20220704395593

Årsredovisning

för

Laird Technologies (Holdings) II AB

556678-0440

Räkenskapsåret

2021

Fastställelseintyg

Undertecknad verkställande direktör i Laird Technologies (Holdings) II AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma 2022-06-21 . Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Stockholm 2022- 06 -21

Vladimira Staflova

20220704395 94

Årsredovisning

för

Laird Technologies (Holdings) II AB

556678-0440

Räkenskapsåret

2021

20220704395 95

Styrelsen och verkställande direktören för Laird Technologies (Holdings) II AB avger följande årsredovisning för räkenskapsåret 2021.

Årsredovisningen är upprättad i svenska kronor, SEK. Om inte annat särskilt anges, redovisas alla belopp i tusentals kronor (Tkr). Uppgifter inom parentes avser föregående år.

Förvaltningsberättelse

Information om verksamheten

Laird Technologies (Holdings) II AB förvaltar delar av koncernens internationella dotterbolag. Företaget ingår i Laird Ltd, som är ett av de ledande företagen inom elektronik lösningar. Företaget har sitt säte i Stockholm.

Väsentliga händelser under räkenskapsåret

Den 1 juli 2021 köptes moderbolaget Laird CI Holdings Ltd med tillhörande dotterbolag av det börsnoterade bolaget DuPont de Nemours, Inc. noterat på New Work Stock Exchange.

Förväntad framtida utveckling samt väsentliga risker och osäkerhetsfaktorer

Verksamheten förväntas bedrivas med oförändrad inriktning i framtiden. Företagets risker är kopplade till verksamhetens utveckling i de rörelsedrivande dotterbolagen och till den kopplade utvecklingen av dotterbolagens värde.

Ägarförhållanden

Laird Technologies (Holdings) II AB ägs av Laird CI Holdings Ltd. Laird CI Holdings med dotterbolag ingår i sin tur i Laird Ltd koncernen som rapporteras av DuPont de Nemours Inc.

Flerårsöversikt	2021	2020	2019	2018
Nettoomsättning	0	0	0	0
Resultat efter finansiella poster	5 683	1 128 087	-28 204	1 121 760
Rörelsemarginal (%)	0,0	0,0	0,0	0,0
Balansomslutning	572 922	1 160 074	572 918	1 208 454
Soliditet (%)	99,6	99,9	91,8	95,5
Antal anställda	0	0	0	0

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Förändring av eget kapital (Tkr)

	Aktie-kapital	Reserv-fond	Balanserat resultat	Årets resultat	Totalt
Belopp vid årets ingång	100	31 823	0	1 127 366	**1 159 289**
Disposition enligt beslut av årets årsstämma:			534 124	-534 124	**0**
Utdelning				-593 242	**-593 242**
Årets resultat				4 512	**4 512**
Belopp vid årets utgång	**100**	**31 823**	**534 124**	**4 512**	**570 559**

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

balanserad vinst	534 123 717
årets vinst	4 512 208
	538 635 925
disponeras så att	
i ny räkning överföres	538 635 925

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning med noter.

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Resultaträkning

Tkr

	Not	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Rörelsens kostnader			
Övriga externa kostnader		-385	-436
		-385	**-436**
Rörelseresultat		**-385**	**-436**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	3	0	1 124 717
Övriga ränteintäkter och liknande resultatposter	4	6 099	4 940
Räntekostnader och liknande resultatposter	5	-31	-1 133
		6 068	**1 128 523**
Resultat efter finansiella poster		**5 683**	**1 128 087**
Resultat före skatt		**5 683**	**1 128 087**
Skatt på årets resultat		-1 171	-721
Årets resultat		**4 512**	**1 127 366**

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Balansräkning
Tkr

	Not	2021-12-31	2020-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Finansiella anläggningstillgångar			
Andelar i koncernföretag	6	572 713	572 713
		572 713	**572 713**
Summa anläggningstillgångar		**572 713**	**572 713**
Omsättningstillgångar			
Kortfristiga fordringar			
Fordringar hos koncernföretag		0	587 161
Övriga fordringar		1	0
		1	**587 161**
Kassa och bank		208	200
Summa omsättningstillgångar		**209**	**587 361**
SUMMA TILLGÅNGAR		**572 922**	**1 160 074**

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Balansräkning

Tkr

	Not	2021-12-31	2020-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		100	100
Reservfond		31 823	31 823
		31 923	**31 923**
Fritt eget kapital			
Balanserad vinst eller förlust		534 124	0
Årets resultat		4 512	1 127 366
		538 636	**1 127 366**
Summa eget kapital		**570 559**	**1 159 289**
Kortfristiga skulder			
Skulder till koncernföretag		1 161	0
Aktuella skatteskulder		1 171	721
Upplupna kostnader och förutbetalda intäkter		31	64
Summa kortfristiga skulder		**2 363**	**785**
SUMMA EGET KAPITAL OCH SKULDER		**572 922**	**1 160 074**

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Noter
Tkr

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar
Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs. Kursvinster och kursförluster på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder redovisas som finansiella poster.

Redovisningsprinciperna är oförändrade jämfört med föregående år.

Intäktsredovisning
Ersättning i form av ränta, royalty eller utdelning redovisas som intäkt när det är sannolikt att företaget kommer att få de ekonomiska fördelar som är förknippade med transaktionen och när inkomsten kan beräknas på ett tillförlitligt sätt.

Anläggningstillgångar
Immateriella och materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar enligt plan och eventuella nedskrivningar.

Avskrivning sker linjärt över den förväntade nyttjandeperioden med hänsyn till väsentligt restvärde.
Följande avskrivningsprocent tillämpas:

Nyckeltalsdefinitioner
Nettoomsättning
Rörelsens huvudintäkter, fakturerade kostnader, sidointäkter samt intäktskorrigeringar.

Resultat efter finansiella poster
Resultat efter finansiella intäkter och kostnader men före bokslutsdispositioner och skatter.

Rörelsemarginal (%)
Rörelseresultat i procent av omsättningen.

Balansomslutning
Företagets samlade tillgångar.

Soliditet (%)
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Antal anställda
Medelantal anställda under räkenskapsåret.

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Not 2 Uppgifter om moderföretag

Laird Technologies (Holdings) II AB ägs av Laird CI Holdings Ltd. Laird CI Holdings med dotterbolag ingår i sin tur i Laird Ltd koncernen med moderbolag DuPont de Nemours Inc. Moderbolag i den minsta koncernen som upprättar koncernredovisning är alltså DuPont de Nemours Inc.

I enlighet med ÅRL kap 7 §2 hänvisar vi koncernredovisningen till DuPont de Nemours Inc.

