



## Pension Announcements – FAQs<sup>1</sup>

### **1. Why was Corteva Agriscience™ chosen for the sponsorship of the U.S. Pension Plan?**

As decisions were being made regarding the U.S. DuPont Pension and Retirement Plan (the Plan) it was determined that the combination of Corteva Agriscience's positive outlook and its expected credit rating equal to that of heritage DuPont at the time of the merger would make it a suitable and secure steward of the Plan going forward.

Maintaining the Plan with one company will minimize the level of change and confusion for Plan participants. From a company perspective, we believe that keeping the recordkeeping systems and processes that support this Plan in one place will require fewer resources, allowing for more efficient and cost-effective administration.

### **2. What has DowDuPont done to prepare Corteva Agriscience to meet its pension funding obligations in the future?**

The company has taken several actions that improve and secure the funding of the Plan and stabilize the Plan's liabilities.

First, we have made approximately \$4 billion in contributions to the Plan since 2017 (see questions on the September 2018 discretionary contribution below).

Second, we have changed the Plan's investment strategy to include more fixed-income type assets in the portfolio mix, resulting in greater stability of expected asset returns and expected reduced portfolio volatility.

Third, to stabilize the Plan's liabilities, the Plan was previously closed to new or returning entrants and on November 30, 2018 pension accruals will be frozen for active employees still participating in the company's U.S. pension plan. With this freeze, pension benefits will not grow for changes in pay or service after November 30, 2018.

Following the intended business separations on June 1, 2019, Corteva Agriscience will continue to make contributions to the Plan according to the U.S. laws and regulations. Corteva Agriscience is designed to be one of the world's most competitive pure play agriculture companies with an expected high credit rating, it should be well positioned to be a strong-performing industry leader for years to come, making it a suitable and secure steward of the Plan going forward.

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<sup>1</sup> *Consummation of the intended separations, including related actions, remains subject to final approval by the DowDuPont Board of Directors.*



**3. How will my pension benefits be affected by this decision?**

If you are currently receiving pension payments, the amount of those payments will continue in accordance with your commencement elections and will not change as a result of this decision. Additionally, if you have not started receiving your pension payment, your accrued pension benefit will not change as a result of this decision.

**4. Does the continued sponsorship of DuPont's U.S. Pension Plan by Corteva Agriscience affect future pension contribution requirements?**

The assignment of Plan sponsorship to Corteva Agriscience does not affect future funding or contribution requirements.

**5. Who will sponsor the heritage DuPont U.S. retiree medical, dental and life insurance plans?**

Corteva Agriscience, will be assuming responsibility for almost all of the heritage DuPont retiree medical, dental and life insurance plans.

**6. Where will my non-qualified restoration pension benefit go?**

Corteva Agriscience will assume responsibility for the non-qualified restoration pension benefit for retirees currently receiving payments under the plans. These retirees will receive a separate communication at a later date.

**7. I still have an account in the Retirement Savings Plan 401(k) (formerly called SIP). Which company will continue to manage that plan?**

We will be communicating information about the Retirement Savings Plan in the first quarter of 2019.

**8. Will the administrators change for my various retiree benefit plans?**

We do not anticipate any changes to the administrators of your retiree benefit plans at this time.

**9. Will the Pension Plan name change?**

No decision has been made about changing the Plan name.

**10. Where can I obtain more information and updates?**

We encourage you to stay informed by visiting the website [www.retiree.dupont.com](http://www.retiree.dupont.com), which contains up-to-date information on everything related to your pension benefits, including answers to commonly received questions. Our corporate website [www.dow-dupont.com](http://www.dow-dupont.com) has all the latest company news on DowDuPont. For news on Corteva Agriscience specifically, please visit [www.corteva.com](http://www.corteva.com).



## Pension Contribution

### 1. Why did DuPont make an additional discretionary contribution?

Fulfilling our obligations to pension plan participants is our top priority. Determining when to make and the amount of any discretionary contribution depends on many factors, including capital structure considerations and tax-deductible limits. This contribution further helps to fulfill our pension obligations over the long-term.

### 2. How much did DuPont contribute and how will this additional discretionary contribution impact the funded status of DuPont's principal U.S. pension plan?

In September 2018, DuPont made a \$1.1 billion discretionary contribution to the Plan, bringing the total of discretionary contributions made over the last two years to nearly \$4 billion.

As of February 15, 2018 when DuPont filed its 2017 10-K, the principal U.S. pension plan was \$3.6 billion underfunded when reported in accordance with Generally Accepted Accounting Principles (GAAP). With this additional discretionary contribution, the funding ratio for the 10K is increased from 82% at year-end 2017 to 88% (assuming no change in other assets and liabilities from year-end 2017).

### 3. How will the additional cash infusion be used?

The contribution was made to the Plan's general trust fund and is not designated for any particular use.

### 4. Is there a general plan to further reduce the pension fund shortfall?

As we proceed towards the intended creation of three independent companies, we will continue to monitor the Plan financials and market conditions to ensure a secure future for our retirees, consistent with our history and commitment.

The decision of when and how much to contribute requires balancing the short-term and long-term financial objectives of the company and the Plan, while also considering economic conditions.

### 5. What are the required contributions in future years?

Contribution requirements for future years will depend on changing market conditions and U.S. funding laws and regulations.

### 6. How was this contribution funded?

The contribution was funded by existing company cash balances and cash from other available sources of liquidity.



**7. Will DuPont make additional pension contributions to plans outside the U.S. that are currently not fully funded?**

The funding rules and regulations vary by each country. Decisions on funding will continue to be evaluated based on local country requirements, as well as overall plan and company objectives, consistent with our commitment to ensuring a secure future for our retirees.

Within the local regulatory framework, the decision of when and how much to contribute requires balancing of the short-term and long-term company and plan financial objectives as well as economic conditions. In many cases, it also requires engagement with, and agreement of, other stakeholders such as outside trustees or pension boards.

*In the event of a conflict or discrepancy between this document and the governing plan documents, the governing plan documents will control. The company reserves the right to change, modify, or discontinue any or all of the plans at its discretion at any time.*