

From: Jim Odle and Paul Kende 10/19/2018
To: NRLN DuPont Retirees Chapter Members
Subject: DuPont Pension Plan Update

A bit of good news - management has announced that they made a \$1.1 billion contribution to the DuPont USA Defined Benefit Pension Plan in September. This raises the year-end 2017 funding level from 82% to about 88%, based on the Fair Market Value approach to calculating funding levels, as described in our email of October 1, 2018. This contribution further strengthens the Plan's financial condition. Details around this action can be found on the DuPont Retiree Benefits website: <http://www.retiree.dupont.com>

Some have speculated that the \$1.1 billion contribution would make it easier to transfer the Pension Plan to an insurance annuity; however, it would have taken a \$3.6 billion contribution, to eliminate the full funding short-fall, before an insurance company might be interested in taking over the Plan. Since Corporate taxes are due in October, we believe that the \$1.1 billion contribution was made in September, to take advantage of the higher 2017 tax rates applicable to deducting Pension Plan contributions.

The SEC "Form 10" financial disclosure, filed by Corteva on 10/18/18, shows that its balance sheet includes Historical DuPont's Pension Plan assets and obligations. However, as indicated in the filing, final allocation decisions have not yet been made, and this will be the subject of Form 10 Amendments. We hope that the allocation decisions will become clear as part of the information provided on "Investor Day" on 11/8/18.