Not 3 Resultat från andelar i koncernföretag

	2021	2020
Erhållna utdelningar	0	1 124 716
	0	**1 124 716**

Not 4 Övriga ränteintäkter och liknande resultatposter

	2021	2020
Ränteintäkter från koncernföretag	6 081	4 964
	6 081	**4 964**

Not 5 Räntekostnader och liknande resultatposter

	2021	2020
Räntekostnader till koncernföretag	-31	-1 133
Kursdifferenser	18	-24
	-13	**-1 157**

Not 6 Andelar i koncernföretag

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	2 304 597	2 304 597
Utgående ackumulerade anskaffningsvärden	**2 304 597**	**2 304 597**
Ingående nedskrivningar	-1 731 884	-1 731 884
Utgående ackumulerade nedskrivningar	**-1 731 884**	**-1 731 884**
Utgående redovisat värde	**572 713**	**572 713**

Stockholm 20/6 - 2022

Vladimira Staflova
Verkställande direktör

Martin Lundqvist
Styrelseledamot

David Robert Spence
Styrelseledamot

Vår revisionsberättelse har lämnats 2022-06-21

Deloitte AB

Pernilla Rehnberg
Auktoriserad revisor

20220704396O3

Deloitte.

REVISIONSBERÄTTELSE

Till bolagsstämman i Laird Technologies (Holdings) II AB
organisationsnummer 556678-0440

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Laird Technologies (Holdings) II AB för räkenskapsåret 2021-01-01 - 2021-12-31.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Laird Technologies (Holdings) II ABs finansiella ställning per den 31 december 2021 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Laird Technologies (Holdings) II AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- Identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.

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- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Laird Technologies (Holdings) II AB för räkenskapsåret 2021-01-01 - 2021-12-31 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Laird Technologies (Holdings) II AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Jönköping 2022-06-21

Deloitte AB

Pernilla Rehnberg
Auktoriserad revisor

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended **December 31, 2021**

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 001-38196

DUPONT DE NEMOURS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**81-1224539**
State or other jurisdiction of incorporation or organization	(I.R.S. Employer Identification No.)
974 Centre Road Building 730 Wilmington Delaware	**19805**
(Address of Principal Executive Offices)	(Zip Code)

(302) 774-3034
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

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

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☑ Yes ☐ No

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

☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files).

☑ Yes ☐ No

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

Large Accelerated Filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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. ☐

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. ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☑ No

The aggregate market value of the common equity held by non-affiliates of the registrant as of June 30, 2021, (the last day of the registrant's most recently completed second fiscal quarter), was approximately $41 billion based on the New York Stock Exchange closing price on such date. For purposes of this computation, the registrant has assumed that its Directors and Executive Officers are affiliates.

The registrant had 512,907,484 shares of common stock, $0.01 par value, outstanding at February 9, 2022.

DOCUMENTS INCORPORATED BY REFERENCE

Part III: Proxy Statement for the 2022 Annual Meeting of Stockholders to be filed not later than 120 days after the end of the fiscal year covered by this Form 10-K.

DuPont de Nemours, Inc.

ANNUAL REPORT ON FORM 10-K
For the year ended December 31, 2021

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FORWARD-LOOKING STATEMENTS

This communication contains "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," "target," and similar expressions and variations or negatives of these words. Capitalized terms used in this section but not defined below have the meanings assigned in Item 1 of this Annual Report on Form 10-K.

Forward-looking statements address matters that are, to varying degrees, uncertain and subject to risks, uncertainties, and assumptions, many of which that are beyond DuPont's control, that could cause actual results to differ materially from those expressed in any forward-looking statements. Forward-looking statements are not guarantees of future results. Some of the important factors that could cause DuPont's actual results to differ materially from those projected in any such forward-looking statements include, but are not limited to: (i) the timing and outcome of the In-Scope M&M Divestiture Process and the risks, costs and ability to realize benefits from the pursuit of any disposition of the In-Scope M&M Businesses resulting therefrom; (ii) ability to achieve anticipated tax treatments in connection with mergers, acquisitions, divestitures and other portfolio changes actions and impact of changes in relevant tax and other laws; (iii) indemnification of certain legacy liabilities of EID in connection with the Corteva Distribution; (iv) risks and costs related to each of the parties respective performance under and the impact of the arrangement to share future eligible PFAS costs by and between DuPont, Corteva and Chemours; (v) failure to timely close on anticipated terms, realize expected benefits and effectively manage and achieve anticipated synergies and operational efficiencies in connection with mergers, acquisitions, divestitures and other portfolio changes including the Intended Rogers Acquisition (vi) risks and uncertainties, including increased costs and the ability to obtain raw materials and meet customer needs, related to operational and supply chain impacts or disruptions, which may result from, among other events, the COVID-19 pandemic and actions in response to it, and geo-political and weather-related events; (vii) ability to offset increases in cost of inputs, including raw materials, energy and logistics; and (viii) other risks to DuPont's business, operations; each as further discussed in the section titles "Risk Factors" (part 1, Item 1A of this Form 10-K). 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 or supply chain disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on DuPont's consolidated financial condition, results of operations, credit rating or liquidity. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. DuPont assumes no obligation to publicly provide revisions or updates to any forward-looking statements whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.

PART I

ITEM 1. BUSINESS

Throughout this Annual Report on Form 10-K, except as otherwise noted by the context, the terms "DuPont" or "Company" used herein mean DuPont de Nemours, Inc. and its consolidated subsidiaries. On June 1, 2019, DowDuPont Inc. changed its registered name to DuPont de Nemours, Inc. ("DuPont") (for certain events prior to June 1, 2019, the Company may be referred to as DowDuPont). Beginning on June 3, 2019, the Company's common stock is traded on the New York Stock Exchange under the ticker symbol "DD."

DuPont is a Delaware corporation formed in 2015 (formerly, DowDuPont Inc.), for the purpose of effecting an all-stock merger of equals transactions between The Dow Chemical Company ("TDCC") and E. I. du Pont de Nemours and Company ("EID"). Effective August 31, 2017, pursuant to the merger of equals transaction contemplated by the Agreement and Plan of Merger, dated as of December 11, 2015, as amended on March 31, 2017 ("DWDP Merger Agreement"), TDCC and EID each merged with subsidiaries of DowDuPont Inc. ("DowDuPont") and, as a result, TDCC and EID became subsidiaries of DowDuPont (the "DWDP Merger"). Prior to the DWDP Merger, DowDuPont did not conduct any business activities other than those required for its formation and matters contemplated by the DWDP Merger Agreement. For purposes of DowDuPont's financial statement presentation, TDCC was determined to be the accounting acquirer in the DWDP Merger and EID's assets and liabilities are reflected at fair value as of the DWDP Merger Effectiveness Time.

On April 1, 2019, the Company completed the separation of the materials science business through the spin-off of Dow Inc., ("Dow") including Dow's subsidiary TDCC (the "Dow Distribution"). On June 1, 2019, the Company completed the separation of the agriculture business through the spin-off of Corteva, Inc. ("Corteva") including Corteva's subsidiary EID, (the "Corteva Distribution and together with the Dow Distribution, the "DWDP Distributions").

DuPont is a global innovation leader with technology-based materials and solutions that help transform industries and everyday life by applying diverse science and expertise to help customers advance their best ideas and deliver essential innovations in key markets including electronics, transportation, building and construction, healthcare and worker safety. At December 31, 2021, the Company has subsidiaries in about 60 countries worldwide and manufacturing operations in about 25 countries. See Note 23 to the Consolidated Financial Statements for details on the location of the Company's sales and property.

