
Year that the rate reached the ultimate health care cost trend rate ¹	N/A	2028

Due to December 2020 plan changes, health care cost trend rates are no longer applicable to the Corteva portion of the cost, effective January 1, 2022.

Assumptions

Within the U.S., the company determines the expected long-term rate of return on plan assets by performing a detailed analysis of key economic and market factors driving historical returns for each asset class and formulating a projected return based on factors in the current environment. Factors considered include, but are not limited to, inflation, real economic growth, interest rate yield, interest rate spreads, and other valuation measures and market metrics. The expected long-term rate of return for each asset class is then weighted based on the strategic asset allocation approved by the governing body for the plan. The company's

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

historical experience with the pension fund asset performance is also considered. For non-U.S. plans, assumptions reflect economic assumptions applicable to each country.

In the U.S., Corteva calculates service costs and interest costs by applying individual spot rates from a yield curve (based on high-quality corporate bond yields) to the separate expected cash flows components of service cost and interest cost. Service cost and interest cost for all other plans are determined on the basis of the single equivalent discount rates derived in determining those plan obligations.

The discount rates utilized to measure the pension and other post employment obligations are based on the yield on high-quality corporate fixed income investments at the measurement date. Future expected actuarially determined cash flows are individually discounted at the spot rates under the Aon AA_Above Median yield curve (based on high-quality corporate bond yields) to arrive at the plan's obligations as of the measurement date. For non-U.S. benefit plans, historically the company utilized prevailing long-term high quality corporate bond indices to determine the discount rate, applicable to each country, at the measurement date.

The company adopts the most recently published mortality tables and mortality improvement scale released by the Society of Actuaries in measuring its U.S. pension and other post employment benefit obligations. The effect of these adoptions is amortized into net periodic benefit cost for the years following the adoption.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

Summarized information on the company's pension and other post employment benefit plans is as follows:

Change in Projected Benefit Obligations, Plan Assets and Funded Status				
(In millions)	<i>Defined Benefit Pension Plans</i>		<i>Other Post Employment Benefits</i>	
	For the Year Ended December 31, 2020	For the Year Ended December 31, 2019	For the Year Ended December 31, 2020	For the Year Ended December 31, 2019
<i>Change in benefit obligations:</i>				
Benefit obligation at beginning of the period	\$ 21,004	\$ 23,532	\$ 2,591	\$ 2,514
Service cost	26	41	2	4
Interest cost	559	769	66	84
Plan participants' contributions	2	2	34	37
Actuarial (gain) loss	1,659	2,469	59	211
Benefits paid	(1,538)	(1,635)	(241)	(239)
Plan amendments	(3)	(76)	(939)	—
Net effects of acquisitions / divestitures / other	—	(1)	—	—
Effect of foreign exchange rates	(27)	(60)	(1)	—
Impact of internal reorganizations	—	(4,037)	—	(20)
Benefit obligations at end of the period	\$ 21,682	\$ 21,004	\$ 1,571	\$ 2,591
<i>Change in plan assets:</i>				
Fair value of plan assets at beginning of the period	\$ 16,941	\$ 18,951	\$ —	\$ —
Actual return on plan assets	2,404	2,552	—	—
Employer contributions	62	121	207	202
Plan participants' contributions	2	2	34	37
Benefits paid	(1,538)	(1,635)	(241)	(239)
Net effects of acquisitions / divestitures / other	—	(6)	—	—
Effect of foreign exchange rates	(36)	(38)	—	—
Impact of internal reorganizations	—	(3,006)	—	—
Fair value of plan assets at end of the period	\$ 17,835	\$ 16,941	\$ —	\$ —
Funded status				
U.S. plan with plan assets	\$ (3,301)	\$ (3,535)	\$ —	\$ —
Non-U.S. plans with plan assets	(98)	(90)	—	—
All other plans ^{1,2}	(448)	(438)	(1,571)	(2,591)
Funded status at end of the period	\$ (3,847)	\$ (4,063)	\$ (1,571)	\$ (2,591)

1. As of December 31, 2020, and December 31, 2019, \$249 million and \$294 million, respectively, of the benefit obligations are supported by funding under the Trust agreement, defined in the "Trust Assets" section below.

2. Includes pension plans maintained around the world where funding is not customary.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

(In millions)	<i>Defined Benefit Pension Plans</i>		<i>Other Post Employment Benefits</i>	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<i>Amounts recognized in the Consolidated Balance Sheets:</i>				
Other Assets	\$ 7	\$ 10	\$ —	\$ —
Accrued and other current liabilities	(32)	(50)	(217)	(237)
Pension and other post employment benefits - noncurrent	(3,822)	(4,023)	(1,354)	(2,354)
Net amount recognized	\$ (3,847)	\$ (4,063)	\$ (1,571)	\$ (2,591)
<i>Pretax amounts recognized in accumulated other comprehensive loss (income):</i>				
Net loss (gain)	\$ 1,886	\$ 1,641	\$ 163	\$ 108
Prior service (benefit) cost	(14)	(10)	(939)	—
Pretax balance in accumulated other comprehensive loss (income) at end of year	\$ 1,872	\$ 1,631	\$ (776)	\$ 108

The significant loss related to the change in pension plan benefit obligations for the period ended December 31, 2020 is mainly due to a decrease in discount rates. The substantially lower OPEB benefit obligations for the period ended December 31, 2020 is due to the December 2020 OPEB plan amendment.

The accumulated benefit obligation for all pensions plans was \$21.6 billion and \$21.0 billion at December 31, 2020 and 2019, respectively.

Pension Plans with Projected Benefit Obligations in Excess of Plan Assets	December 31, 2020	December 31, 2019
(In millions)		
Projected benefit obligations	\$ 21,513	\$ 20,788
Fair value of plan assets	17,659	16,716

Pension Plans with Accumulated Benefit Obligations in Excess of Plan Assets	December 31, 2020	December 31, 2019
(In millions)		
Accumulated benefit obligations	\$ 21,369	\$ 20,654
Fair value of plan assets	17,550	16,620

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

(In millions)	<i>Defined Benefit Pension Plans</i>			<i>Other Post Employment Benefits</i>		
	For the Year Ended December 31,			For the Year Ended December 31,		
	2020	2019	2018	2020	2019	2018
<i>Components of net periodic benefit (credit) cost and amounts recognized in other comprehensive loss</i>						
Net Periodic Benefit Cost:						
Service cost	\$ 26	\$ 41	\$ 136	\$ 2	\$ 4	\$ 9
Interest cost	559	769	755	66	84	85
Expected return on plan assets	(1,000)	(1,078)	(1,216)	—	—	—
Amortization of unrecognized loss (gain)	4	3	10	1	(1)	—
Amortization of prior service (benefit) cost	(1)	(1)	—	—	—	—
Curtailment gain	—	(2)	(11)	—	—	—
Settlement loss	3	4	5	—	—	—
Net periodic benefit (credit) cost - Total	\$ (409)	\$ (264)	\$ (321)	\$ 69	\$ 87	\$ 94
Less: Discontinued operations ¹	—	(14)	(42)	—	—	1
Net periodic benefit (credit) cost - Continuing operations	\$ (409)	\$ (250)	\$ (279)	\$ 69	\$ 87	\$ 93
<i>Changes in plan assets and benefit obligations recognized in other comprehensive (income) loss:</i>						
Net loss (gain)	\$ 247	\$ 970	\$ 908	\$ 59	\$ 211	\$ (172)
Amortization of unrecognized (loss) gain	(4)	(2)	(10)	(1)	1	—
Prior service (benefit) cost	(3)	(11)	17	(939)	—	—
Amortization of prior service benefit	1	1	—	—	—	—
Settlement loss	(3)	(4)	(2)	—	—	—
Effect of foreign exchange rates	2	(5)	1	(1)	—	—
Total loss (benefit) recognized in other comprehensive loss, attributable to Corteva	\$ 240	\$ 949	\$ 914	\$ (882)	\$ 212	\$ (172)
Total recognized in net periodic benefit cost and other comprehensive loss (income)	\$ (169)	\$ 685	\$ 593	\$ (813)	\$ 299	\$ (78)

¹ Includes non-service related components of net periodic benefit credit of \$(31) million, and \$(97) million for the years ended December 31, 2019 and 2018, respectively.

Estimated Future Benefit Payments

The estimated future benefit payments, reflecting expected future service, as appropriate, are presented in the following table:

Estimated Future Benefit Payments at December 31, 2020 (In millions)	<i>Defined Benefit Pension Plans</i>	<i>Other Post Employment Benefits</i>
2021	\$ 1,495	\$ 217
2022	1,456	140
2023	1,424	132
2024	1,390	124
2025	1,353	116
Years 2026-2030	6,159	425
Total	\$ 13,277	\$ 1,154

Plan Assets

All pension plan assets in the U.S. are invested through a single master trust fund. The strategic asset allocation for this trust fund is approved by the Pension Investment Committee. The general principles guiding U.S. pension asset investment policies are those embodied in the Employee Retirement Income Security Act of 1974 ("ERISA"). These principles include discharging Corteva's investment responsibilities for the exclusive benefit of plan participants and in accordance with the "prudent expert" standard and other ERISA rules and regulations. Corteva establishes strategic asset allocation percentage targets and appropriate benchmarks for significant asset classes with the aim of achieving a prudent balance between return and risk. Strategic asset allocations in other countries are selected in accordance with the laws and practices of those countries. Where appropriate, asset liability studies are utilized in this process. U.S. plan assets are managed by investment professionals employed by Corteva. The remaining assets are managed by professional investment firms unrelated to the company. Corteva's pension investment professionals have discretion to manage the assets within established asset allocation ranges approved by the Pension Investment Committee. Additionally, pension trust funds are permitted to enter into certain contractual arrangements generally described as "derivatives." Derivatives are primarily used to reduce specific market risks, hedge currency and adjust portfolio duration and asset allocation in a cost-effective manner.

The weighted-average target allocation for plan assets of the company's pension plans is summarized as follows:

Target Allocation for Plan Assets	December 31, 2020	December 31, 2019
<i>Asset Category</i>		
U.S. equity securities	20 %	20 %
Non-U.S. equity securities	16	16
Fixed income securities	51	50
Hedge funds	2	3
Private market securities	6	6
Real estate	4	3
Cash and cash equivalents	1	2
Total	100 %	100 %

U.S. equity investments are primarily large-cap companies. Global equity securities include varying market capitalization levels. Global fixed income investments include corporate-issued, government-issued and asset-backed securities. Corporate debt investments include a range of credit risk and industry diversification. U.S. fixed income investments are weighted heavier than non-U.S. fixed income securities. Other investments include cash and cash equivalents, hedge funds, real estate and private market securities such as interests in private equity and venture capital partnerships.

Fair value calculations may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

For pension plan assets classified as Level 1 measurements (measured using quoted prices in active markets), total fair value is either the price of the most recent trade at the time of the market close or the official close price, as defined by the exchange on which the asset is most actively traded on the last trading day of the period, multiplied by the number of units held without consideration of transaction costs.

For pension plan assets classified as Level 2 measurements, where the security is frequently traded in less active markets, fair value is based on the closing price at the end of the period; where the security is less frequently traded, fair value is based on the price a dealer would pay for the security or similar securities, adjusted for any terms specific to that asset or liability. Market inputs are obtained from well-established and recognized vendors of market data and subjected to tolerance and quality checks. For derivative assets and liabilities, standard industry models are used to calculate the fair value of the various financial instruments based on significant observable market inputs, such as foreign exchange rates, commodity prices, swap rates, interest rates and implied volatilities obtained from various market sources.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

For pension plan assets classified as Level 3 measurements, total fair value is based on significant unobservable inputs including assumptions where there is little, if any, market activity for the investment. Investment managers, fund managers, or investment contract issuers provide valuations of the investment on a monthly or quarterly basis. These valuations are reviewed for reasonableness based on applicable sector, benchmark and company performance. Adjustments to valuations are made where appropriate. Where available, audited financial statements are obtained and reviewed for the investments as support for the manager's investment valuation.

The tables below present the fair values of the company's pension assets by level within the fair value hierarchy, as described in Note 2 - Summary of Significant Accounting Policies:

Basis of Fair Value Measurements				
For the year ended December 31, 2020 (In millions)	<i>Total</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
Cash and cash equivalents	\$ 2,616	\$ 2,616	\$ —	\$ —
U.S. equity securities ¹	3,905	3,898	2	5
Non-U.S. equity securities	2,194	2,189	2	3
Debt – government-issued	3,569	—	3,569	—
Debt – corporate-issued	2,579	—	2,576	3
Debt – asset-backed	616	—	616	—
Private market securities	3	—	—	3
Real estate	28	—	—	28
Derivatives – asset position	—	—	—	—
Derivatives – liability position	—	—	—	—
Other	76	—	3	73
Subtotal	\$ 15,586	\$ 8,703	\$ 6,768	\$ 115
Investments measured at net asset value				
Debt - government issued	36			
Debt - corporate issued	7			
U.S. equity securities	32			
Non-U.S. equity securities	32			
Hedge funds	391			
Private market securities	1,381			
Real estate funds	590			
Total investments measured at net asset value	\$ 2,469			
Other items to reconcile to fair value of plan assets				
Pension trust receivables ²	214			
Pension trust payables ³	(434)			
Total	\$ 17,835			

1. The Corteva pension plans directly held \$165 million (approximately 1 percent of total plan assets) of Corteva, Inc. common stock at December 31, 2020.

2. Primarily receivables for investments securities sold.

3. Primarily payables for investment securities purchased.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

Basis of Fair Value Measurements For the year ended December 31, 2019 (In millions)	<i>Total</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
Cash and cash equivalents	\$ 1,343	\$ 1,343	\$ —	\$ —
U.S. equity securities ¹	3,665	3,652	4	9
Non-U.S. equity securities	2,053	2,043	6	4
Debt – government-issued	3,693	—	3,693	—
Debt – corporate-issued	2,956	—	2,952	4
Debt – asset-backed	663	—	663	—
Private market securities	2	—	—	2
Real estate	33	—	—	33
Derivatives – asset position	2	—	2	—
Derivatives – liability position	(19)	—	(19)	—
Other	19	—	19	—
Subtotal	\$ 14,410	\$ 7,038	\$ 7,320	\$ 52
Investments measured at net asset value				
Debt - government issued	37			
U.S. equity securities	20			
Non-U.S. equity securities	39			
Hedge funds	431			
Private market securities	1,371			
Real estate funds	516			
Total investments measured at net asset value	\$ 2,414			
Other items to reconcile to fair value of plan assets				
Pension trust receivables ²	763			
Pension trust payables ³	(646)			
Total	\$ 16,941			

1. The Corteva pension plans directly held \$126 million (approximately 1 percent of total plan assets) of Corteva, Inc. at December 31, 2019.