On February 1, 2021, the Company completed the divestiture of the Nutrition & Biosciences ("N&B") business to International Flavors & Fragrance Inc. ("IFF") in a Reverse Morris Trust transaction (the "N&B Transaction") that resulted in IFF issuing shares to DuPont stockholders. See Note 4 to the Consolidated Financial Statements for more information.

On July 1, 2021, DuPont completed the acquisition of the Laird Performance Materials business (the "Laird PM Acquisition") from Advent International. See Note 3 to the Consolidated Financial Statements for more information.

On November 2, 2021, DuPont announced it has entered into a definitive agreement to acquire Rogers Corporation for cash, (the "Intended Rogers Acquisition"). The transaction is subject to approval by Rogers' shareholders, which was received on January 25, 2022, regulatory approvals and customary closing conditions.

On November 2, 2021, DuPont announced that it has initiated a divestiture process (the "In-Scope M&M Divestiture Process") related to a substantial portion of its Mobility & Materials segment, not including, among other things, the Auto Adhesives and Multibase™ businesses, (the "In-Scope M&M Businesses"). The outcome of which, including the entry into a definitive agreement, is subject to approval of the DuPont Board of Directors.

BASIS OF PRESENTATION

The Consolidated Financial Statements included in this annual report present the financial position of DuPont as of December 31, 2021 and 2020 and the results of operations of DuPont for the years ended December 31, 2021, 2020, and 2019 giving effect to the divestiture of N&B and the DWDP Distributions, with the historical financial results of N&B, Dow, and Corteva reflected as discontinued operations, as applicable. The cash flows and comprehensive income related to N&B, Dow, and Corteva have not been segregated and are included in the Consolidated Statements of Cash Flows and Consolidated Statements of Comprehensive Income, respectively, for the year ended December 31, 2021, 2020, and 2019, as applicable. Unless otherwise indicated, the information in the Notes to the Consolidated Financial Statements refer only to DuPont's continuing operations and do not include discussion of balances or activity of N&B, Dow, or Corteva.

SEGMENT INFORMATION

Effective February 1, 2021, in conjunction with the closing of the N&B Transaction, the Company changed its management and reporting structure (the "2021 Segment Realignment"). DuPont's worldwide operations are managed through global businesses, which are currently reported in three reportable segments: Electronics & Industrial; Water & Protection; and Mobility & Materials. The changes became effective February 1, 2021 and have been retrospectively reflected in the segment results for all periods presented.

See Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations and Note 23 in this annual report for additional information concerning the Company's operating segments.

ELECTRONICS & INDUSTRIAL

Electronics & Industrial is a leading global supplier of differentiated materials and systems for a broad range of consumer electronics including mobile devices, television monitors, personal computers and electronics used in a variety of industries. The segment is a leading supplier of key materials for the manufacturing of materials and printing systems to the advanced printing industry, and of materials and solutions for the fabrication of semiconductors and integrated circuits addressing both the front-end and back-end of the manufacturing process. The segment offers a broad portfolio of semiconductor and advanced packaging materials, providing chemical mechanical planarization ("CMP") pads and slurries, photoresists and advanced coatings for lithography, removers and cleaners; dielectric and metallization solutions for back-end-of-line advanced chip packaging; along with silicones for light emitting diode ("LED") packaging and semiconductor applications. Electronics & Industrial also provides permanent and process chemistries for the fabrication of printed circuit boards to include laminates and substrates, electroless and electrolytic metallization solutions, as well as patterning solutions and materials and innovative metallization processes for metal finishing, decorative, and industrial applications. With the acquisition of Laird Performance Materials, Electronics & Industrial also provides high-performance electromagnetic shielding and thermal management solutions. Electronics & Industrial is a leading global supplier in the packaging graphics industry providing photopolymer plates and platemaking systems used in flexographic printing and digital inks for textile, commercial and home-office printing applications. The segment also provides cutting-edge materials for the manufacturing of rigid and flexible displays for organic light emitting diode ("OLED"), and other display applications. In addition, the segment produces high performance parts, and specialty silicone elastomers and lubricants to meet customer specifications in automotive, aerospace, electronics, industrial, and healthcare markets. Electronics & Industrial addresses these markets by leveraging a strong science and technology base and customer-driven application engineering capabilities to provide the critical materials and solutions for creating a more connected and digital world.

2021 Segment Realignment

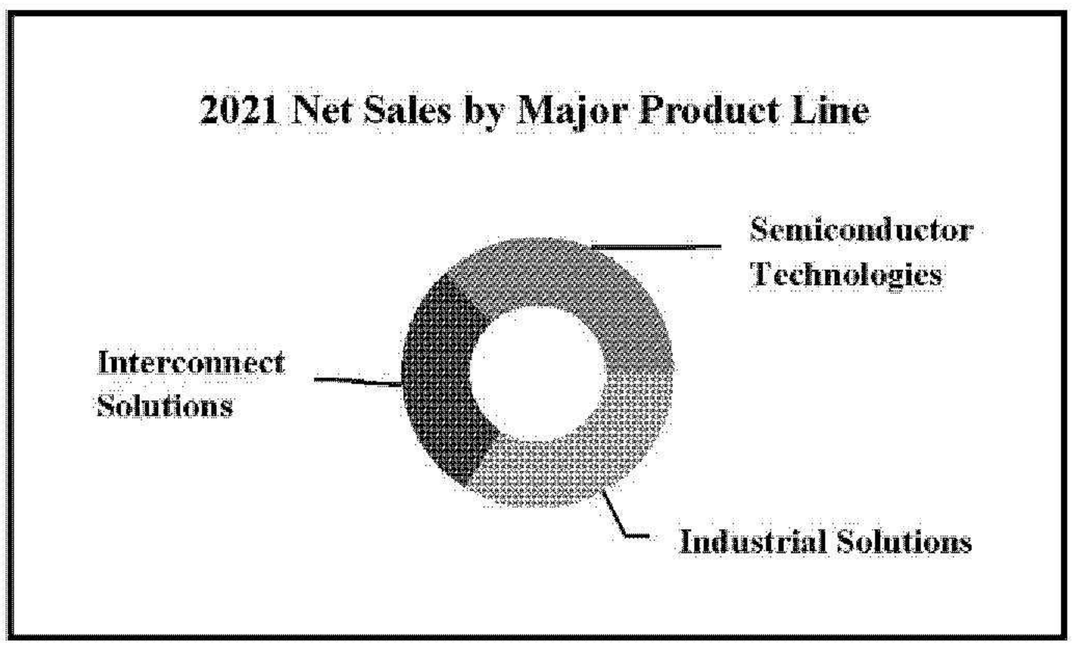
In conjunction with the 2021 Segment Realignment, KALREZ®/VESPEL®, and Healthcare and Specialty Lubricants (Medical Silicones and MOLYKOTE® lubricants) moved to Electronics & Imaging from Mobility & Materials (previously, Transportation & Industrial) and the segment was renamed Electronics & Industrial. The Image Solutions business, which includes the additional technologies, was renamed Industrial Solutions.

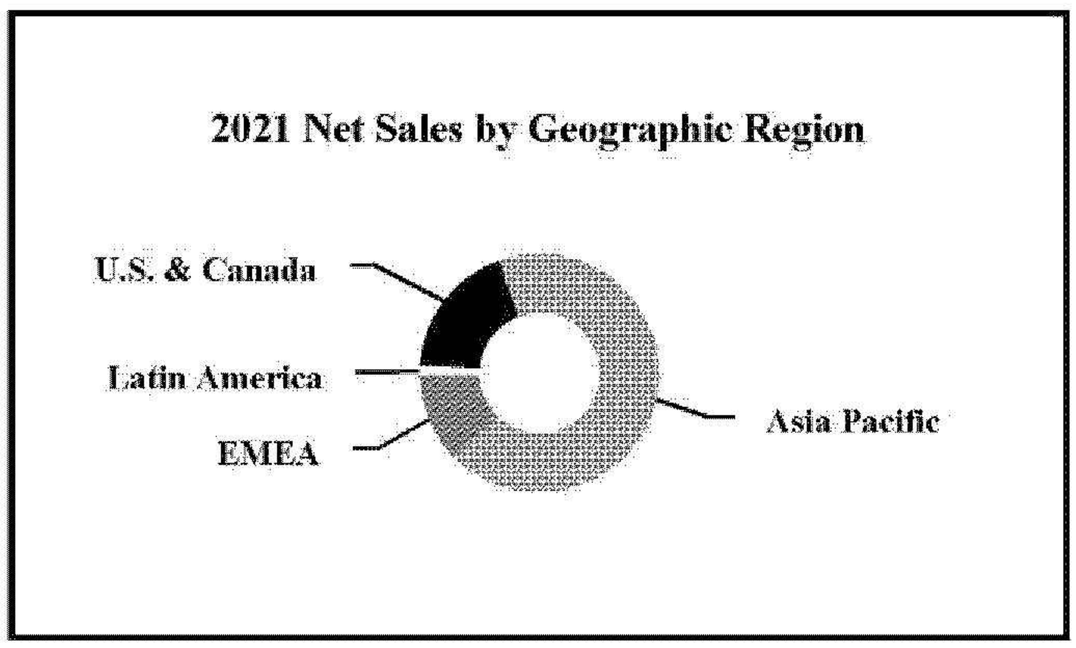
Acquisitions & Divestitures

On July 1, 2021, the Company completed the acquisition of Laird Performance Materials ("Laird PM") from Advent International. Laird PM is a leader in high-performance electromagnetic shielding and thermal management solutions. Laird PM is presented within the Interconnect Solutions business.

In the first quarter of 2020, the Company completed the sale of its Compound Semiconductor Solutions business unit to SK Siltron. The proceeds received in the first quarter of 2020 related to the sale of the business were approximately $420 million.

Details on Electronics & Industrial's 2021 net sales, by major product line and geographic region, are as follows:





Products

Major applications/market segments and technologies are listed below by major product line:

Major Product Line	*Applications/Market Segments*	*Technologies*
Semiconductor Technologies	Integrated circuit fabrication for memory and logic semiconductors	CMP consumables, photolithography materials, semiconductor fabrication materials, fabrication cleaners and removers, advanced chip packaging materials and thermal management materials
Interconnect Solutions	Printed circuit board, electronic and industrial finishing	Circuit packaging film and laminate materials, interconnect metallization and imaging process chemistries, dry film photoresists, polyimide films, flexible circuit materials, electromagnetic shielding and thermal management materials
Industrial Solutions	Flexographic printing and inkjet printing, display materials, high performance parts and specialty silicones for automotive, acrospace, electronics, industrial and healthcare markets	Flexographic printing plates and materials, digital inks, OLED and other display process materials, LED encapsulants, perfluoroelastomer and polyimide parts and shapes, and specialty silicone elastomers and lubricants

Key Raw Materials

The major commodities, raw materials and supplies for the Electronics & Industrial segment include: p-acetoxystyrene, monomers, pigments and dyes, styrenic block copolymers, copper foil, diglycolamine, dimethylacetamide, hydroxylamine, filler alumina, nickel silver, oxydianiline, palladium, photoactive compounds, polyester and other polymer films, polyurethane resins and pyromellitic dianhydride and silicones.

Current and Future Investments

In March 2019, the Company announced plans to invest more than $200 million in its Electronics & Industrial segment to build new production assets at its Circleville, Ohio, plant. The new assets will expand production of KAPTON® polyimide film and PYRALUX® flexible circuit materials to meet growing market demand. At December 31, 2021, the project is substantially complete and the Company will begin qualifying material in the first half of 2022.

The Company will invest approximately $70 million in its Electronics & Industrial segment to build new production assets at a Newark, Delaware plant. The new assets will expand production of Kalrez® perfluoroelastomer parts to meet growing market demand. At December 31, 2021, the Company had spent approximately $14 million since the start of the project, and expects the new assets to be operational in mid 2023.

Intended Rogers Acquisition

On November 2, 2021, the Company announced that it had entered into a definitive agreement to acquire all the outstanding shares of Rogers Corporation ("Rogers"). The acquisition is expected to close by the end of the second quarter of 2022 and, when complete, is expected to broaden the Company's presence in the electronic materials market. The completion of the acquisition is subject to regulatory approvals and other customary closing conditions.

WATER & PROTECTION

Water & Protection is the global leader in providing innovative engineered products and integrated systems for a number of industries including, worker safety, water purification and separation, transportation, energy, medical packaging and building materials. Water & Protection addresses the growing global needs of businesses, governments and consumers for solutions that make life safer, healthier and better.

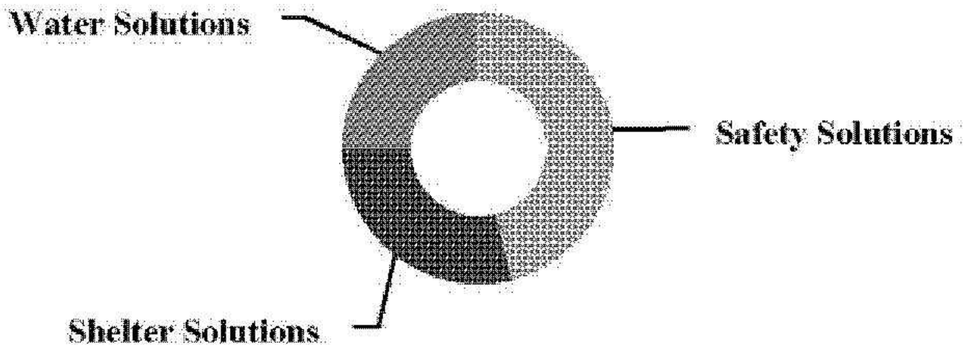
Innovation is the business imperative. By uniting market-driven science and engineering with the strength of highly regarded brands including KEVLAR® high-strength material, NOMEX® thermal-resistant material, CORIAN® solid surfaces, TYVEK® selective barriers, FILMTEC™ reverse osmosis elements, STYROFOAM™ insulation and GREAT STUFF™ insulating foam sealants, the segment strives to bring new products and solutions to solve customers' needs faster, better and more cost effectively. Water & Protection is investing in future growth initiatives such as water management solutions, construction productivity solutions, high strength and light weighting composite solutions, and circular ecosystem / zero waste solutions.