2. Primarily receivables for investments securities sold.

3. Primarily payables for investment securities purchased.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

The following table summarizes the changes in fair value of Level 3 pension plan assets for the years ended December 31, 2020 and 2019:

Fair Value Measurement of Level 3 Pension Plan Assets							
(In millions)	<i>U.S. equity securities</i>	<i>Non-U.S. equity securities</i>	<i>Debt – corporate-issued</i>	<i>Private market securities</i>	<i>Real estate</i>	<i>Other</i>	<i>Total</i>
Balance at January 1, 2019	\$ 14	\$ 2	\$ 14	\$ 1	\$ 93	\$ 206	\$ 330
Actual return on assets:							
Relating to assets sold during the year ended December 31, 2019	(2)	1	9	—	(29)	—	(21)
Relating to assets held at December 31, 2019	(5)	—	(8)	4	25	—	16
Purchases, sales and settlements, net	2	2	(12)	(3)	(3)	—	(14)
Transfers in or out of Level 3, net	—	(1)	1	—	—	—	—
Assets transferred at Separation	—	—	—	—	(53)	(206)	(259)
Balance at December 31, 2019	\$ 9	\$ 4	\$ 4	\$ 2	\$ 33	\$ —	\$ 52
Actual return on assets:							
Relating to assets sold during the year ended December 31, 2020	(25)	(6)	(7)	—	—	—	(38)
Relating to assets held at December 31, 2020	21	5	5	1	(5)	7	34
Purchases, sales and settlements, net	—	—	—	—	—	5	5
Transfers in or out of Level 3, net	—	—	1	—	—	61	62
Balance at December 31, 2020	\$ 5	\$ 3	\$ 3	\$ 3	\$ 28	\$ 73	\$ 115

Trust Assets

EID entered into a trust agreement in 2013 (as amended and restated in 2017) that established and requires EID to fund the Trust for cash obligations under certain non-qualified benefit and deferred compensation plans upon a change in control event as defined in the Trust agreement. Under the Trust agreement, the consummation of the Merger was a change in control event. As a result, in November 2017, EID contributed \$571 million to the Trust. At the Separation, Corteva transferred \$39 million to DuPont. During the year ended December 31, 2019, \$62 million was distributed to EID according to the Trust agreement and at December 31, 2019, the balance in the Trust was \$409 million. During the year ended December 31, 2020, \$65 million was distributed to EID according to the Trust agreement and at December 31, 2020, the balance in the Trust was \$347 million.

Defined Contribution Plans

Corteva provides defined contribution benefits to its employees. The most significant is the U.S. Retirement Savings Plan ("the Plan"), which covers almost all of the U.S. full-service employees. This Plan includes a non-leveraged Employee Stock Ownership Plan ("ESOP"). Employees are not required to participate in the ESOP and those who do are free to diversify out of the ESOP. The purpose of the Plan is to provide retirement savings benefits for employees and to provide employees an opportunity to become stockholders of the company. The Plan is a tax qualified contributory profit sharing plan, with cash or deferred arrangement and any eligible employee of Corteva may participate. Currently, Corteva contributes 100 percent of the first 6 percent of the employee's contribution election and also contributes 3 percent of each eligible employee's eligible compensation regardless of the employee's contribution.

Corteva's contributions to the Plan were \$94 million, \$142 million, and \$183 million for the years ended December 31, 2020, 2019 and 2018, respectively. Corteva's matching contributions vest immediately upon contribution. The 3 percent nonmatching company contribution vests after employees complete three years of service. In addition, Corteva made contributions to other defined contribution plans of \$33 million, \$46 million, and \$82 million for the years ended December 31, 2020, 2019 and 2018, respectively. Included in Corteva's contributions are amounts related to discontinued operations of \$73 million and \$148 million, for the years ended December 31, 2019 and 2018, respectively.

NOTE 21 - STOCK-BASED COMPENSATION

Prior to the Corteva Distribution, Corteva employees held equity awards, including stock options, share appreciation rights (“SARs”), restricted stock units (“RSUs”) and performance-based restricted stock units (“PSUs”), which were denominated in DowDuPont common stock and, in some cases, in Dow Inc. common stock, and which had originally been issued under the DuPont Equity and Incentive Plan (“EIP”), the Dow Chemical Company 2012 Stock Incentive Plan or the Dow Chemical Company 1988 Award and Option Plan.

As discussed in Note 5 - Divestitures and Other Transactions, on April 1, 2019 the company entered into an employee matters agreement (the “EMA”) with DuPont and Dow that identifies employees and employee-related liabilities (and attributable assets) to be allocated (either retained, transferred and accepted, or assigned and assumed, as applicable) to the Parties as part of the Distributions and describes when and how the relevant transfers and assignments will occur. With some exceptions, the EMA provides for the equitable adjustment of existing equity incentive compensation awards denominated in the common stock of DowDuPont to reflect the occurrence of the Distributions.

In connection with the Separation on June 1, 2019, outstanding DowDuPont-denominated stock options, SARs, RSU and PSU awards were converted into Corteva-denominated awards under the “Employer Method,” or into both DuPont-denominated awards and Corteva-denominated awards under the “Shareholder Method,” using a formula designed to preserve the intrinsic value of the awards immediately prior to and subsequent to the Corteva Separation. The awards have the same terms and conditions under the applicable plans and award agreements prior to the Separation transactions. The conversions of equity awards did not have a material impact to the company’s consolidated financial statements.

On June 1, 2019 (“Adoption Date”), in connection with the Separation, the Omnibus Incentive Plan (the “OIP”) became effective. Under the OIP, the company may grant incentive awards, including stock options (both “incentive stock options” and nonqualified stock options), share appreciation rights, restricted shares, restricted stock units, other share-based awards and cash awards, to its and its subsidiaries’ eligible employees, non-employee directors, independent contractors and consultants following the Separation until the tenth anniversary of the Adoption Date, subject to an aggregate limit and annual individual limits. Under the OIP, the maximum number of shares reserved for the grant or settlement of awards is 20 million shares, excluding shares underlying certain exempt awards, such as the awards converted to Corteva-denominated awards pursuant to the Separation. At December 31, 2020, approximately 14 million shares were authorized for future grants under the OIP. The company generally satisfies stock option exercises and the vesting of RSUs and PSUs with newly issued shares of Corteva common stock, although RSU awards granted under Historical Dow plans in certain countries are settled in cash.

The compensation committee determines the long-term incentive mix, including stock options, RSUs and PSUs and may authorize new grants annually. The company estimates expected forfeitures.

The total stock-based compensation cost included in income (loss) from continuing operations before income taxes within the Consolidated Statement of Operations was \$73 million, \$84 million, and \$83 million for the years ended December 31, 2020, 2019 and 2018, respectively. The income tax benefits related to stock-based compensation arrangements were \$(15) million, \$(17) million, and \$(17) million for the years ended December 31, 2020, 2019 and 2018, respectively.

Stock Options

The exercise price of shares subject to option is equal to the market price of the company’s stock on the date of grant. All options vest serially over a period of three years. Stock option awards granted under the OIP between June 2019 and 2020 expire 10 years after the grant date. Stock option awards granted under the EIP (previous plan) between 2014 and 2015 expire seven years after the grant date and options granted between 2016 and May 2019 expire 10 years after the grant date. Stock option awards granted under the Historical Dow plans subsequent to 2010 expire 10 years after the grant date.

To measure the fair value of the awards on the date of grant, the company used the Black-Scholes option pricing model and the assumptions set forth in the below table. Under the OIP, the weighted-average grant-date fair value of options granted for the year ended December 31, 2020 was \$6.06. Under the EIP, the weighted-average grant-date fair value of options granted for the years ended December 31, 2019 and 2018 was \$7.29 and \$15.46, respectively.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

Weighted-Average Assumptions	OIP	EIP	
	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018
Dividend yield	1.67 %	1.55 %	2.1 %
Expected volatility	23.14 %	19.80 %	23.30 %
Risk-free interest rate	1.3 %	2.4 %	2.8 %
Expected life of stock options granted during period (years)	6.0	6.1	6.2

Under the OIP, the company determined the dividend yield by dividing the annualized dividend on Corteva's Common Stock by the option exercise price. A historical daily measurement of volatility is determined based on the expected life of the option granted. For the year ended December 31, 2020, the measurement of volatility is based on the average volatility of eight of Corteva's peer companies. Corteva's peer volatility is based on the historical volatility of each business respectively. The risk-free interest rate is determined by reference to the yield on an outstanding U.S. Treasury note with a term equal to the expected life of the option granted. Expected life is determined by utilizing the simplified method for estimating expected term as referenced under ASC 718 – Share based Payments.

Under the EIP, the company determined the dividend yield by dividing the annualized dividend on DowDuPont's Common Stock by the option exercise price.

A historical daily measurement of volatility is determined based on the expected life of the option granted. For the year ended December 31, 2019, the measurement of volatility is based on weighted average of the individual peer volatilities of DuPont and Corteva based on the size of each business respectively. DuPont and Corteva peer volatility are based on a 50/50 blend of historical volatility and implied volatility. Both volatility measures are based on the average of five peer companies for DuPont and eight peer companies for Corteva. For the year ended December 31, 2018, the measurement of volatility used DowDuPont stock information after the Merger date, and a weighted average of Historical Dow and Historical DuPont stock information prior to Merger date.

The risk-free interest rate is determined by reference to the yield on an outstanding U.S. Treasury note with a term equal to the expected life of the option granted. Expected life is determined by reference to the company's historical experience.

The following table summarizes stock option activity for year ended December 31, 2020 under the OIP:

Stock Options	For the Year Ended December 31, 2020			
	Number of Shares (in thousands)	Weighted Average Exercise Price (per share)	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at January 1, 2020	10,045	\$ 32.47	4.73	\$ 20,186
Granted	1,459	31.16		
Exercised	(2,349)	24.96		
Forfeited/Expired	(157)	34.24		
Outstanding at December 31, 2020	8,998	\$ 34.21	5.27	\$ 50,077
Exercisable at December 31, 2020	6,695	\$ 33.96	4.27	\$ 38,799

The aggregate intrinsic values in the table above represent the total pre-tax intrinsic value (the difference between the closing stock price on the last trading day of the December 31, 2020 and the exercise price, multiplied by the number of in-the-money options) that would have been received by the option holders had all option holders exercised their in-the-money options at period end. Under the OIP, the total intrinsic value of options exercised for the years ended December 31, 2020 and 2019 were \$21 million, and \$3 million, respectively. The company recognized tax benefits from options exercised for the years ended December 31, 2020 and 2019 of \$(4) million and \$(1) million, respectively.

Under the EIP, the total intrinsic value of options exercised for the years ended December 31, 2019 and 2018 were \$16 million and \$50 million, respectively. The company recognized tax benefits from options exercised for the year ended December 31, 2019 of \$(3) million.

As of December 31, 2020, \$3 million of total unrecognized pre-tax compensation expense related to nonvested stock options is expected to be recognized over a weighted-average period of about 0.56 years.

Restricted Stock Units and Performance Share Units

RSUs granted under the EIP serially vest over 3 years. RSUs granted under the Historical Dow plans vest after a designated period, generally 1 year to 3 years. RSUs granted under the OIP serially vest over 3 years. Upon vesting, these RSUs convert one-for-one to Corteva Common Stock. A retirement-eligible employee retains any granted awards upon retirement provided the employee has rendered at least six months of service following the grant date. Additional RSUs are also granted periodically to key senior management employees. These RSUs generally vest over periods ranging from 3 years to 5 years. The fair value of all stock-settled RSUs is based upon the market price of the underlying common stock as of the grant date.

The company grants PSUs to senior leadership. In 2020, there were 444,816 PSUs granted. Vesting for PSUs granted in 2020 is partially based on the realization of the Company's improvement of its Return on Invested Capital ("ROIC") and Operating Earnings Per Share (EPS) during the Performance Period. Vesting for PSUs granted in 2019 is partially based on the realization of the Company's improvement of its Return on Invested Capital ("ROIC") and Operating EBITDA during the Performance Period. Performance and payouts are determined independently for each metric. The actual award, delivered in Corteva Common Stock, can range from zero percent to 200 percent of the original grant. The weighted-average grant date fair value of the PSUs granted in 2020 of \$31.17 was based upon the market price of the underlying common stock as of the grant date.

Nonvested awards of RSUs and PSUs are shown below.

RSUs & PSUs	For the Year Ended December 31, 2020	
	Number of Shares (in thousands)	Weighted Average Grant Date Fair Value (per share)
Nonvested at January 1, 2020	5,438	\$ 32.49
Granted	1,970	\$ 31.15
Vested	(1,400)	\$ 34.69
Forfeited	(125)	\$ 31.16
Nonvested at December 31, 2020	5,883	\$ 31.54

The total fair value of stock units vested under the OIP for the years ended December 31, 2020 and 2019 was \$49 million and \$19 million, respectively. The weighted-average grant-date fair value of stock units granted under the OIP for the years ended December 31, 2020 and 2019 was \$31.15 and \$28.88.

The total fair value of stock units vested under the EIP during the years ended December 31, 2019 and 2018 was \$79 million and \$128 million, respectively. The weighted-average grant-date fair value of stock units granted under the EIP for the years ended December 31, 2019 and 2018 was \$52.19 and \$70.37, respectively.

As of December 31, 2020, \$56 million of total unrecognized pre-tax compensation expense related to RSUs and PSUs is expected to be recognized over a weighted average period of 0.67 years.

NOTE 22 - FINANCIAL INSTRUMENTS

At December 31, 2020, the company had \$2,511 million (\$1,293 million at December 31, 2019) of held-to-maturity securities (primarily time deposits and money market funds) classified as cash equivalents, as these securities had maturities of three months or less at the time of purchase; and \$43 million (\$5 million at December 31, 2019) of held-to-maturity securities (primarily time deposits) classified as marketable securities as these securities had maturities of more than three months to less than one year at the time of purchase. The company's investments in held-to-maturity securities are held at amortized cost, which approximates fair value. Additionally, at December 31, 2020, the company had \$226 million of available-for-sale securities (see below "Debt Securities" for further discussion). The above noted securities are included in cash and cash equivalents, marketable securities, and other current assets in the Consolidated Balance Sheets.

Derivative Instruments

Objectives and Strategies for Holding Derivative Instruments

In the ordinary course of business, the company enters into contractual arrangements (derivatives) to reduce its exposure to foreign currency and commodity price risks. The company has established a variety of derivative programs to be utilized for

financial risk management. These programs reflect varying levels of exposure coverage and time horizons based on an assessment of risk.

Derivative programs have procedures and controls and are approved by the Corporate Financial Risk Management Committee, consistent with the company's financial risk management policies and guidelines. Derivative instruments used are forwards, options, futures and swaps. The company has not designated any non-derivatives as hedging instruments.

The company's financial risk management procedures also address counterparty credit approval, limits and routine exposure monitoring and reporting. The counterparties to these contractual arrangements are major financial institutions and major commodity exchanges, and multinational grain exporters. The company is exposed to credit loss in the event of nonperformance by these counterparties. The company utilizes collateral support annex agreements with certain counterparties to limit its exposure to credit losses. The company anticipates performance by counterparties to these contracts and therefore no material loss is expected. Market and counterparty credit risks associated with these instruments are regularly reported to management.

The notional amounts of the company's derivative instruments were as follows:

Notional Amounts (In millions)	December 31, 2020	December 31, 2019
<i>Derivatives designated as hedging instruments:</i>		
Foreign currency contracts	\$ 1,164	\$ —
Commodity contracts	\$ 383	\$ 570
<i>Derivatives not designated as hedging instruments:</i>		
Foreign currency contracts	\$ 647	\$ 582

Foreign Currency Risk

The company's objective in managing exposure to foreign currency fluctuations is to reduce earnings and cash flow volatility associated with foreign currency rate changes and to mitigate the exposure of certain investments in foreign subsidiaries against changes in the Euro/USD exchange rate. Accordingly, the company enters into various contracts that change in value as foreign exchange rates change to protect the value of its existing foreign currency-denominated assets, liabilities, commitments, investments and cash flows.

The company uses foreign exchange contracts to offset its net exposures, by currency, related to the foreign currency denominated monetary assets and liabilities of its operations. The primary business objective of this hedging program is to maintain an approximately balanced position in foreign currencies so that exchange gains and losses resulting from exchange rate changes, after related tax effects, are minimized. The company also uses foreign currency exchange contracts to offset a portion of the company's exposure to certain forecasted transactions as well as the translation of foreign currency-denominated earnings. The company also uses commodity contracts to offset risks associated with foreign currency devaluation in certain countries.

Commodity Price Risk

Commodity price risk management programs serve to reduce exposure to price fluctuations on purchases of inventory such as corn and soybeans. The company enters into over-the-counter and exchange-traded derivative commodity instruments to hedge the commodity price risk associated with agricultural commodity exposures.

Derivatives Designated as Cash Flow Hedges

Commodity Contracts

The company enters into over-the-counter and exchange-traded derivative commodity instruments, including options, futures and swaps, to hedge the commodity price risk associated with agriculture commodity exposures.

While each risk management program has a different time maturity period, most programs currently do not extend beyond the next two years. Cash flow hedge results are reclassified into earnings during the same period in which the related exposure impacts earnings. Reclassifications are made sooner if it appears that a forecasted transaction is not probable of occurring.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

The following table summarizes the after-tax effect of commodity contract cash flow hedges on accumulated other comprehensive loss:

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Beginning balance	\$ 2	\$ (26)	\$ (2)
Additions and revaluations of derivatives designated as cash flow hedges	(44)	16	(19)
Clearance of hedge results to earnings	26	12	(5)
Ending balance	\$ (16)	\$ 2	\$ (26)

At December 31, 2020, an after-tax net loss of \$14 million is expected to be reclassified from accumulated other comprehensive loss into earnings over the next twelve months.

Foreign Currency Contracts

The company enters into forward contracts to hedge the foreign currency risk associated with forecasted transactions within certain foreign subsidiaries.

While each risk management program has a different time maturity period, most programs currently do not extend beyond the next two years. Cash flow hedge results are reclassified into earnings during the same period in which the related exposure impacts earnings. Reclassifications are made sooner if it appears that a forecasted transaction is not probable of occurring.

The following table summarizes the after-tax effect of foreign currency cash flow hedges on accumulated other comprehensive loss:

(In millions)	For the Year Ended December 31, 2020
Beginning balance	\$ —
Additions and revaluations of derivatives designated as cash flow hedges	(3)
Clearance of hedges results to earnings	(14)
Ending balance	\$ (17)

At December 31, 2020, an after-tax net loss of \$17 million is expected to be reclassified from accumulated other comprehensive loss into earnings over the next twelve months.

Derivatives Designated as Net Investment Hedges

Foreign Currency Contracts

The company has designated €450 million of forward contracts to exchange EUR as net investment hedges. The purpose of these forward contracts is to mitigate FX exposure related to a portion of the company's Euro net investments in certain foreign subsidiaries against changes in Euro/USD exchange rates. These hedges will expire and be settled in 2023, unless terminated early at the discretion of the company.

The company elected to apply the spot method in testing for effectiveness of the hedging relationship.

Derivatives not Designated in Hedging Relationships

Foreign Currency Contracts

The company uses foreign exchange contracts to reduce its net exposure, by currency, related to foreign currency-denominated monetary assets and liabilities of its operations so that exchange gains and losses resulting from exchange rate changes are minimized. The netting of such exposures precludes the use of hedge accounting; however, the required revaluation of the forward contracts and the associated foreign currency-denominated monetary assets and liabilities intends to achieve a minimal earnings impact, after taxes. The company also uses foreign currency exchange contracts to offset a portion of the company's exposure to the translation of certain foreign currency-denominated earnings so that gains and losses on the contracts offset changes in the USD value of the related foreign currency-denominated earnings over the relevant aggregate period.

Commodity Contracts

The company utilizes options, futures and swaps that are not designated as hedging instruments to reduce exposure to commodity price fluctuations on purchases of inventory such as corn and soybeans. The company uses forward agreements,

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

with durations less than one year, to buy and sell USD priced commodities in order to reduce its exposure to currency devaluation for a portion of its local currency cash balances. Counterparties to the forward sales agreements are multinational grain exporters and subject to the company's financial risk management procedures.

Fair Value of Derivative Instruments

Asset and liability derivatives subject to an enforceable master netting arrangement with the same counterparty are presented on a net basis in the Consolidated Balance Sheets. The presentation of the company's derivative assets and liabilities is as follows:

		December 31, 2020		
(In millions)	Balance Sheet Location	Gross	Counterparty and Cash Collateral Netting ¹	Net Amounts Included in the Consolidated Balance Sheet
Asset derivatives:				
Derivatives designated as hedging instruments:				
Foreign currency contracts	Other current assets	\$ 15	\$ —	\$ 15
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Other current assets	40	(40)	—
Total asset derivatives		\$ 55	\$ (40)	\$ 15
Liability derivatives:				
Derivatives designated as hedging instruments:				
Foreign currency contracts	Accrued and other current liabilities	\$ 38	\$ —	\$ 38
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Accrued and other current liabilities	97	(40)	57
Total liability derivatives		\$ 135	\$ (40)	\$ 95

		December 31, 2019		
(In millions)	Balance Sheet Location	Gross	Counterparty and Cash Collateral Netting ¹	Net Amounts Included in the Consolidated Balance Sheet
Asset derivatives:				
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Other current assets	\$ 25	\$ (18)	\$ 7
Total asset derivatives		\$ 25	\$ (18)	\$ 7
Liability derivatives:				
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Accrued and other current liabilities	\$ 43	\$ (16)	\$ 27
Total liability derivatives		\$ 43	\$ (16)	\$ 27

¹ Counterparty and cash collateral amounts represent the estimated net settlement amount when applying netting and set-off rights included in master netting arrangements between the company and its counterparties and the payable or receivable for cash collateral held or placed with the same counterparty.

Effect of Derivative Instruments

(In millions)	Amount of Gain (Loss) Recognized in OCI ¹ - Pre-Tax		
	For the Year Ended December 31,		
	2020	2019	2018
Derivatives designated as hedging instruments:			
Net investment hedges:			
Foreign currency contracts	\$ (45)	\$ —	\$ —
Cash flow hedges:			
Foreign currency contracts	(4)	—	—
Commodity contracts	(62)	23	(24)
Total derivatives designated as hedging instruments	\$ (111)	\$ 23	\$ (24)

¹ OCI is defined as other comprehensive income (loss).

(in millions)	Amount of (Loss) Gain Recognized in Income - Pre-Tax ¹		
	For the Year Ended December 31,		
	2020	2019	2018
Derivatives designated as hedging instruments:			
Cash flow hedges:			
Foreign currency contracts ²	\$ 17	\$ —	\$ —
Commodity contracts ²	(35)	(13)	6
Total derivatives designated as hedging instruments	(18)	(13)	6
Derivatives not designated as hedging instruments:			
Foreign currency contracts ³	89	(58)	94
Foreign currency contracts ²	14	—	—
Commodity contracts ²	9	9	5
Total derivatives not designated as hedging instruments	112	(49)	99
Total derivatives	\$ 94	\$ (62)	\$ 105

¹ For cash flow hedges, this represents the portion of the gain (loss) reclassified from accumulated OCI into income during the period.

² Recorded in cost of goods sold.

³ Gain recognized in other income (expense) - net was partially offset by the related gain on the foreign currency-denominated monetary assets and liabilities of the company's operations. See Note 9 - Supplementary Information, to the Consolidated Financial Statements for additional information.

Debt Securities

The company's investment in debt securities are classified as available-for-sale. The following table summarizes the contractual maturities of the company's investments in debt securities:

Contractual Maturities of Debt Securities at December 31, 2020		
(In millions)	Amortized Cost	Fair Value
Within one year	\$ 67	\$ 67
One to five years	159	159
Total	\$ 226	\$ 226

The estimated fair value of the available-for-sale securities as of December 31, 2020 was determined using Level 1 inputs within the fair value hierarchy. Level 1 measurements were based on quoted market prices in active markets for identical assets and liabilities. The available-for-sale securities as of December 31, 2020 are held by certain foreign subsidiaries in which the USD is not the functional currency. The fluctuations in foreign exchange are recorded in accumulated other comprehensive loss within the Consolidated Statements of Equity. These fluctuations are subsequently reclassified from accumulated other comprehensive loss to earnings in the period in which the marketable securities are sold and the gains and losses on these securities offset a portion of the foreign exchange fluctuations in earnings for the company.

NOTE 23 - FAIR VALUE MEASUREMENTS

The following tables summarize the basis used to measure certain assets and liabilities at fair value on a recurring basis:

December 31, 2020 (In millions)	<i>Significant Other Observable Inputs</i>	
	<i>Level 1</i>	<i>Level 2</i>
Assets at fair value:		
Marketable securities	\$ —	\$ 43
Debt securities:		
U.S. treasuries ¹	226	—
Derivatives relating to: ²		
Foreign currency	—	55
Total assets at fair value	\$ 226	\$ 98
Liabilities at fair value:		
Derivatives relating to: ²		
Foreign currency	—	135
Total liabilities at fair value	\$ —	\$ 135

December 31, 2019 (In millions)	<i>Significant Other Observable Inputs (Level 2)</i>	
Assets at fair value:		
Marketable securities	\$ —	5
Derivatives relating to: ²		
Foreign currency		25
Total assets at fair value	\$ —	30
Liabilities at fair value:		
Derivatives relating to: ²		
Foreign currency	\$ —	43
Total liabilities at fair value	\$ —	43

¹ The company's investments in debt securities, which are primarily available-for-sale, are included in "marketable securities" in the Consolidated Balance sheets.

² See Note 22 - Financial Instruments, to the Consolidated Financial Statements, for the classification of derivatives in the Consolidated Balance Sheets.

For assets and liabilities classified as Level 1 measurements (measured using quoted prices in active markets), total fair value is either the price of the most recent trade at the time of the market close or the official close price, as defined by the exchange on which the asset is most actively traded on the last trading day of the period, multiplied by the number of units held without consideration of transaction costs.

For assets and liabilities classified as Level 2 measurements, where the security is frequently traded in less active markets, fair value is based on the closing price at the end of the period; where the security is less frequently traded, fair value is based on the price a dealer would pay for the security or similar securities, adjusted for any terms specific to that asset or liability, or by using observable market data points of similar, more liquid securities to imply the price. For time deposits classified as held-to-maturity investments and reported at amortized cost, fair value is based on an observable interest rate for similar securities. Market inputs are obtained from well-established and recognized vendors of market data and subjected to tolerance and quality checks.

For derivative assets and liabilities, standard industry models are used to calculate the fair value of the various financial instruments based on significant observable market inputs, such as foreign exchange rates, commodity prices, swap rates and

implied volatilities obtained from various market sources. Market inputs are obtained from well-established and recognized vendors of market data and subjected to tolerance/quality checks.

For all other assets and liabilities for which observable inputs are used, fair value is derived through the use of fair value models, such as a discounted cash flow model or other standard pricing models. See Note 22 - Financial Instruments, to the Consolidated Financial Statements, for further information on the types of instruments used by the company for risk management.

There were no transfers between Levels 1 and 2 during the years ended December 31, 2020 and 2019.

For assets classified as Level 3 measurements, the fair value is based on significant unobservable inputs including assumptions where there is little, if any, market activity. The fair value of the company's interests held in trade receivable conduits is determined by calculating the expected amount of cash to be received using the key input of anticipated credit losses in the portfolio of receivables sold that have not yet been collected. Given the short-term nature of the underlying receivables, discount rate and prepayments are not factors in determining the fair value of the interests.

Fair Value Measurements on a Nonrecurring Basis

The following table summarizes the basis used to measure certain assets at fair value on a nonrecurring basis:

Basis of Fair Value Measurements on a Nonrecurring Basis (In millions)	<i>Significant Other Unobservable Inputs (Level 3)</i>	<i>Total Losses</i>
2019		
Assets at fair value:		
Developed technology	\$ —	\$ (1)
Other intangible assets	\$ —	\$ (6)
IPR&D	\$ —	\$ (137)
2018		
Assets at fair value:		
Investment in nonconsolidated affiliates	\$ 51	\$ (41)
IPR&D	\$ 450	\$ (85)

During the third and fourth quarter of 2019, the company recorded impairment charges to developed technology, other intangible assets, and IPR&D. During the third quarter of 2018, the company recorded a goodwill impairment charge related to its agriculture reporting unit and impairment charges to other intangible assets and investment in nonconsolidated affiliates. See Note 7 - Restructuring and Asset Related Charges - Net, and Note 15 - Goodwill and Other Intangible Assets, to the Consolidated Financial Statements, for further discussion of these fair value measurements.