Acquisitions

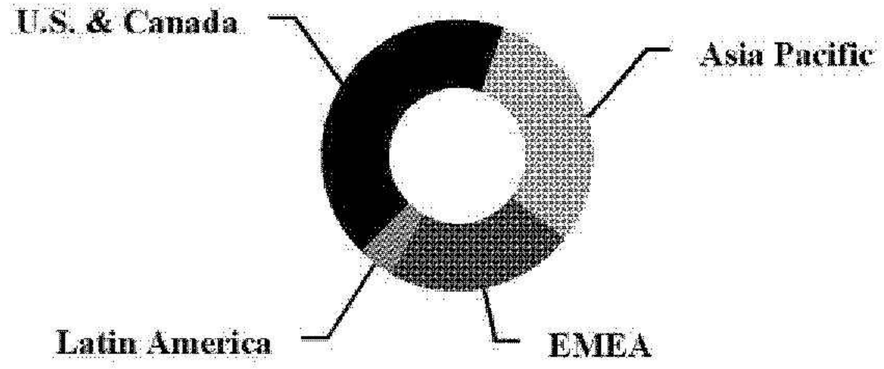
During the fourth quarter of 2019, the Company completed three acquisitions: (1) BASF's Ultrafiltration Membrane business, including inge GmbH; (2) Evoqua Water Technologies Corp.'s MEMCOR® business including ultrafiltration and membrane biofiltration technologies; and (3) OxyMem Limited, a company that develops and produces Membrane Aerated Biofilm Reactor technology. In the first quarter of 2020, the Company acquired Desalitech Ltd., a closed circuit reverse osmosis (CCRO) company.

Details on Water & Protection's 2021 net sales, by major product line and geographic region, are as follows:

2021 Net Sales by Major Product Line



2021 Net Sales by Geographic Region



Products

Major applications and products are listed below by major product line:

Major Product Line	*Applications / Market Segments*	*Major Products / Technologies*
Safety Solutions	Industrial personnel protection, military and emergency response, medical devices and packaging, automotive, aerospace and oil and gas	KEVLAR® fiber; NOMEX® fiber and paper; TYVEK® protective materials; TYCHEM® protective suits
Shelter Solutions	Rigid and spray foam insulation, weatherization, waterproofing and air sealing, caulks and sealants, roof coatings, and decorative surface materials	STYROFOAM™ brand insulation products, THERMAX™ exterior insulation, WALOCEL™ cellulose ethers, XENERGY™ high performance insulation, LIQUIDARMOR™ flashing and sealant, GREAT STUFF™ insulating foam sealants and adhesives, CORIAN® design solid and quartz surfaces, TYVEK® weather resistant barriers
Water Solutions	Water filtration and purification technology for residential, municipal and industrial use. Key industries include municipal drinking water and wastewater, power generation, microelectronics, pharmaceuticals, food and beverage, industrial wastewater reuse, metals and mining, and oil and gas segments	AMBERLITE™ ion exchange resins, FILMTEC™ reverse osmosis and nanofiltration elements, INTEGRAFLUX™ ultrafiltration modules, FORTILIFE™ challenging water reverse osmosis membranes, and TAPTEC™ water filtration and purification for drinking water in homes and commercial buildings

Key Raw Materials

The major commodities, raw materials and supplies for the Water & Protection segment include: alumina trihydrate, aniline, benzene, calcium chloride, carbon monoxide, chlorine, divinyl benzene monomers, high-density polyethylene, isophthalic acid, metaphenylenediamine, methyl methacrylate, methylpentanediol, polyester resin, polypropylene, polystyrene, sulfuric acid and terephthalic acid.

Current and Future Investments

The Company previously announced plans to invest more than $400 million in Water & Protection to increase capacity for the manufacture of TYVEK® nonwoven materials at its Luxembourg site due to growing global demand. The expansion for the new operating line of TYVEK® nonwoven materials is expected to be completed in 2023.

MOBILITY & MATERIALS

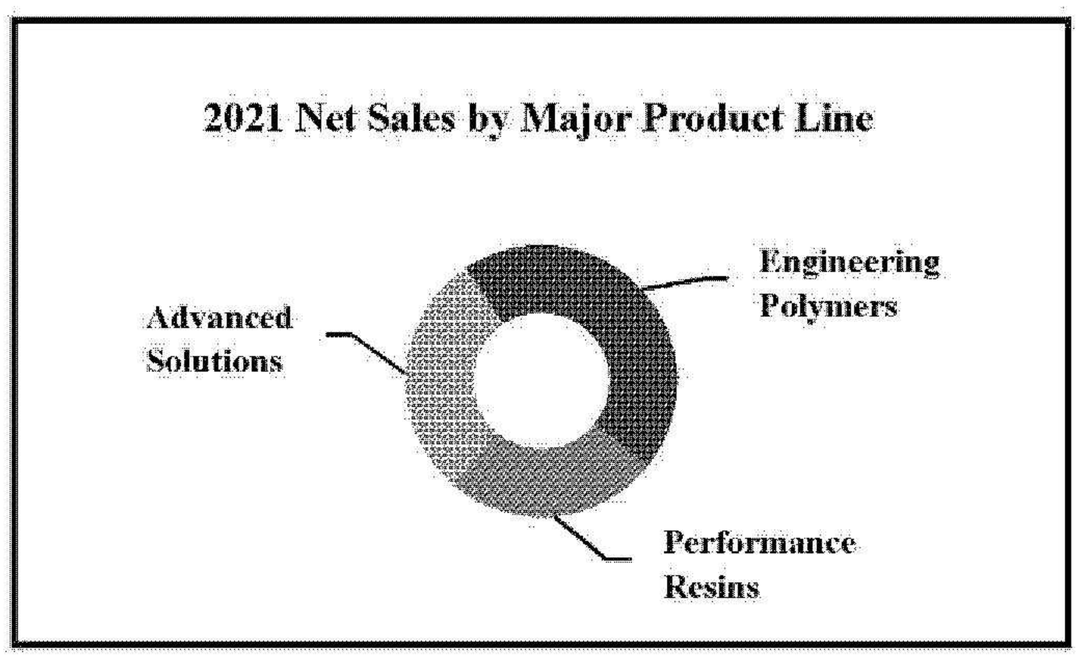
Mobility & Materials provides high-performance engineering thermoplastics, elastomers, adhesives, silicone encapsulants, pastes, filaments and advanced films to engineers and designers in the transportation, electronics, renewable energy, industrial and consumer end-markets to enable systems solutions for demanding applications and environments.