Corteva, Inc.
Notes to the Consolidated Financial Statements (continued)

NOTE 24 - GEOGRAPHIC INFORMATION

Sales are attributed to geographic areas based on customer location; long-lived assets are attributed to geographic areas based on asset location.

(In millions)	Net Sales		
	For the Year Ended December 31,		
	2020	2019	2018
United States	\$ 6,510	\$ 6,255	\$ 6,725
Canada	658	674	687
EMEA	2,842	2,740	2,765
Latin America ¹	2,805	2,889	2,817
Asia Pacific	1,402	1,288	1,293
Total	\$ 14,217	\$ 13,846	\$ 14,287

1. Net sales for Brazil for the years ended December 31, 2020, 2019 and 2018 were \$1,724 million, \$1,794 million and \$1,732 million, respectively.

(In millions)	Net Property		
	2020	2019	2018
United States	\$ 3,014	\$ 3,069	\$ 3,161
Canada	122	125	88
EMEA	601	566	546
Latin America	510	608	568
Asia Pacific	149	178	181
Total	\$ 4,396	\$ 4,546	\$ 4,544

NOTE 25 - SEGMENT INFORMATION

Corteva's reportable segments reflects the manner in which its chief operating decision maker ("CODM") allocates resources and assesses performance, which is at the operating segment level (seed and crop protection). For purposes of allocating resources to the segments and assessing segment performance, segment operating EBITDA is the primary measure used by Corteva's CODM. The company defines segment operating EBITDA as earnings (i.e., income (loss) from continuing operations before income taxes) before interest, depreciation, amortization, corporate expenses, non-operating (benefits) costs - net and foreign exchange gains (losses), net, excluding the impact of significant items. Non-operating (benefits) costs - net consists of non-operating pension and other post-employment benefit (OPEB) costs, tax indemnification adjustments and environmental remediation and legal costs associated with legacy EID businesses and sites. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense. For the years ended December 31, 2019 and 2018, segment operating EBITDA is calculated on a pro forma basis, as this is the manner in which the CODM assesses performance and allocates resources or expense.

Pro forma adjustments used in the calculation of pro forma segment operating EBITDA for the years ended December 31, 2019 and 2018 were determined in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments. These adjustments give effect to the Merger, the debt retirement transactions related to paying off or retiring portions of EID's existing debt liabilities (as discussed in Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements), and the separation and distribution to DowDuPont stockholders of all the outstanding shares of Corteva common stock as if they had been consummated on January 1, 2016.

Corporate Profile

The company conducts its global operations through the following reportable segments:

Seed

The company's seed segment is a global leader in developing and supplying advanced germplasm and traits that produce optimum yield for farms around the world. The segment is a leader in many of the company's key seed markets, including North America corn and soybeans, Europe corn and sunflower, as well as Brazil, India, South Africa and Argentina corn. The segment offers trait technologies that improve resistance to weather, disease, insects and herbicides used to control weeds, and trait technologies that enhance food and nutritional characteristics. In addition, the segment provides digital solutions that assist farmer decision-making with a view to optimize product selection and, ultimately, help maximize yield and profitability.

Crop Protection

The crop protection segment serves the global agricultural input industry with products that protect against weeds, insects and other pests, and disease, and that improve overall crop health both above and below ground via nitrogen management and seed-applied technologies. The segment is a leader in global herbicides, insecticides, nitrogen stabilizers and pasture and range management herbicides.

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Notes to the Consolidated Financial Statements (continued)

(In millions)	Seed	Crop Protection	Total
As of and for the Year Ended December 31, 2020			
Net sales	\$ 7,756	\$ 6,461	\$ 14,217
Segment operating EBITDA	\$ 1,208	\$ 1,004	\$ 2,212
Depreciation and amortization	\$ 798	\$ 379	\$ 1,177
Segment assets	\$ 23,751	\$ 13,099	\$ 36,850
Investments in nonconsolidated affiliates	\$ 22	\$ 44	\$ 66
Purchases of property, plant and equipment	\$ 225	\$ 250	\$ 475
As of and for the Year Ended December 31, 2019			
Net sales	\$ 7,590	\$ 6,256	\$ 13,846
Pro forma segment operating EBITDA	\$ 1,040	\$ 1,066	\$ 2,106
Depreciation and amortization	\$ 628	\$ 372	\$ 1,000
Segment assets ¹	\$ 25,387	\$ 13,492	\$ 38,879
Investments in nonconsolidated affiliates	\$ 27	\$ 39	\$ 66
Purchases of property, plant and equipment	\$ 373	\$ 293	\$ 666
As of and for the Year Ended December 31, 2018			
Net sales	\$ 7,842	\$ 6,445	\$ 14,287
Pro forma segment operating EBITDA	\$ 1,139	\$ 1,074	\$ 2,213
Depreciation and amortization	\$ 534	\$ 375	\$ 909
Segment assets	\$ 29,286	\$ 9,346	\$ 38,632
Investments in nonconsolidated affiliates	\$ 102	\$ 36	\$ 138
Purchase of property, plant and equipment	\$ 263	\$ 250	\$ 513

1. On June 1, 2019, as a result of changes in reportable segments, \$3,382 million of goodwill was reallocated from the seed reportable segment to the crop protection reportable segment. This change was not reflected in segment assets prior to June 1, 2019.

Reconciliation to Consolidated Financial Statements

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Income (loss) from continuing operations after income taxes to segment operating EBITDA			
Income (loss) from continuing operations after income taxes	\$ 756	\$ (270)	\$ (6,775)
Benefit from income taxes on continuing operations	(81)	(46)	(31)
Income (loss) from continuing operations before income taxes	675	(316)	(6,806)
Depreciation and amortization	1,177	1,000	909
Interest income	(56)	(59)	(86)
Interest expense	45	136	337
Exchange losses - net ¹	174	66	77
Non-operating benefits - net	(316)	(129)	(211)
Goodwill impairment charge	—	—	4,503
Significant items	388	991	1,346
Pro forma adjustments	—	298	2,003
Corporate expenses	125	119	141
Segment operating EBITDA²	\$ 2,212	\$ 2,106	\$ 2,213

1. Excludes a \$(33) million foreign exchange loss for the year ended December 31, 2019 associated with the devaluation of the Argentine peso and a \$(50) million foreign exchange loss for the year ended December 31, 2018 related to adjustments to foreign currency exchange contracts as a result of U.S. tax reform, as they are included within significant items. See Note 9 - Supplementary Information, to the Consolidated Financial Statements, for additional information.

2. The years ended December 31, 2019 and December 31, 2018 are presented on a pro forma basis, prepared in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments.

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Notes to the Consolidated Financial Statements (continued)

Segment assets to total assets (in millions)	December 31, 2020	December 31, 2019	December 31, 2018
Total segment assets	\$ 36,850	\$ 38,879	\$ 38,632
Corporate assets	5,799	3,518	4,417
Assets related to discontinued operations ¹	—	—	65,634
Total assets	\$ 42,649	\$ 42,397	\$ 108,683

1. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements, for additional information on discontinued operations.

Other Items (in millions)	Segment Totals	Adjustments ¹	Consolidated Totals
As of and For the Year Ended December 31, 2019			
Depreciation and amortization	\$ 1,000	\$ 599	\$ 1,599
Purchase of property, plant and equipment	\$ 666	\$ 497	\$ 1,163
As of and For the Year Ended December 31, 2018			
Depreciation and amortization	\$ 909	\$ 1,881	\$ 2,790
Purchase of property, plant and equipment	\$ 513	\$ 988	\$ 1,501

1. See Note 5 - Divestitures and Other Transactions, to the Consolidated Financial Statements, for additional information.

Significant Pre-tax (Charges) Benefits Not Included in Segment Operating EBITDA

The years ended December 31, 2020, 2019 and 2018, respectively, included the following significant pre-tax (charges) benefits which are excluded from segment operating EBITDA:

(In millions)	Seed	Crop Protection	Corporate	Total
For the Year Ended December 31, 2020				
Restructuring and Asset Related Charges - Net ¹	\$ (165)	\$ (109)	\$ (61)	\$ (335)
Loss on Divestiture ²	—	(53)	—	(53)
Total	\$ (165)	\$ (162)	\$ (61)	\$ (388)

(In millions)	Seed	Crop Protection	Corporate	Total
For the Year Ended December 31, 2019³				
Restructuring and Asset Related Charges - Net ¹	\$ (213)	\$ (23)	\$ 14	\$ (222)
Integration and Separation Costs ⁴	—	—	(632)	(632)
Loss on Divestiture ⁵	(24)	—	—	(24)
Amortization of Inventory Step Up ⁶	(67)	—	—	(67)
Loss on Early Extinguishment of Debt ⁷	—	—	(13)	(13)
Argentina Currency Devaluation ⁸	—	—	(33)	(33)
Total	\$ (304)	\$ (23)	\$ (664)	\$ (991)

(In millions)	Seed	Crop Protection	Corporate	Total
For the Year Ended December 31, 2018³				
Restructuring and Asset Related Charges - Net ¹	\$ (368)	\$ (58)	\$ (268)	\$ (694)
Integration Costs ⁴	—	—	(571)	(571)
Gain on Sale ⁹	24	—	—	24
Loss on Deconsolidation of Subsidiary ¹⁰	(53)	—	—	(53)
Loss on Divestiture ¹¹	(2)	—	—	(2)
Income Tax Items ¹²	—	—	(50)	(50)
Total	\$ (399)	\$ (58)	\$ (889)	\$ (1,346)

1. Includes Board approved restructuring plans and asset related charges as well as accelerated prepaid amortization. See Note 7 - Restructuring and Asset Related Charges - Net, to the Consolidated Financial Statements, for additional information.
2. Includes a loss recorded in other income - net related to the expected sale of the La Porte site.
3. The years ended December 31, 2019 and December 31, 2018 are presented on a pro forma basis, prepared in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments.
4. Integration and separation costs include costs incurred to prepare for and close the Merger, post-Merger integration expenses, and costs incurred to prepare for the Internal Reorganizations. Beginning in the second quarter of 2019, this includes both integration and separation costs.
5. Includes a loss recorded in other income - net related to DAS's sale of a joint venture related to synergy actions.
6. Includes a charge related to the amortization of the inventory that was stepped up to fair value in connection with the Merger.
7. Includes a loss on early extinguishment of debt related to the difference between the redemption price and the par value of the Make Whole Notes and Term Loan Facility, partially offset by the write-off of unamortized step-up related to the fair value step-up of EID's debt.
8. Includes a charge included in other income (expense) - net associated with remeasuring the company's Argentine Peso net monetary assets, resulting from an unexpected August primary election result in Argentina. Throughout the three months ended September 30, 2019, the Argentine Peso dropped approximately a third of its value against the US dollar and in September of 2019, the country's central bank announced new restrictions on foreign currency transactions.
9. Includes a gain recorded in other income (expense) - net related to an asset sale.
10. Includes a loss recorded in other income (expense) - net related to the deconsolidation of a subsidiary.
11. Includes a loss recorded in other income (expense) - net related to an asset sale.
12. Includes a foreign exchange loss recorded in other income (expense) - net related to adjustments to foreign currency exchange contracts as a result of U.S. tax reform.

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Notes to the Consolidated Financial Statements (continued)

NOTE 26 - QUARTERLY FINANCIAL DATA (UNAUDITED)

In millions, except per share amounts	For the Quarter Ended			
	March 31,	June 30,	September 30,	December 31,
2020				
Net sales	\$ 3,956	\$ 5,191	\$ 1,863	\$ 3,207
Cost of goods sold	2,269	2,829	1,297	2,112
Restructuring and asset related charges - net ¹	70	179	49	37
Income (loss) from continuing operations after income taxes	281 ^{3,4}	766 ⁵	(390)	99 ⁶
Net income (loss) attributable to Corteva ¹	272	760	(392)	41
Earnings (loss) per common share, continuing operations - basic ²	0.36	1.01	(0.52)	0.13
Earnings (loss) per common share, continuing operations - diluted ²	0.36	1.01	(0.52)	0.13
2019				
Net sales	\$ 3,396	\$ 5,556	\$ 1,911	\$ 2,983
Cost of goods sold ⁷	2,211	3,047	1,349	1,968
Restructuring and asset related charges - net ¹	61	60	46	55
Integration and separation costs ¹	212	330	152	50
(Loss) income from continuing operations after income taxes	(184) ⁸	483 ⁹	(527) ^{10, 11}	(42) ¹²
Net income (loss) attributable to Corteva ¹	164	(608)	(494)	(21)
(Loss) earnings per common share, continuing operations - basic ²	(0.26)	0.63	(0.69)	(0.06)
(Loss) earnings per common share, continuing operations - diluted ²	(0.26)	0.63	(0.69)	(0.06)

1. See Note 2 - Summary of Significant Accounting Policies, Note 7 - Restructuring and Asset Related Charges - Net, Note 5 - Divestitures and Other Transactions, and Note 15 - Goodwill and Other Intangible Assets, to the Consolidated Financial Statements for additional information related to integration and separation costs, restructuring and asset related charges - net, and discontinued operations, respectively.
2. Earnings per share for the year may not equal the sum of quarterly earnings per share due to rounding and the changes in average share calculations.
3. First quarter 2020 includes a loss of \$(53) million recorded in other income - net related to the expected sale of the La Porte site, for which the company signed an agreement during the first quarter 2020.
4. First quarter 2020 includes a \$19 million after tax charge related to the impact of a state tax valuation allowance in the U.S. based on a change in judgment about the realizability of a deferred tax asset. See Note 10 - Income Taxes, to the Consolidated Financial Statements, for additional information.
5. Second quarter 2020 includes an after-tax benefit of \$(29) million due to an elective change in accounting method that alters the 2019 impact of the business separation on the 2017 Tax Cuts and Jobs Act's foreign tax provision. See Note 10 - Income Taxes, to the Consolidated Financial Statements for additional information.
6. Fourth quarter 2020 includes an after-tax benefit of \$(182) million related to Swiss Tax Reform. See Note 10 - Income Taxes, to the Consolidated Financial Statements, for additional information.
7. Includes charges of \$205 million, \$52 million, and \$15 million for the first quarter 2019, second quarter 2019, and third quarter 2019, respectively, related to the amortization of inventory step-up as a result of the Merger.
8. First quarter 2019 includes a \$(24) million loss recorded in other income (expense) - net related to Historical Dow's sale of a joint venture related to synergy actions.
9. Includes a loss on early extinguishment of debt of \$(13) million in the second quarter of 2019 related to the retirement of some of the company's debt. See Note 17 - Long-Term Debt and Available Credit Facilities, to the Consolidated Financial Statements for additional information.
10. Third quarter 2019 includes a \$33 million charge included in other income (expense) - net associated with remeasuring the company's Argentine Peso net monetary assets, resulting from an unexpected August primary election result in Argentina.
11. Third quarter 2019 includes a tax benefit of \$(38) million related to Swiss Tax Reform. See Note 10 - Income Taxes, to the Consolidated Financial Statements for additional information.
12. Fourth quarter 2019 includes a tax benefit of \$(34) million related to the impact of the release of a tax valuation allowance recorded against the net deferred tax asset position of a Switzerland legal entity. See Note 10 - Income Taxes, to the Consolidated Financial Statements for additional information.