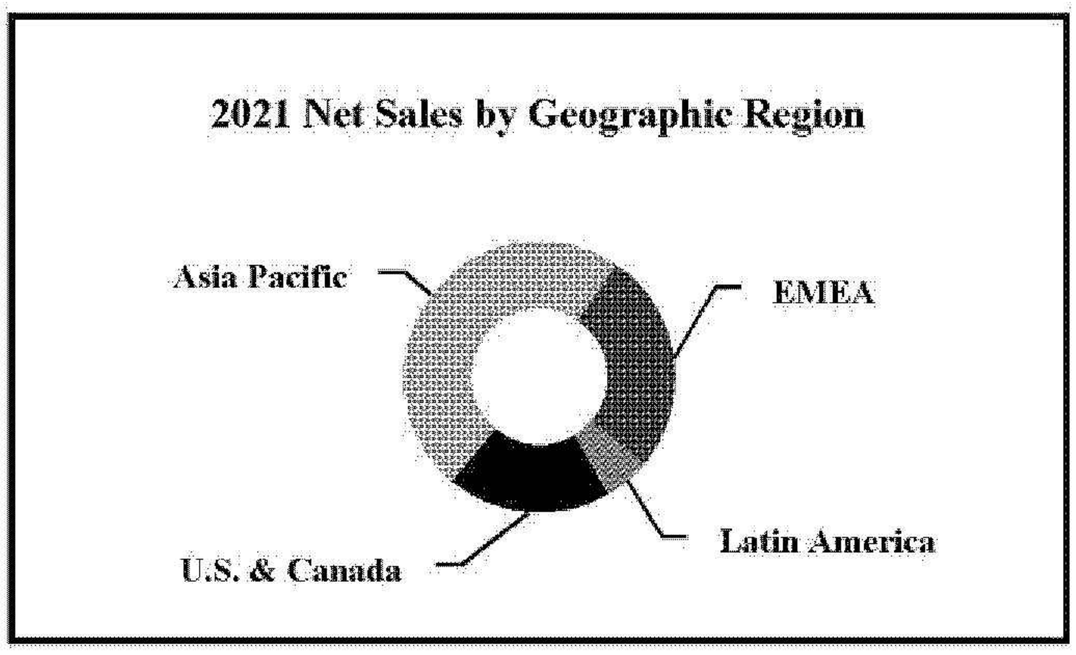
Mobility & Materials is a global leader in providing innovative advanced materials solutions with technologies that differentiate customers' products through improved performance characteristics. The business' technology is enabling the transition to hybrid-electric-connected vehicles and high speed high frequency connectivity.

2021 Segment Realignment

In conjunction with the 2021 Segment Realignment, Kalrez®/Vespel®, and Healthcare and Specialty Lubricants (Medical Silicones and Molykote® lubricants) moved from Transportation & Industrial to Electronics & Imaging. Certain previous Non-Core businesses including TEDLAR® and Microcircuit Materials (previously part of Photovoltaic & Advanced Materials ("PVAM")), and DuPont Teijin Films shifted from the former Non-Core segment to Transportation & Industrial. The major product lines were reorganized into Engineering Polymers, Performance Resins, and Advanced Solutions and the segment was renamed Mobility & Materials effective February 1, 2021.

Details on Mobility & Material's 2021 net sales, by major product line and geographic region, are as follows:





Products

Major applications and products are listed below by major product line, all which serve the transportation, electronics, renewable energy, industrial and consumer end-markets.

Major Product Line	*Major Products*
Advanced Solutions	BETASEAL™, BETAMATE™ and BETAFORCE™, BETATECH™ structural, elastic and thermal interface adhesives, metallization pastes, TEDLAR® polyvinyl, fluoromaterials, FORTASUN® silicone encapsulants and adhesives, MYLAR®, and MELINEX® polyester films
Performance Resins	HYTREL® polyester thermoplastic elastomer resins, DELRIN® acetal resins, MULTIBASE™ thermoplastic additives and VAMAC® ethylene acrylic elastomer.
Engineering Polymers	DUPONT™ ZYTEL® nylon resins, CRASTIN® PBT thermoplastic polyester resin, RYNITE® PET polyester resin and TYNEX® filaments

Key Raw Materials

The major commodities, raw materials and supplies for the Mobility & Materials segment include: adipic acid, butanediol, carbon black, dimethyl terephthalate, epoxy resins, fiberglass, flame retardants, hexamethylene diamine, methanol, polyethylene terephthalate, purified terephthalic acid and precious metals.

Mobility & Materials Intended Divestiture
On November 2, 2021 the Company announced that it has initiated a divestiture process related to a substantial portion of the Mobility & Materials segment, which predominantly includes the Engineering Polymers and Performance Resins lines of business. While strategic alternatives are considered, the Mobility & Materials segment will remain in its current management and reporting structure.

INDUSTRY SEGMENTS AND GEOGRAPHIC REGION RESULTS

See Note 5 to the Consolidated Financial Statements for net sales by business or major product line.

Sales by geographic region are included within Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Results of Operations." See Note 23 to the Consolidated Financial Statements for information regarding total net sales, pro forma net sales, pro forma Operating EBITDA and total assets by segment, as well as net sales and long-lived assets by geographic region.

SIGNIFICANT CUSTOMERS AND COMPETITION

In 2021, no significant portion of the Company's sales was dependent upon a single customer. The markets in which the Company participates compete primarily through technology, range of products and services, performance, quality, reliability, brand, reputation, service and support. The Company provides extensive support, technical services and testing services for its customers, in addition to new product development. The Company believes that its proprietary product and process technologies, robust product and application development pipelines, customer intimacy, global manufacturing capability and local service capability enable it to compete successfully.

DuPont is a multi-industrial company and is subject to competition across all product and service areas. Key competitors include but are not limited to:

- *Electronics & Industrial:* 3M, Atotech, CMC Materials, Element Solutions, Entegris, Henkel, Merck KGaA, and Parker Hannifin.
- *Water & Protection:* 3M, Honeywell, Hydranautics, Kingspan, Lanxess, LG Corp, Owens-Corning, Purolite, Royal DSM, Toray and Teijin.
- *Mobility & Materials:* BASF, Celanese, EMS Chemie, Henkel, Lanxess, Mitsubishi, Royal DSM and Sika.

Against this competitive backdrop, value-in-use is the primary driver of price for the Company's products, although price is impacted by many factors including, among others, fluctuations in supply and demand, and availability and cost of key manufacturing inputs including raw materials and energy.

SOURCES AND AVAILABILITY OF MAJOR RAW MATERIALS

The novel coronavirus ("COVID-19") and its variants continue to adversely impact the broader global economy, including certain of the Company's suppliers for key raw materials. The COVID-19 pandemic has caused widespread supply chain challenges due to labor disruptions, increased raw material costs and component shortages, namely the semiconductor chip shortage. In addition, logistic challenges have increased significantly in the second half of 2021 causing delays and increased costs. The Company is actively working to mitigate the impact of the widespread supply chain and logistics issues.

DISTRIBUTION

Most products are marketed primarily through the Company's sales organization, although in some regions, more emphasis is placed on sales through distributors. The Company has a diverse worldwide network which markets and distributes the Company's brands to customers globally. This network consists of the Company's sales and marketing organization partnering with distributors, independent retailers, cooperatives and agents throughout the world.

INTELLECTUAL PROPERTY

The Company's businesses differentially manage their respective intellectual property estates to support Company strategic priorities, which can include leveraging intellectual property within and across product lines.

Trade Secrets: Trade secrets are an important part of the Company's intellectual property. Many of the processes used to make products are kept as trade secrets which, from time to time, may be licensed to third parties. DuPont 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: The Company applies for and obtains patents in many countries, including the U.S., and has access to a large patent portfolio, both owned and licensed. DuPont'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 Company considers various intellectual property protections and strategic business priorities when deciding whether to apply for or maintain a patent.