NOTE 27 - SUBSEQUENT EVENTS

On January 22, 2021, Chemours, DuPont, Corteva and EID entered into a binding memorandum of understanding containing a settlement to resolve legal disputes originating from the Delaware Litigation and Pending Arbitration, and to establish a cost sharing arrangement and escrow account to be used to support and manage potential future legacy per- and polyfluoroalkyl substances ("PFAS") liabilities arising out of pre-July 1, 2015 conduct (the "MOU"). The MOU replaces the 2017 amendment to the Chemours Separation Agreement. In addition, in January 2021 Chemours, DuPont and Corteva agreed to settle approximately 95 matters, as well as unfiled matters remaining in the Ohio MDL. For further discussion, see Note 18 - Commitments and Contingent Liabilities, to the Consolidated Financial Statements.

On February 1, 2021, Corteva approved restructuring actions designed to right-size and optimize footprint and organizational structure according to the business needs in each region with the focus on driving continued cost improvement and productivity. Corteva expects to record total pre-tax restructuring and asset-related charges of approximately \$130 million to \$170 million, comprised of approximately \$40 million to \$50 million of severance and related benefit costs, \$40 million to \$60 million of asset related charges, \$10 million to \$15 million of asset retirement obligations and \$40 million to \$45 million of costs related to contract terminations. Future cash payments related to this charge are anticipated to be approximately \$90 million to \$110 million, primarily related to the payment of severance and related benefits, asset retirement obligations, and costs related to contract terminations. The restructuring actions associated with this charge are expected to be substantially complete in 2021.

In February 2021, the company entered into a new committed receivable repurchase facility of up to \$1 billion (the "2021 Repurchase Facility") which expires in December 2021. Under the 2021 Repurchase Facility, Corteva may sell a portfolio of available and eligible outstanding customer notes receivables to participating institutions and simultaneously agree to repurchase at a future date. The 2021 Repurchase Facility is considered a secured borrowing with the customer notes receivables inclusive of those that are sold and repurchased, equal to 105 percent of the outstanding amounts borrowed utilized as collateral. Borrowings under the 2021 Repurchase Facility will have an interest rate of LIBOR+0.85 percent.

Management's Reports on Responsibility for Financial Statements and Internal Control over Financial Reporting

Management's Report on Responsibility for Financial Statements

Management is responsible for the Consolidated Financial Statements and the other financial information contained in this Annual Report on Form 10-K. The financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and are considered by management to present fairly EID's financial position, results of operations and cash flows. The financial statements include some amounts that are based on management's best estimates and judgments. The financial statements have been audited by EID's independent registered public accounting firm, PricewaterhouseCoopers LLP. The purpose of their audit is to express an opinion as to whether the Consolidated Financial Statements included in this Annual Report on Form 10-K present fairly, in all material respects, EID's financial position, results of operations and cash flows in conformity with GAAP. Their reports are presented on the following pages.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. EID's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. EID's internal control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of EID;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of EID are being made only in accordance with authorization of management and directors of EID; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of EID's assets that could have a material effect on the financial statements.

Internal control over financial reporting has certain inherent limitations which may not prevent or detect misstatements. In addition, changes in conditions and business practices may cause variation in the effectiveness of internal controls.

Management assessed the effectiveness of EID's internal control over financial reporting as of December 31, 2020, based on criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control-Integrated Framework (2013)*. Based on its assessment and those criteria, management concluded that EID maintained effective internal control over financial reporting as of December 31, 2020.

PricewaterhouseCoopers LLP, an independent registered public accounting firm, has audited the effectiveness of EID's internal control over financial reporting as of December 31, 2020, as stated in their report, which is presented on the following pages.



James C. Collins, Jr.
Chief Executive Officer and Director

Gregory R. Friedman
Executive Vice President,
Chief Financial Officer and Director

February 11, 2021

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of E. I. du Pont de Nemours and Company

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of E. I. du Pont de Nemours and Company and its subsidiaries (the “Company”) as of December 31, 2020 and 2019, and the related consolidated statements of operations, comprehensive income (loss), equity and cash flows for each of the three years in the period ended December 31, 2020, including the related notes and schedule of valuation and qualifying accounts for each of the three years in the period ended December 31, 2020 appearing under Item 15(a) (collectively referred to as the “consolidated financial statements”). We also have audited the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, based on our audits and the report of other auditors with respect to the consolidated financial statements for the year ended December 31, 2018, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

We did not audit the combined financial statements of the Dow Agricultural Sciences Business, a business under common control of the Company, which statements reflect total assets of \$7,773 million as of December 31, 2018, and total net sales of \$5,646 million for the year ended December 31, 2018. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for the Dow Agricultural Sciences Business as of and for the year ended December 31, 2018, is based solely on the report of the other auditors.

Change in Accounting Principle

As discussed in Note 2 to the Corteva, Inc. consolidated financial statements, the Company changed the manner in which it accounts for leases in 2019.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits and the report of other auditors provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill (Seed Reporting Unit) and Intangible Asset (Trade name) Impairment Assessments

As described in Notes 2 and 15 to the Corteva, Inc. consolidated financial statements, the Company's consolidated goodwill and intangible asset balances were \$10.3 billion and \$10.7 billion, respectively, as of December 31, 2020. The goodwill associated with the seed reporting unit was \$5.5 billion and the trademarks/trade names intangible assets were \$1.9 billion as of December 31, 2020, which includes a trade name for which management changed the indefinite life assertion to definite-lived with a useful life of 25 years beginning on October 1, 2020. Management tests goodwill for impairment at the reporting unit level at least annually, or more frequently when events or changes in circumstances indicate it is more likely than not that the fair value of a reporting unit has declined below its carrying value. Indefinite-lived intangible assets are tested for impairment at least annually; however, these tests are performed more frequently when events or changes in circumstances indicate that the asset may be impaired. During the second quarter of 2020, management determined a triggering event had occurred that required an interim impairment assessment for its seed and crop protection reporting units and trade name indefinite-lived intangible asset. Prior to changing the useful life of the trade name asset, management tested the asset for impairment, concluding the asset was not impaired. Management determined fair values for each of the reporting units using a discounted cash flow model. Management's significant assumptions in these analyses included future cash flow projections, the weighted average cost of capital, the terminal growth rate, and the tax rate. Management performed the intangible asset impairment assessments using the relief from royalty method. The significant assumptions used by management in the relief from royalty method included projected revenue, the royalty rate, the discount rate, and the terminal growth rate.

The principal considerations for our determination that performing procedures relating to the goodwill (seed reporting unit) and intangible asset (trade name) impairment assessments is a critical audit matter are (i) the significant judgment by management when developing the fair value measurements of the seed reporting unit and trade name intangible asset, (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to future cash flow projections, which included projected revenue, gross margin and other costs and expenses, the weighted average cost of capital, and the terminal growth rate as it relates to the fair value of the seed reporting unit, and management's significant assumptions related to projected revenue, the royalty rate, the discount rate, and the terminal growth rate as it relates to the fair value of the trade name intangible asset, and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill (seed reporting unit) and intangible asset (trade name) impairment assessments, including controls over the valuations of the seed reporting unit and trade name intangible asset. These procedures also included, among others, testing management's process for developing the fair value estimates; evaluating the appropriateness of the discounted cash flow models and relief from royalty method; testing the completeness, accuracy, and relevance of underlying data used in the discounted cash flow models and relief from royalty method; and evaluating the reasonableness of significant assumptions used

by management related to projected revenue, gross margin, other costs and expenses, the weighted average cost of capital and the terminal growth rate as it relates to the fair value of the seed reporting unit, and projected revenue, the royalty rate, the discount rate and the terminal growth rate as it relates to the fair value of the trade name intangible asset. Evaluating management's assumptions related to projected revenue, gross margin and other costs and expenses involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the reporting unit, (ii) the consistency with external market and industry data, and (iii) whether the assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's discounted cash flow models and relief from royalty method and the significant assumptions related to the weighted average cost of capital and terminal growth rate used by management in developing the fair value of the seed reporting unit and the discount rate, the royalty rate, and the terminal growth rate used by management in developing the fair value of the trade name intangible asset.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 11, 2021

We have served as the Company's auditor since 1946.

Report of Independent Registered Public Accounting Firm

To Management of the Dow Agricultural Sciences Business

Opinion on the Financial Statements

We have audited the accompanying combined statements of income and comprehensive income, cash flows, and equity of the Dow Agricultural Sciences Business (the "Business") for the year ended December 31, 2018, and the related notes (collectively referred to as the "financial statements") (not presented herein). In our opinion, the financial statements present fairly, in all material respects, the results of operations and cash flows of the Business for the year ended December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Business' management. Our responsibility is to express an opinion on the Business' financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Business in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Business is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Business' internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

Midland, Michigan

July 12, 2019

E. I. du Pont de Nemours and Company
Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share amounts)	For the Year Ended December 31,		
	2020	2019	2018
Net sales	\$ 14,217	\$ 13,846	\$ 14,287
Cost of goods sold	8,507	8,575	9,948
Research and development expense	1,142	1,147	1,355
Selling, general and administrative expenses	3,043	3,065	3,041
Amortization of intangibles	682	475	391
Restructuring and asset related charges - net	335	222	694
Integration and separation costs	—	744	992
Goodwill impairment	—	—	4,503
Other income - net	212	215	249
Loss on early extinguishment of debt	—	13	81
Interest expense	145	242	337
Income (loss) from continuing operations before income taxes	575	(422)	(6,806)
Benefit from income taxes on continuing operations	(105)	(71)	(31)
Income (loss) from continuing operations after income taxes	680	(351)	(6,775)
(Loss) income from discontinued operations after income taxes	(55)	(671)	1,748
Net income (loss)	625	(1,022)	(5,027)
Net income attributable to noncontrolling interests	10	8	28
Net income (loss) attributable to E. I. du Pont de Nemours and Company	\$ 615	\$ (1,030)	\$ (5,055)

See Notes to the Consolidated Financial Statements beginning on page F-95.

E. I. du Pont de Nemours and Company
Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In millions)	For the Year Ended December 31,		
	2020	2019	2018
Net income (loss)	\$ 625	\$ (1,022)	\$ (5,027)
Other comprehensive income (loss) - net of tax:			
Cumulative translation adjustments	(26)	(274)	(1,576)
Adjustments to pension benefit plans	(186)	(718)	(715)
Adjustments to other benefit plans	671	(160)	132
Unrealized gain (loss) on investments	(10)	—	—
Derivative instruments	(69)	28	(24)
Total other comprehensive income (loss)	380	(1,124)	(2,183)
Comprehensive income (loss)	1,005	(2,146)	(7,210)
Comprehensive income attributable to noncontrolling interests - net of tax	10	8	28
Comprehensive income (loss) attributable to E. I. du Pont de Nemours and Company	\$ 995	\$ (2,154)	\$ (7,238)

See Notes to the Consolidated Financial Statements beginning on page F-95.

E. I. du Pont de Nemours and Company
Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

(In millions, except share and per share amounts)	December 31, 2020	December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	\$ 3,526	\$ 1,764
Marketable securities	269	5
Accounts and notes receivable - net	4,926	5,528
Inventories	4,882	5,032
Other current assets	1,165	1,190
Total current assets	14,768	13,519
Investment in nonconsolidated affiliates	66	66
Property, plant and equipment	8,253	7,872
Less: Accumulated depreciation	3,857	3,326
Net property, plant and equipment	4,396	4,546
Goodwill	10,269	10,229
Other intangible assets	10,747	11,424
Deferred income taxes	464	287
Other assets	1,939	2,326
Total Assets	\$ 42,649	\$ 42,397
Liabilities and Equity		
Current liabilities		
Short-term borrowings and finance lease obligations	\$ 3	\$ 7
Accounts payable	3,615	3,702
Income taxes payable	123	95
Accrued and other current liabilities	4,810	4,440
Total current liabilities	8,551	8,244
Long-Term Debt	1,102	115
Long-Term Debt - Related Party	3,459	4,021
Other Noncurrent Liabilities		
Deferred income tax liabilities	893	920
Pension and other post employment benefits - noncurrent	5,176	6,377
Other noncurrent obligations	1,867	2,192
Total noncurrent liabilities	12,497	13,625
Commitments and contingent liabilities		
Stockholders' equity		
Preferred stock, without par value – cumulative; 23,000,000 shares authorized; issued at December 31, 2020, December 31, 2019:		
\$4.50 Series – 1,673,000 shares (callable at \$120)	169	169
\$3.50 Series – 700,000 shares (callable at \$102)	70	70
Common stock, \$0.30 par value; 1,800,000,000 shares authorized; 200 issued at December 31, 2020 and December 31, 2019	—	—
Additional paid-in capital	24,049	23,958
Retained earnings / (accumulated deficit)	203	(406)
Accumulated other comprehensive loss	(2,890)	(3,270)
Total E. I. du Pont de Nemours and Company stockholders' equity	21,601	20,521
Noncontrolling interests	—	7
Total equity	21,601	20,528
Total Liabilities and Equity	\$ 42,649	\$ 42,397

See Notes to the Consolidated Financial Statements beginning on page F-95.