The protection afforded by patents varies based on country, scope of individual patent coverage, as well as the availability of legal remedies in each country and type of patent protection. The term of these patents is approximately twenty years from the filing date in general, but varies depending on country and type of patent protection. DuPont's significant patent estate may be leveraged to align with the Company's strategic priorities within and across product lines. At December 31, 2021, the Company owned about 15,000 patents and patent applications globally. Approximately 75% of the Company's patent estate has a remaining term of more than 5 years.

Trademarks: The Company owns or licenses many trademarks that have significant recognition at the consumer retail level and/or the product line to product line level. Ownership rights in trademarks do not expire if the trademarks are continued in use and properly protected.

ENVIRONMENTAL SOCIAL AND GOVERNANCE (ESG)

DuPont's purpose is to empower the world with the essential innovations to thrive. The Company operates within four core values of protecting safety and health; respect for people; conduct in accordance with the highest ethical behavior; and protecting the planet. DuPont's sustainability strategy is focused on driving innovations to create sustainable solutions that help address the most pressing challenges facing society and the planet; enhancing the sustainability of its operations and facilities; and protecting the health and well-being of its employees and communities. In 2019, DuPont announced its 2030 Sustainability Goals, including its Acting on Climate Goal - to reduce its greenhouse gas (GHG) emissions by 30 percent, measured from a base year of 2019, including sourcing 60 percent of electricity for operations from renewable energy and delivering carbon neutral operations by 2050. Additional information about DuPont's sustainability strategy and 2030 Goals can be found on its website as discussed below and in several areas of this report, including: (1) Environmental Proceedings beginning on page 27, (2) Management's Discussion and Analysis of Financial Condition and Results of Operations beginning on page 30, (3) Notes 1 and 16 to the Consolidated Financial Statements.

Information about DuPont's ESG-related policies, programs, initiatives and goals is available under *Sustainability* in the About Us section of its website. The Company's 2021 Sustainability Report, which is aligned to the Global Reporting Initiative ("GRI") Standards: Core option and the Sustainability Accounting Standards Board ("SASB") frameworks, includes information based on the businesses and facilities owned and operated by the Company during the calendar year 2020. As such, the 2021 Sustainability Report, and certain other information under *Sustainability*, does not reflect and has not been adjusted to reflect, among other things, the N&B Transaction, the Laird PM Acquisition, the Intended Rogers Acquisition or the In-Scope M&M Divestiture Process.

The 2021 Sustainability Report includes discussion of the Company's approach to ESG governance which is overseen by the Company's Board of Directors. In 2021 the Company took actions to align its governance and enterprise risk management practices around climate-related risks with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Additional corporate governance information, including DuPont's amended and restated charter, amended and restated bylaws, corporate governance guidelines, Board committee charters, and code of business conduct and ethics, is available under *Corporate Governance* in the "For Investors" section of the Company's website.

Nothing on the DuPont websites shall be deemed incorporated by reference into this Annual Report on Form 10-K.

HUMAN CAPITAL

Foundational to the Company's current and future success is its employees, who drive the Company's strategic vision, manage operations and develop products. The Company focuses significant attention on attracting, motivating, and retaining talent at all levels. Through training and professional development initiatives, promoting a culture of diversity, equity and inclusion, and emphasizing the importance of health, safety, and well-being, the Company's aim is to create an environment that fully supports the needs of its employees. Annually, an enterprise-wide engagement survey is conducted, which provides insight into employee morale and aspects of workplace culture like core values, communication and employee development.

The Company is committed to creating innovative talent-management opportunities that are aligned to the strategic needs of its workforce. Learning is a continual process, and the Company offers a diverse set of training, education, and development opportunities, both formally and informally, throughout the year. Each segment within the Company has ongoing training

programs that are designed specifically to maximize the performance of its employees in meeting business objectives, including better health and safety outcomes. All employees take part in a mix of on-the-job training and appropriate learning and training opportunities focusing on topics that are the most critical and relevant to each employees' job function.

The Company believes that diversity, equity and inclusion ("DE&I") is central to high employee engagement and seeks to foster an environment where employees can bring their authentic selves to work each day. The more perspectives there are, the more ideas that can be generated, which makes DE&I a driver of innovation, and therefore, integral to the Company's success. DuPont believes that it can only fulfill its purpose with the full commitment, participation, creativity, energy, and cooperative spirit of a diverse workforce, and is working to improve representation. The Company provides its Equal Employment Opportunity Employer Information Report (EEO-1) and other information on its DE&I efforts under *Diversity, Equity & Inclusion* in the About Us and Careers section of its website and under *Diversity, Equity & Inclusion* in the "Community Impact" section of its website. Nothing on the DuPont websites shall be deemed incorporated by reference into this Annual Report on Form 10-K.

The Company is committed to ensuring equal opportunity for growth and fulfillment for its employees and to positively impacting communities in which it operates. The Company's employee-led Employee Resource Groups ("ERGs") help cultivate a culture of acceptance where employees feel not only accepted, but celebrated, at every level. As of December 31, 2021, the Company has eight corporate ERGs - DuPont Corporate Black Employees Network, DuPont Asian Group, DuPont Pride Network, DuPont Latin Network, DuPont Women's Network, DuPont Veterans Network, DuPont Early Career Network, and DuPont Persons with Disabilities and Allies - all of which have regional and local chapters through the Company. Each group is actively sponsored by senior leadership, helping model and promote inclusive values and behaviors. The Company also offers DE&I tools and resources to educate managers and employees in how to utilize diversity as a resource and establish more inclusive work environments. These resources include networking and mentoring practices, and opportunities for participation in external conferences and events, among others.

DuPont's success also depends on the well-being of employees, including physical, mental and emotional health. The Company continuously strives for zero workplace injuries, occupational illnesses and incidents. The Company's safety metrics are measured against this goal at least quarterly, and DuPont's Environmental, Health, Safety & Sustainability Committee is charged with driving improvements in the Company's health and safety practices. All employees have the support of the Company's Integrated Health Services ("IHS") teams, which provides onsite and intranet-based services to support and monitor the health and welfare of employees. The Company's larger manufacturing and research sites have onsite clinics where employees can get occupational care, first aid treatment, travel vaccinations, and referrals for off-site medical care. IHS also assesses health risks across DuPont to find out which health concerns are most important to the Company's employees, and conducts medical surveillance exams based on occupational risks and regulatory compliance priorities flagged by DuPont's Environmental, Health and Safety team.

In response to the COVID-19 pandemic, the Company has corporate, regional and local crisis management teams in place actively monitoring, preparing and managing the Company's response. The Company has implemented safety plans and protocols based on World Health Organization and Centers for Disease Control guidelines. During the COVID-19 pandemic, employees have adapted to working in new ways, including remotely and on-site with social distancing, masks, and flexible scheduling. DuPont continues to embrace workplace flexibility wherever possible, recognizing that different jobs and teams have different requirements. In office environments DuPont supports hybrid working, allowing employees to mix on-site and remote working. In lab and production environments where remote working options are limited, DuPont continues to embrace flexible scheduling as feasible. These flexible working arrangements allow the Company to gain the best of what both remote and on site working have to offer while improving well-being, reducing travel, and benefiting the environment.