E. I. du Pont de Nemours and Company
Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	For the Year Ended December 31,		
	2020	2019 ¹	2018 ¹
Operating activities			
Net income (loss)	\$ 625	\$ (1,022)	\$ (5,027)
Adjustments to reconcile net income (loss) to cash used for operating activities:			
Depreciation and amortization	1,177	1,599	2,790
(Benefit from) provision for deferred income tax	(330)	(477)	31
Net periodic pension benefit	(409)	(264)	(321)
Pension contributions	(62)	(121)	(1,314)
Net loss (gain) on sales of property, businesses, consolidated companies, and investments	3	(142)	(11)
Restructuring and asset related charges - net	335	339	803
Amortization of inventory step-up	—	272	1,628
Goodwill impairment charge	—	1,102	4,503
Loss on early extinguishment of debt	—	13	81
Other net loss	290	246	262
Changes in assets and liabilities, net			
Accounts and notes receivable	187	(361)	(1,522)
Inventories	104	74	(498)
Accounts payable	(118)	149	642
Other assets and liabilities	184	(411)	(1,564)
Cash provided by operating activities	1,986	996	483
Investing activities			
Capital expenditures	(475)	(1,163)	(1,501)
Proceeds from sales of property, businesses, and consolidated companies - net of cash divested	83	249	69
Acquisitions of businesses - net of cash acquired	—	(10)	—
Investments in and loans to nonconsolidated affiliates	(1)	(10)	(8)
Proceeds from sale of ownership interest in nonconsolidated affiliates	—	21	9
Purchases of investments	(995)	(138)	(1,257)
Proceeds from sales and maturities of investments	721	160	2,186
Other investing activities - net	(7)	(13)	(3)
Cash used for investing activities	(674)	(904)	(505)
Financing activities			
Net change in borrowings (less than 90 days)	—	(1,868)	400
Proceeds from related party debt	103	4,240	—
Payments on related party debt	(665)	(219)	—
Proceeds from debt	2,439	1,001	756
Payments on debt	(1,441)	(6,804)	(5,956)
Proceeds from exercise of stock options	56	47	85
Payment for acquisition of subsidiary's interest from the non-controlling interest	(60)	—	—
Distributions to DowDuPont	—	(317)	(2,806)
Cash transferred to DowDuPont at Internal Reorganization	—	(2,053)	—
Contributions from Dow and DowDuPont	—	3,255	5,363
Debt extinguishment costs	—	(79)	(378)
Other financing activities	(51)	(58)	(88)
Cash provided by (used for) financing activities	381	(2,855)	(2,624)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	7	(88)	(244)
Increase (decrease) in cash, cash equivalents and restricted cash	1,700	(2,851)	(2,890)
Cash, cash equivalents and restricted cash at beginning of period	2,173	5,024	7,914
Cash, cash equivalents and restricted cash at end of period	\$ 3,873	\$ 2,173	\$ 5,024
Supplemental cash flow information			
Cash paid during the period for			

E. I. du Pont de Nemours and Company
Consolidated Financial Statements

(In millions)	For the Year Ended December 31,		
	2020	2019 ¹	2018 ¹
Interest, net of amounts capitalized ²	\$ 36	\$ 263	\$ 923
Income taxes	229	234	961

¹ The cash flows for the year ended December 31, 2018 and 2019 includes cash flows of EID's ECP and Specialty Products Entities.

² Reflects interest, net of amounts capitalized, paid to external parties. For information associated with interest paid on related party debt refer to EID's Note 2 - Related Party Transactions, of the EID Consolidated Financial Statements.

See Notes to the Consolidated Financial Statements beginning on page F-95.

E. I. du Pont de Nemours and Company
Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF EQUITY

(In millions)	<i>Preferred Stock</i>	<i>Common Stock</i>	<i>Additional Paid-in Capital</i>	<i>Divisional Equity</i>	<i>Retained Earnings (Accum Deficit)</i>	<i>Accumulated Other Comp Loss</i>	<i>Treasury Stock</i>	<i>Non-controlling Interests</i>	<i>Total Equity</i>
Balance at January 1, 2018	\$ —	\$ —	\$ —	\$ 80,557	\$ —	\$ (1,177)	\$ —	\$ 213	\$ 79,593
Net (loss) income				(5,055)				28	(5,027)
Other comprehensive loss						(2,183)			(2,183)
Preferred dividends (\$4.50 Series - \$4.50 per share, \$3.50 Series - \$3.50 per share)				(10)					(10)
Distributions to Dow and DowDuPont				(2,806)					(2,806)
Issuance of DowDuPont stock				85					85
Share-based compensation				129					129
Contributions from Dow and DowDuPont				5,363					5,363
Other				(4)				13	9
Balance at December 31, 2018	\$ —	\$ —	\$ —	\$ 78,259	\$ —	\$ (3,360)	\$ —	\$ 254	\$ 75,153
Net (loss) income				(640)	(390)			8	(1,022)
Other comprehensive loss						(1,124)			(1,124)
Preferred dividends (\$4.50 Series - \$4.50 per share, \$3.50 Series - \$3.50 per share)			(2)	(2)	(6)				(10)
Distributions to Dow and DowDuPont				(317)					(317)
Contributions from DowDuPont				3,255					3,255
Issuance of DowDuPont stock				39					39
Issuance of Corteva stock			8						8
Share-based compensation			41	62					103
Impact of Internal Reorganizations				(56,479)		1,214		(231)	(55,496)
Reclassification of Divisional Equity to Additional Paid-in Capital	239		23,936	(24,175)					—
Other			(25)	(2)	(10)			(24)	(61)
Balance at December 31, 2019	\$ 239	\$ —	\$ 23,958		\$ (406)	\$ (3,270)	\$ —	\$ 7	\$ 20,528
Net (loss) income					615			10	625
Other comprehensive loss						380			380
Issuance of Corteva Stock			56						56
Preferred dividends (\$4.50 Series - \$4.50 per share, \$3.50 Series - \$3.50 per share)			(5)		(5)				(10)
Share-based compensation			60		(1)				59
Acquisition of noncontrolling interest in consolidated subsidiaries			(37)					(15)	(52)
Other			17					(2)	15
Balance at December 31, 2020	\$ 239	\$ —	\$ 24,049		\$ 203	\$ (2,890)	\$ —	\$ —	\$ 21,601

See Notes to the Consolidated Financial Statements beginning on page F-95.

E. I. du Pont de Nemours and Company
Notes to the Consolidated Financial Statements

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NOTE 1 - BASIS OF PRESENTATION

As a result of the Business Realignment and the Internal Reorganization, Corteva, Inc. owns 100% of the outstanding common stock of EID. EID is a subsidiary of Corteva, Inc. and continues to be a reporting company, subject to the requirements of the Exchange Act. The primary differences between Corteva, Inc. and EID are outlined below:

- **Preferred Stock** - EID has preferred stock outstanding to third parties which is accounted for as a noncontrolling interest at the Corteva, Inc. level. Each share of EID Preferred Stock - \$4.50 Series and EID Preferred Stock - \$3.50 Series issued and outstanding at the effective date of the Corteva Distribution remains issued and outstanding as to EID and was unaffected by the Corteva Distribution.
- **Related Party Loan** - EID engaged in a series of debt redemptions during the second quarter of 2019 that were partially funded through an intercompany loan from Corteva, Inc. This was eliminated in consolidation at the Corteva, Inc. level but remains on EID's financial statements at the standalone level (including the associated interest).
- **Capital Structure** - At December 31, 2020, Corteva, Inc.'s capital structure consists of 743,458,000 issued shares of common stock, par value \$0.01 per share.

The accompanying footnotes relate to EID only, and not to Corteva, Inc., and are presented to show differences between EID and Corteva, Inc.

For the footnotes listed below, refer to the footnotes from the Corteva 10-K:

- Note 1 - Background and Basis of Presentation - refer to page F-14 of the Corteva, Inc. Consolidated Financial Statements
- Note 2 - Summary of Significant Accounting Policies - refer to page F-16 of the Corteva, Inc. Consolidated Financial Statements
- Note 3 - Recent Accounting Guidance - refer to page F-21 of the Corteva, Inc. Consolidated Financial Statements
- Note 4 - Common Control Business Combination - refer to page F-22 of the Corteva, Inc. Consolidated Financial Statements
- Note 5 - Divestitures and Other Transactions - refer to page F-23 of the Corteva, Inc. Consolidated Financial Statements
- Note 6 - Revenue - refer to page F-27 of the Corteva, Inc. Consolidated Financial Statements
- Note 7 - Restructuring and Asset Related Charges - Net - refer to page F-30 of the Corteva, Inc. Consolidated Financial Statements
- Note 8 - Related Party Transactions - Differences exist between Corteva, Inc. and EID; refer to EID Note 2 - Related Party Transactions, of the EID Consolidated Financial Statements, below
- Note 9 - Supplementary Information - refer to page F-33 of the Corteva, Inc. Consolidated Financial Statements
- Note 10 - Income Taxes - Differences exist between Corteva, Inc. and EID; refer to EID Note 3 - Income Taxes, of the EID Consolidated Financial Statements, below
- Note 11 - Earnings Per Share of Common Stock - Not applicable for EID
- Note 12 - Accounts and Notes Receivable - Net - refer to page F-40 of the Corteva, Inc. Consolidated Financial Statements
- Note 13 - Inventories - refer to page F-41 of the Corteva, Inc. Consolidated Financial Statements
- Note 14 - Property, Plant and Equipment - refer to page F-41 of the Corteva, Inc. Consolidated Financial Statements
- Note 15 - Goodwill and Other Intangible Assets - refer to page F-42 of the Corteva, Inc. Consolidated Financial Statements
- Note 16 - Leases - refer to page F-44 of the Corteva, Inc. Consolidated Financial Statements
- Note 17 - Long-Term Debt and Available Credit Facilities - refer to page F-47 of the Corteva, Inc. Consolidated Financial Statements. In addition, EID has a related party loan payable to Corteva, Inc.; refer to EID Note 2 - Related Party Transactions, of the EID Consolidated Financial Statements, below
- Note 18 - Commitments and Contingent Liabilities - refer to page F-49 of the Corteva, Inc. Consolidated Financial Statements
- Note 19 - Stockholders' Equity - refer to page F-54 of the Corteva, Inc. Consolidated Financial Statements
- Note 20 - Pension Plans and Other Post Employment Benefits - refer to page F-58 of the Corteva, Inc. Consolidated Financial Statements
- Note 21 - Stock-Based Compensation - refer to page F-68 of the Corteva, Inc. Consolidated Financial Statements
- Note 22 - Financial Instruments - refer to page F-70 of the Corteva, Inc. Consolidated Financial Statements
- Note 23 - Fair Value Measurements - refer to page F-75 of the Corteva, Inc. Consolidated Financial Statements
- Note 24 - Geographic Information - refer to page F-77 of the Corteva, Inc. Consolidated Financial Statements
- Note 25 - Segment Information - Differences exist between Corteva, Inc. and EID; refer to EID Note 4 - Segment Information, of the EID Consolidated Financial Statements, below

E. I. du Pont de Nemours and Company
Notes to the Consolidated Financial Statements (continued)

- Note 26 - Quarterly Information - Differences exist between Corteva, Inc. and EID; refer to EID Note 5 - Quarterly Information, of the EID Consolidated Financial Statements, below
- Note 27 - Subsequent Events - Refers to page F-83 of the Corteva, Inc. Consolidated Financial Statements

NOTE 2 - RELATED PARTY TRANSACTIONS

Refer to page F-32 of the Corteva, Inc. Consolidated Financial Statements for discussion of related party transactions with Historical Dow and DowDuPont.

Transactions with Corteva

In the second quarter of 2019, EID entered into a related party revolving loan from Corteva, Inc., with a maturity date in 2024. As of December 31, 2020 and December 31, 2019, the outstanding related party loan balance was \$3,459 million and \$4,021 million respectively (which approximates fair value), with interest rates of 1.62% and 3.27%, respectively, and is reflected as long-term debt - related party on EID's Consolidated Balance Sheet. Additionally, EID has incurred tax deductible interest expense of \$100 million and \$106 million and paid interest of \$105 million and \$100 million for the years ended December 31, 2020 and 2019, respectively, associated with the related party loan to Corteva, Inc.

As of December 31, 2020, EID had payables to Corteva, Inc. of \$92 million included in both accrued and other current liabilities and other noncurrent obligations, respectively, and \$119 million and \$154 million at December 31, 2019 included in accrued and other current liabilities and other noncurrent obligations, respectively, in the Consolidated Balance Sheet, related to Corteva's indemnification liabilities to Dow and DuPont per the Separation Agreements (refer to page F-23 of the Corteva, Inc. Consolidated Financial Statements for further details of the Separation Agreements).

NOTE 3 - INCOME TAXES

Refer to page F-35 of the Corteva, Inc. Consolidated Financial Statements for discussion of tax items that do not differ between Corteva, Inc. and EID.

Geographic Allocation of Income (Loss) and Provision for (Benefit from) Income Taxes (In millions)	For the Year Ended December 31,		
	2020	2019	2018
Income (loss) from continuing operations before income taxes			
Domestic	\$ (183)	\$ (1,458)	\$ (5,040)
Foreign	758	1,036	(1,766)
Income (loss) from continuing operations before income taxes	\$ 575	\$ (422)	\$ (6,806)
Current tax expense (benefit)			
Federal	\$ 8	\$ (11)	\$ (112)
State and local	5	1	(32)
Foreign	222	317	446
Total current tax expense	\$ 235	\$ 307	\$ 302
Deferred tax (benefit) expense			
Federal	\$ (116)	\$ (417)	\$ (124)
State and local	27	156	(39)
Foreign	(251)	(117)	(170)
Total deferred tax benefit	\$ (340)	\$ (378)	\$ (333)
Benefit from income taxes on continuing operations	(105)	(71)	(31)
Net income (loss) from continuing operations	\$ 680	\$ (351)	\$ (6,775)

E. I. du Pont de Nemours and Company
Notes to the Consolidated Financial Statements (continued)

Reconciliation to U.S. Statutory Rate	For the Year Ended December 31,		
	2020	2019	2018
Statutory U.S. federal income tax rate	21.0 %	21.0 %	21.0 %
Effective tax rates on international operations - net ¹	(16.4)	(13.8)	0.4
Acquisitions, divestitures and ownership restructuring activities ^{2, 3, 4}	(0.3)	(8.0)	(2.3)
U.S. research and development credit	(3.4)	5.2	0.1
Exchange gains/losses ⁵	4.1	(1.3)	(1.3)
State and local income taxes - net	4.2	3.0	0.5
SAB 118 Impact of Enactment of U.S. Tax Reform ⁶	—	—	(3.0)
Impact of Swiss Tax Reform ⁷	(31.7)	8.9	—
Excess tax benefits/deficiencies from stock compensation	1.2	(0.5)	0.1
Tax settlements and expiration of statute of limitations	0.4	2.9	(0.1)
Goodwill impairment ⁸	—	—	(15.2)
Other - net	2.6	(0.6)	0.3
Effective tax rate	(18.3)%	16.8 %	0.5 %

1. Includes the effects of local and U.S. taxes related to earnings of non-U.S. subsidiaries, changes in the amount of unrecognized tax benefits associated with these earnings, losses at non-U.S. subsidiaries without local tax benefits due to valuation allowances, and other permanent differences between tax and U.S. GAAP results. Includes a tax benefit of \$(51) million for the year ended December 31, 2020, related to a return to accrual adjustment associated with an elective change in accounting method that alters the 2019 impact of The Act's foreign tax provisions.
2. See Notes 4 - Common Control Business Combination, and Note 5 - Divestitures and Other Transactions, of the Corteva, Inc. Consolidated Financial Statements for additional information.
3. Includes a net tax charge of \$50 million related to repatriation activities to facilitate the Business Separations for the year ended December 31, 2018.
4. Includes a net tax charge of \$25 million for the year ended December 31, 2018 related to an internal legal entity restructuring associated with the Business Separations.
5. Principally reflects the impact of foreign exchange gains and losses on net monetary assets for which no corresponding tax impact is realized. Further information about the company's foreign currency hedging program is included in Note 9 - Supplementary Information, and Note 22 - Financial Instruments, of the Corteva, Inc. Consolidated Financial Statements under the heading Foreign Currency Risk.
6. Reflects a net tax charge of \$232 million associated with the company's completion of the accounting for the tax effects of The Act for the year ended December 31, 2018.
7. Reflects tax benefits of \$(182) million primarily driven by the recognition of an elective cantonal component of the recent enactment of the Federal Act on Tax Reform and AHV Financing ("Swiss Tax Reform") for the year ended December 31, 2020. Reflects tax benefits of \$(38) million associated with the enactment of the Federal Act on Tax Reform and AHV Financing ("Swiss Tax Reform"), for the year ended December 31, 2019.
8. Reflects the impact of the non-tax-deductible, non-cash impairment charge for the agriculture reporting unit and corresponding \$75 million tax charge associated with a valuation allowance recorded against the net deferred tax asset position of a legal entity in Brazil for the year ended December 31, 2018.

NOTE 4 - SEGMENT INFORMATION

There are no differences in reporting structure or segments between Corteva, Inc. and EID. In addition, there are no differences between Corteva, Inc. and EID segment net sales, segment operating EBITDA or pro forma segment operating EBITDA, segment assets, or significant items by segment; refer to page F-78 of the Corteva, Inc. Consolidated Financial Statements for background information on the segments as well as further details regarding segment metrics. The tables below reconcile income (loss) from continuing operations after income taxes to segment operating EBITDA, as differences exist between Corteva, Inc. and EID.

Reconciliation to Consolidated Financial Statements

Income (loss) from continuing operations after income taxes to segment operating EBITDA (In millions)	For the Year Ended December 31,		
	2020	2019	2018
Income (loss) from continuing operations after income taxes	\$ 680	\$ (351)	\$ (6,775)
Benefit from income taxes on continuing operations	(105)	(71)	(31)
Income (loss) from continuing operations before income taxes	575	(422)	(6,806)
Depreciation and amortization	1,177	1,000	909
Interest income	(56)	(59)	(86)
Interest expense	145	242	337
Exchange losses - net ¹	174	66	77
Non-operating benefits - net	(316)	(129)	(211)
Goodwill impairment charge	—	—	4,503
Significant items	388	991	1,346
Pro forma adjustments	—	298	2,003
Corporate expenses	125	119	141
Segment operating EBITDA²	\$ 2,212	\$ 2,106	\$ 2,213

1. Excludes a \$(33) million foreign exchange loss for the year ended December 31, 2019 associated with the devaluation of the Argentine peso and a \$(50) million foreign exchange loss for the year ended December 31, 2018 related to adjustments to foreign currency exchange contracts as a result of U.S. tax reform, as they are included within significant items. See Note 9 - Supplementary Information, of the Corteva, Inc. Consolidated Financial Statements for additional information.

2. The years ended December 31, 2019 and December 31, 2018 are presented on a pro forma basis, prepared in accordance with Article 11 of Regulation S-X that was in effect prior to recent amendments.

NOTE 5 - QUARTERLY FINANCIAL DATA (UNAUDITED)

The only difference between Corteva, Inc. and EID for Q1 2019 and prior quarters is the treatment of the preferred shares, which are treated as noncontrolling interests at the Corteva, Inc. level. For quarters subsequent to Q1 2019, in addition to the treatment of the preferred shares, there are differences in interest expense, income (loss) income from continuing operations after income taxes and net (loss) income attributable to EID, as a result of the interest expense (and associated tax benefit) on the related party loan between Corteva, Inc. and EID. Refer to page F-83 of the Corteva, Inc. Consolidated Financial Statements for discussion of quarterly information that does not differ between Corteva, Inc. and EID. The tables below represent the quarterly information for EID for which there are differences from Corteva, Inc. Refer to page F-82 of the Corteva, Inc. Consolidated Financial Statements for discussion of significant items by quarter.

In millions (unaudited)	For the Quarter Ended			
	March 31,	June 30,	September 30,	December 31,
2020				
Income (loss) from continuing operations after income taxes	\$ 257	\$ 742	\$ (404)	\$ 85
Net income (loss) attributable to EID	\$ 250	\$ 739	\$ (404)	\$ 30
2019				
(Loss) income from continuing operations after income taxes	\$ (184)	\$ 460	\$ (557)	\$ (70)
Net income (loss) attributable to EID	\$ 166	\$ (626)	\$ (524)	\$ (46)

ITEM 16. FORM 10-K SUMMARY

Not applicable.

SUBSIDIARIES OF THE REGISTRANT

Set forth below are certain subsidiaries of
Corteva, Inc.

Name	Organized Under Laws Of
AG EMEA Holding 2 B.V.	The Netherlands
AG EMEA Holding 4 B.V.	The Netherlands
AG EMEA Holding B.V.	The Netherlands
Ag HoldCo Mexico S. de R.L. de C.V	México
AG MX 2, Inc.	Delaware
Agar Cross Paraguaya S.A.	Paraguay
Agricor Ltd	Zimbabwe
Agrigenetics Molokai LLC	Hawaii
Agrigenetics, Inc.	Delaware
Agroservicios de México DDM, S. de R.L. de C.V	México
AgSurf Corporation	Delaware
AgVenture, Inc.	Indiana
Alforex Seeds LLC	Delaware
Ambito Das S.A.	Argentina
Beijing Kaituo DNA Biotech Research Center Co., Ltd.	China
Cal/West Seeds S.R.L.	Argentina
Centen Ag LLC	Delaware
ChacoDAS S.A.	Argentina
Christiana Insurance LLC	Delaware
Coodetec Desenvolvimento, Produção e Comercialização Agrícola Ltda.	Brazil
Corteva (China) Investment Co., Ltd.	China
Corteva (China), LLC	Delaware
Corteva Agriscience (Cambodia) Co., Ltd.	Cambodia
Corteva Agriscience (Myanmar) Company Limited	Myanmar
Corteva Agriscience AB	Stockholm
Corteva Agriscience Bulgaria EOOD	Bulgaria
Corteva Agriscience Canada Company	Federally Chartered
Corteva Agriscience Croatia LLC	Croatia
Corteva Agriscience Czech s.r.o.	Czech Republic
Corteva Agriscience Denmark A/S	Copenhagen
Corteva Agriscience Egypt LLC	Egypt
Corteva Agriscience eSwatini Proprietary Limited	Swaziland
Corteva Agriscience Finland OY	Vantaa
Corteva Agriscience Foundation	Iowa
Corteva Agriscience France S.A.S.	Versailles
Corteva Agriscience Germany GmbH	Muenchen
Corteva Agriscience Hellas S.A.	Greece
Corteva Agriscience Holding LLC	Delaware
Corteva Agriscience Holding Sàrl/LLC	Geneva

Corteva Agriscience India Private Limited	India
Corteva Agriscience International Sàrl	Geneva
Corteva Agriscience Italia S.r.l.	Cremona
Corteva Agriscience Japan Limited	Japan
Corteva Agriscience Kazakhstan Limited Liability Partnership	Kazakhstan
Corteva Agriscience Korea Ltd.	Korea
Corteva Agriscience Lithuania UAB	Vilnius
Corteva Agriscience LLC	Delaware
Corteva Agriscience Maroc SARL	Morocco
Corteva Agriscience MCS LLC	Iowa
Corteva Agriscience Pacific Limited	Hong Kong
Corteva Agriscience Pakistan Limited	Pakistan
Corteva Agriscience Philippines, Inc.	Philippines
Corteva Agriscience Poland Sp. z o.o.	Warsaw
Corteva Agriscience Portugal, S.A.	Portugal
Corteva Agriscience Puerto Rico, Inc.	Iowa
Corteva Agriscience Rus LLC	Russia
Corteva Agriscience Seeds Private Limited	India
Corteva Agriscience Services India Private Limited	India
Corteva Agriscience SLO d.o.o.	Slovenia
Corteva Agriscience Slovakia s.r.o	Slovakia
Corteva Agriscience Spain, S.L.U.	Asturias
Corteva Agriscience UK Limited	United Kingdom
Corteva Agriscience Ukraine LLC	Ukraine
Corteva Finance Company B.V.	The Netherlands
Corteva Holding France S.A.S.	Versailles
Corteva Holding Mauritius Limited	Mauritius
Corteva Holding Netherlands 1 B.V.	Hoek
Corteva Holding Netherlands 2 B.V.	The Netherlands
Corteva Holding Netherlands 3 B.V.	The Netherlands
Corteva Holding Switzerland Sàrl	Geneva
Corteva India Limited, LLC	Delaware
Corteva International Holding Corporation	Delaware
Corteva US Feedstocks Company, LLC	Delaware
Corteva, Inc.	Delaware
Dairyland Seed Co., Inc.	Wisconsin
DasAgro Uruguay S.A.	Uruguay
Daser Agro S.A.	Argentina
DDP AgroSciences Kenya Limited	Kenya
DDP AgroSciences Nigeria Limited	Nigeria
DDP AgroSciences S.R.L.	Peru
DDP AgroSciences Switzerland GmbH	Geneva
DDP AgroSciences US DCOMCO, Inc.	Delaware
Desab S.A.	Argentina
Dikanka Nasinnia LLC	Ukraine
Doebblers' Pennsylvania Hybrids, Inc.	Pennsylvania
Dow AgroSciences (China) Company Limited Beijing Branch	China

Dow AgroSciences (China) Company Limited Shanghai Branch	China
Dow AgroSciences (China) Company Limited	China
Dow AgroSciences (Jiangsu) Co., Ltd.	China
Dow AgroSciences (Malaysia) Sdn Bhd	Malaysia
Dow AgroSciences (NZ) Limited	New Zealand
Dow AgroSciences (Thailand) Limited	Thailand
Dow AgroSciences A.S.	Turkey
Dow AgroSciences Agricultural Products Limited	Mauritius
Dow AgroSciences Argentina S.R.L.	Argentina
Dow AgroSciences Asia Sdn. Bhd.	Malaysia
Dow AgroSciences Australia Limited	Australia
Dow AgroSciences B.V.	The Netherlands
Dow AgroSciences B.V. (Belgium Branch Office)	Brussels
Dow AgroSciences B.V. (Philippines Branch Office)	Philippines
Dow AgroSciences B.V. (Vietnam Representative Office) VAN PHONG DAI DIEN DOW AGROSCIENCES B.V TAI TP HO CHI MINH	Vietnam
Dow AgroSciences Bolivia S.A.	Bolivia
Dow AgroSciences Chile S.A.	Chile
Dow AgroSciences China Ltd.	Delaware
Dow AgroSciences China Ltd. Beijing Representative Office	China
Dow AgroSciences Costa Rica S.A.	Costa Rica
Dow AgroSciences Danmark A/S (Estonian Branch)	Tallinn
Dow AgroSciences de Colombia S.A.	Colombia
Dow Agrosciences de Mexico S.A. de C.V.	México
Dow AgroSciences Distribution S.A.S.	Versailles
Dow AgroSciences Export S.A.S.	Versailles
Dow AgroSciences Export S.A.S. (Bulgaria Rep Office)	Bulgaria
Dow AgroSciences Export S.A.S. (Romanian Representative Office)	Romania
Dow AgroSciences Export SAS (Egypt Rep. Office)	Egypt
Dow AgroSciences Export SAS (Ivory Coast Representative Office)	Ivory Coast
Dow Agrosciences Guatemala S.A.	Guatemala
Dow AgroSciences Hungary Kft (Szolnok Branch Office)	Hungary
Dow AgroSciences Hungary Kft.	Hungary
Dow AgroSciences Hungary Kft. (Szeged Branch Office)	Hungary
Dow Agrosciences Iberica S.A.	Spain
Dow AgroSciences India Pvt. Ltd.	India
Dow AgroSciences Industrial Ltda.	Brazil
Dow AgroSciences International Ltd.	Delaware
Dow AgroSciences International Ltd. (Republic of Korea Branch Office)	Korea
Dow AgroSciences Japan Limited	Japan
Dow AgroSciences OOO	Russia
Dow AgroSciences Paraguay S.A.	Paraguay
Dow AgroSciences s.r.o. (Slovakian Representative Office)	Slovakia
Dow AgroSciences Singapore Pte. Ltd.	Singapore
Dow AgroSciences Southern Africa (Proprietary) Limited	South Africa
Dow AgroSciences Sverige A/B	Stockholm
Dow AgroSciences Switzerland S.A.	Geneva

Dow AgroSciences Switzerland S.A. (Croatia Rep. Office)	Croatia
Dow AgroSciences Taiwan Ltd.	Taiwan
Dow AgroSciences Ukraine LLC	Ukraine
Dow AgroSciences Vertriebsgesellschaft m.b.H.	Eisenstadt
Dow AgroSciences Vertriebsgesellschaft m.b.H. (Russian Representative Office)	Russia
Dow AgroSciences Vertriebsgesellschaft m.b.H. (Serbian Rep. Office)	Serbia
Dow AgroSciences Vertriebsgesellschaft m.b.H. (Ukraine Representative Office)	Ukraine
Dow Venezuela, C.A.	Venezuela
Du Pont Chemical and Energy Operations, Inc.	Delaware
Du Pont Company (Singapore) Pte. Ltd.	Singapore
Du Pont de Nemours (France) S.A.S.	Versailles
Du Pont de Nemours Italiana S.r.l.	Italy
Du Pont Far East Inc - Philippines (Branch)	Philippines
Du Pont Far East Inc.	Delaware
Du Pont PHI Nigeria Limited	Nigeria
Du Pont Production Agriscience (Malaysia) Sdn. Bdh.	Malaysia
Du Pont Vietnam Co. Limited CÔNG TY TNHH DUPONT VIETNAM	Vietnam
Ducoragro S.A. de C.V.	México
Dunhuang Seed Pioneer Hi-Bred Company Limited	China
DuPont (New Zealand) Limited	New Zealand
DuPont (Taiwan) Agriscience Co. Ltd.	Taiwan
DuPont (Thailand) Limited	Thailand
DuPont AGR Services Sàrl	Geneva
DuPont Argentina Srl	Argentina
DuPont Asturias S.L.	Spain
DuPont Bangladesh Limited	Bangladesh
DuPont Bulgaria EOOD	Bulgaria
DuPont Capital Management Corporation	Delaware
DuPont Chile S.A.	Chile
DuPont Conid S.P.A.	Delaware
DuPont Conid S.p.A.	Italy
DuPont CZ s.r.o.	Czech Republic
DuPont Danmark ApS	Denmark
DuPont de Colombia, S.A.	Colombia
DuPont de Ecuador SA	Ecuador
DuPont de Nemours Investments Sàrl	Geneva
DuPont de Nemours South Africa (Pty) Ltd.	South Africa
DuPont de Peru SAC	Peru
DuPont Deutschland Real Estate Partner GmbH	Offenbach am Main
DuPont do Brasil S.A.	Brazil
DuPont Global Operations, LLC	Delaware
DuPont Hellas S.A.	Greece
DuPont Holdco Spain III S.L.	Spain
DuPont International B.V.	The Netherlands
DuPont Magyarorszag Kft	Hungary
DuPont Mexicana, S de RL de CV	México
DuPont Operations Worldwide, LLC	Delaware

DuPont Pioneer Investment Co., Ltd.	China
DuPont Poland Sp z.o.o.	Poland
DuPont Portugal Unipessoal Lda.	Portugal
DuPont Production Agriscience Deutschland GmbH	Muenchen
DuPont Production Agriscience Kabushiki Kaisha	Delaware
DuPont Quimica de Venezuela C.A.	Venezuela
DuPont Romania S.R.L.	Romania
DuPont Science and Technologies LLC	Russia
DuPont Solutions (France) S.A.S.	Versailles
DuPont South Africa Holdco (Pty) Ltd	South Africa
DuPont SRB d.o.o. Beograd	Serbia
DuPont Turkey Endustri Urunleri Limited Sirketi	Turkey
DuPont Ukraine LLC	Ukraine
E. I. du Pont de Nemours and Company	Delaware
Farms Technology, LLC	Delaware
Fedea S.A.	Argentina
General Authority for Agrarian Reform	Egypt
Grainit S.R.L.	Italy
Granular Australia Pty Ltd	Australia
Granular Brasil Licenciamento e Distribuição de Software de Agricultura Ltda.	Brazil
Granular Canada Company	Canada
Granular, Inc.	Delaware
Green Meadows, Ltd.	Iowa
Griffin L.L.C. Valdosta, Georgia	Delaware
Guang An LiVa Chemical Co., Ltd.	China
Hoegemeyer Hybrids, Inc.	Nebraska
MISR Pioneer Seeds Company S.A.E.	Egypt
Mycogen LLC	California
Mycogen Plant Science, Inc.	Delaware
Mycogen Seeds-Puerto Rico Corporation	Delaware
NuTech Seed, LLC	Iowa
Orion Mexico, LLC	Delaware
P.T. DuPont Agricultural Products Indonesia	Indonesia
Pannar Industrial Holdings (Pty) Ltd.	South Africa
Pannar International (Pty) Ltd.	South Africa
Pannar Ltd.	United Kingdom
Pannar Properties Zambia Limited	Zambia
Pannar Research Farms (Pty) Ltd.	South Africa
Pannar Seed (Malawi) Limited	Malawi
Pannar Seed (Pty) Ltd.	South Africa
Pannar Seed (Zimbabwe) Private Limited	Zimbabwe
Pannar Seed Holdings (Pty) Ltd.	South Africa
Pannar Seed Kenya Ltd.	Kenya
Pannar Seed Lda	Mozambique
Pannar Seed Tanzania Ltd.	Tanzania
Pannar Seed Zambia Ltd.	Zambia
PD Glycol LP	Texas

Pfister Seeds LLC	Delaware
PHI Financial Services Canada Limited	Canada
PHI Financial Services, Inc.	Iowa
PHI Mexico, S.A. de C.V.	México
PHI Servicios S de R.L. de C.V.	México
PhPhilippines Holdings Inc.	Philippines
Phytogen Seed Company, LLC	Delaware
Pioneer Argentina, S.R.L.	Argentina
Pioneer DuPont Zambia Limited	Zambia
Pioneer Génétique Sàrl	Toulouse
Pioneer HI - BRED SRB doo Novi Sad	Serbia
Pioneer Hi-Bred (Switzerland) S.A.	Geneva
Pioneer Hi-Bred (Thailand) Co. Limited	Thailand
Pioneer Hi-Bred (Zimbabwe) (Private) Limited	Zimbabwe
Pioneer Hi-Bred Agro Servicios Spain S.L.U.	Spain
Pioneer Hi-Bred Australia, Pty Ltd.	Australia
Pioneer Hi-Bred Canada Company	Canada
Pioneer Hi-Bred Foundation	Iowa
Pioneer Hi-Bred Holding Spain, S.L.U.	Spain
Pioneer Hi-Bred International Production Limited	Turks And Caicos Islands
Pioneer Hi-Bred International, Inc.	Iowa
Pioneer Hi-Bred Italia S.r.l.	Italy
Pioneer Hi-Bred Italia Sementi S.r.l.	Italy
Pioneer Hi-Bred Italia Servizi Agronomici S.r.l.	Italy
Pioneer Hi-Bred Kenya Limited	Kenya
Pioneer Hi-Bred Magyarorszag Kft	Hungary
Pioneer Hi-Bred Northern Europe Sales Division GmbH	Muenchen
Pioneer Hi-Bred Northern Europe Sales Division GmbH (Austria Branch)	Austria
Pioneer Hi-Bred Northern Europe Sales Division GmbH (Belgium Branch)	Belgium
Pioneer Hi-Bred Northern Europe Sales Division GmbH (Czech Republic Branch)	Czech Republic
Pioneer Hi-Bred Northern Europe Sales Division GmbH (Netherlands Branch)	The Netherlands
Pioneer Hi-Bred Northern Europe Sales Division GmbH (Poland Branch)	Poland
Pioneer Hi-Bred Northern Europe Sales Division GmbH (UK Branch)	United Kingdom
Pioneer Hi-Bred Northern Europe Service Division GmbH	Muenchen
Pioneer Hi-Bred Poland Sp z.o.o.	Warsaw
Pioneer HI-Bred Private Limited	India
Pioneer Hi-Bred Production and Service Private Company Limited by Shares	Hungary
Pioneer Hi-Bred Production Company	Canada
Pioneer Hi-Bred R.S.A. (Pty) Ltd.	South Africa
Pioneer Hi-Bred Research R.S.A. (Proprietary) Ltd.	South Africa
Pioneer Hi-Bred Romania S.R.L.	Romania
Pioneer Hi-Bred Seeds Agro S.R.L.	Romania
Pioneer Hi-Bred Seeds Ethiopia PLC	Ethiopia
Pioneer Hi-Bred Services GmbH	Eisenstadt
Pioneer Hi-Bred Spain, S.L.	Spain
Pioneer HI-Bred Vietnam Limited CÔNG TY TNHH PIONEER HI-BRED VIETNAM	Vietnam

Pioneer Mexico Holdings LLC	Iowa
Pioneer Mexico Operations, S. de R.L. de C.V.	México
Pioneer Overseas Corporation	Iowa
Pioneer Overseas Corporation (Branch in Belgium)	Brussels
Pioneer Overseas Corporation (Branch in Egypt)	Egypt
Pioneer Overseas Corporation (Branch in India)	India
Pioneer Overseas Corporation (Branch in Zimbabwe)	Zimbabwe
Pioneer Overseas Corporation (Hong Kong) Holdings No 1 Limited	Hong Kong
Pioneer Overseas Corporation (Hong Kong) Holdings No 2 Limited	Hong Kong
Pioneer Overseas Corporation (Hong Kong) Limited	Hong Kong
Pioneer Overseas Corporation (Singapore) Pte Ltd	Singapore
Pioneer Overseas Corporation Merkezi Amerika Lüleburgaz Merkez Şubesi	Turkey
Pioneer Overseas Investors, L.L.C.	Iowa
Pioneer Seed Holding Participations B.V.	The Netherlands
Pioneer Seeds, Inc.	Iowa
Pioneer Semena Holding GmbH	Eisenstadt
Pioneer Semences S.A.S	Toulouse
Pioneer Tohumculuk A.S.	Turkey
Pioneer Tohumculuk Distribution and Marketing	Turkey
Pioneer Turks & Caicos, LLC	Iowa
Pitt-Consol Chemical Company	New Jersey
PNR Enterprises (Pvt.) Ltd.	Zimbabwe
Prairie Brand Seeds LLC	Delaware
Prochrom International S.A.	Uruguay
Production Agriscience (Australia) Pty Ltd	Australia
Production Agriscience Belgium BVBA	Belgium
Production Agriscience Canada Company	Canada
Production Agriscience Netherlands B.V.	The Netherlands
Production Agriscience UK Ltd	United Kingdom
PT Corteva Agriscience Seeds Indonesia	Indonesia
PT Dow AgroSciences Commerce Indonesia	Indonesia
PT Dow AgroSciences Indonesia	Indonesia
Rindes y Cultivos DAS S.A.	Argentina
Seed Consultants Inc.	Ohio
Semillas Pioneer Chile Ltda.	Chile
Semillas Pioneer de Venezuela C.A.	Venezuela
Shandong Denghai Pioneer Seeds Company Limited	China
Sporting Goods Properties, Inc.	Delaware
Stasi Nasinnia LLC	Ukraine
SUMIDAS JV S.A.	Argentina
Terral Seed, Inc.	Louisiana
Terramar JV S.A.	Argentina
The Rep Office of DuPont Far East Inc, in Ho Chi Minh City	Vietnam
Tieling Pioneer Seed Research Co., Ltd.	China
Ubajay DAS S.A.	Argentina
Village Court, Inc.	Iowa

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-231871) and Form S-8 (Nos. 333-231869 and 333-249887) of Corteva, Inc. of our report dated February 11, 2021 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting of Corteva, Inc., which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 11, 2021

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No. 333-231871) of E. I. du Pont de Nemours and Company of our report dated February 11, 2021 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting of E. I. du Pont de Nemours and Company, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 11, 2021

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-231871 on Form S-3 and Registration Statements No. 333-231869 and No. 333-249887 on Forms S-8 of our report dated July 12, 2019, relating to the combined statements of income and comprehensive income, cash flows, and equity of the Dow Agricultural Sciences Business (the "Business") for the year ended December 31, 2018, appearing in the combined Annual Report on Form 10-K of Corteva, Inc. and E. I. du Pont de Nemours and Company for the year ended December 31, 2020.

/s/ Deloitte & Touche LLP
Midland, Michigan
February 11, 2021

CERTIFICATIONS

I, James C. Collins, Jr., certify that:

1. I have reviewed this report on Form 10-K for the period ended December 31, 2020 of Corteva, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 11, 2021

By: /s/ James C. Collins, Jr.
James C. Collins, Jr.
Chief Executive Officer

I, James C. Collins, Jr., certify that:

1. I have reviewed this report on Form 10-K for the period ended December 31, 2020 of E. I. du Pont de Nemours and Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 11, 2021

By: /s/ James C. Collins, Jr.
James C. Collins, Jr.
Chief Executive Officer

CERTIFICATIONS

I, Gregory R. Friedman, certify that:

1. I have reviewed this report on Form 10-K for the period ended December 31, 2020 of Corteva, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 11, 2021

By: /s/ Gregory R. Friedman
Gregory R. Friedman

*Executive Vice President and
Chief Financial Officer*

I, Gregory R. Friedman, certify that:

1. I have reviewed this report on Form 10-K for the period ended December 31, 2020 of E. I. du Pont de Nemours and Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 11, 2021

By: /s/ Gregory R. Friedman

Gregory R. Friedman

*Executive Vice President and
Chief Financial Officer*

**Certification of CEO Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of Corteva, Inc. (the "Company") on Form 10-K for the period ending December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), James C. Collins, Jr., as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ James C. Collins, Jr.

James C. Collins, Jr.
Chief Executive Officer
February 11, 2021

**Certification of CEO Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of E. I. du Pont de Nemours and Company on Form 10-K for the period ending December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), James C. Collins, Jr., as Chief Executive Officer of E. I. du Pont de Nemours and Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of E. I. du Pont de Nemours and Company.

/s/ James C. Collins, Jr.

James C. Collins, Jr.
Chief Executive Officer
February 11, 2021

**Certification of CFO Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of Corteva, Inc. (the "Company") on Form 10-K for the period ending December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Gregory R. Friedman, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Gregory R. Friedman

Gregory R. Friedman

Chief Financial Officer

February 11, 2021

**Certification of CFO Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of E. I. du Pont de Nemours and Company on Form 10-K for the period ending December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Gregory R. Friedman, as Chief Financial Officer of E. I. du Pont de Nemours and Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of E. I. du Pont de Nemours and Company.

/s/ Gregory R. Friedman

Gregory R. Friedman

Chief Financial Officer

February 11, 2021