As of December 31, 2021, the Company employed approximately 28,000 people worldwide. Approximately 36 percent of employees were in Asia Pacific, 20 percent were in the EMEA, 2 percent were in Latin America, and 42 percent were in the U.S and Canada. Within the United States, about 6,000 employees were in non-exempt or hourly-rate positions.

AVAILABLE INFORMATION

The Company is subject to the reporting requirements under the Securities Exchange Act of 1934. Consequently, the Company is required to file reports and information with the Securities and Exchange Commission ("SEC"), including reports on the following forms: annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934.

The SEC maintains an Internet site at http://www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, from which the public may obtain any materials the Company files with the SEC.

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 also accessible on DuPont's website at http://www.investors.dupont.com by clicking on the section labeled "Investors", then on "Filings & Reports". These reports are made available, without charge, as soon as is reasonably practicable after the Company files or furnishes them electronically with the SEC.

DuPont webcasts its quarterly earnings calls and certain events it participates in or hosts with members of the investment community under *For Investors* section, in the "About Us" section of the Company's website. Additionally, DuPont provides notifications of news or announcements regarding its financial performance, including SEC filings, investor events, news and earnings releases under *For Investors*. The Company has used, uses and intends to continue to use, its website as means of disclosing material non-public information and for complying with its disclosure obligations under SEC's Regulation FD.

The contents of the Company's websites, including those referenced above and elsewhere in this report, are not intended to be incorporated by reference into this Annual Report on Form 10-K or in any other report or document DuPont has or in the future may file with the SEC, and any references to the Company's websites are intended to be inactive textual references only.

ITEM 1A. RISK FACTORS

The Company's operations could be affected by various risks, many of which are beyond its control. Based on current information, the Company believes that the following identifies the most material risk factors that could affect its operations. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods.

Risks Relating to the In-Scope M&M Divestiture Process, N&B Transaction and the Dow and Corteva Distributions

The timing and outcome of the In-Scope M&M Divestiture Process is subject to risk and uncertainties.

The outcome of the In-Scope M&M Divestiture Process, including the entry into a definitive agreement to effect a disposition of the In-Scope M&M Businesses, is subject to approval of the DuPont Board of Directors. There can be no assurance that the Company can satisfy any conditions to closing, which would include obtaining any necessary approvals, including regulatory approvals; or will realize the expected benefits in connection with such a disposition, if any. In addition, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, financial condition, losses, future prospects, business and management strategies, could impact the value, timing or pursuit of any disposition of the In-Scope M&M Businesses.

While DuPont is engaged in certain internal reorganization activities to separate the In-Scope M&M Business into separate subsidiaries and to align such subsidiaries for possible disposition in a tax-efficient manner, it is expected that such a disposition would result in a taxable transaction for the Company.

The separation and combination of DuPont's Nutrition & Biosciences business with IFF could result in a significant tax liability to DuPont.

The distribution by DuPont to its stockholders of all the issued and outstanding shares of N&B through the Exchange Offer ("N&B Distribution") and Mergers are expected to be tax-free to DuPont stockholders for U.S. federal income tax purposes (except to the extent that cash was paid to DuPont stockholders in lieu of fractional shares pursuant to the N&B Merger Agreement), and the N&B Contribution, N&B Distribution, and Special Cash Payment are expected to result in no recognition of gain or loss by DuPont for U.S. federal income tax purposes.

DuPont received an opinion of counsel and also obtained a private letter ruling from the Internal Revenue Service (the "IRS") regarding certain matters impacting the U.S. federal income tax treatment of the separation and transfer by DuPont of its N&B Business (the "N&B Contribution"), N&B Distribution, Special Cash Payment and certain related transactions. The conclusions of the IRS private letter ruling were based, among other things, on various factual assumptions DuPont authorized and representations DuPont made to the IRS. If any of assumptions or representations are, or become, inaccurate or incomplete, reliance on the IRS private letter ruling may be affected.

If the N&B Contribution and N&B Distribution failed to qualify for the treatment described above, DuPont would be required to generally recognize a taxable gain on the transactions and stockholders of DuPont who receive N&B Common Stock (and subsequently, IFF Common Stock) would be subject to tax on their receipt of the N&B Common Stock. Additionally, if the Special Cash Payment or certain internal transactions related to the separation of the Nutrition & Biosciences business fail to qualify for their intended tax-free treatment under U.S. federal, state, local tax and/or foreign tax law, DuPont could incur additional tax liabilities.

Under the Tax Matters Agreement by and between DuPont with N&B and IFF, N&B or IFF is generally required to indemnify DuPont for any taxes resulting from the separation of the Nutrition & Biosciences business (and any related costs and other damages) to the extent such amounts resulted from (i) certain actions taken by N&B or IFF involving the capital stock of N&B or IFF or any assets of the N&B group (excluding actions required by the documents governing the proposed transactions), or (ii) any breach of certain representations and covenants made by N&B or IFF.

DuPont is subject to continuing contingent tax-related liabilities of Dow and Corteva following the separations and DWDP Distributions.

After the separations and DWDP Distributions, there are several significant areas where the liabilities of Dow and Corteva may become the Company's obligations, either in whole or in part. For example, to the extent that any subsidiary of the Company was included in the consolidated tax reporting group of either TDCC or EID for any taxable period or portion of any taxable period ending on or before the effective date of the DWDP Merger, such subsidiary is jointly and severally liable for the U.S. federal income tax liability of the entire consolidated tax reporting group of TDCC or EID, as applicable, for such taxable period. In connection with the separations and DWDP Distributions, DuPont, Dow and Corteva have entered into a Tax Matters Agreement, as amended, that allocates the responsibility for prior period consolidated taxes among Dow, Corteva and DuPont. If Dow or Corteva are unable to pay any prior period taxes for which it is responsible, however, DuPont 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.

In connection with the separations and DWDP Distributions, certain liabilities are allocated to or retained by DuPont through assumption or indemnification of Dow and/or Corteva, as applicable. If DuPont is required to make payments pursuant to these indemnities to Dow and/or Corteva, DuPont may need to divert cash to meet those obligations, and the Company's financial results could be negatively impacted. In addition, certain liabilities are allocated to or retained by Dow and/or Corteva through assumption or indemnification, or subject to indemnification by other third parties. These indemnities may not be sufficient to insure the Company against the full amount of liabilities, including PFAS Stray Liabilities, allocated to or retained by it, and Dow, Corteva and/or third parties may not be able to satisfy their respective indemnification obligations in the future.

Pursuant to the DWDP Separation and Distribution Agreement, the DWDP Employee Matters Agreement, and the DWDP Tax Matters Agreement, as amended, (collectively, the "Core Agreements") with Dow and Corteva, as well as the Letter Agreement between DuPont and Corteva, DuPont has agreed to assume, and indemnify Dow and Corteva for, certain liabilities. Payments pursuant to these indemnities may be significant and could negatively impact the Company's business.

Third parties could also seek to hold DuPont responsible for any of the liabilities allocated to Dow and Corteva, including those related to EID's materials science and/or agriculture businesses, or for the conduct of such businesses prior to the distributions, and such third parties could seek damages, other monetary penalties (whether civil or criminal) and/or other remedies. Additionally, DuPont generally assumes and is responsible for the payment of the Company's share of (i) certain liabilities of DowDuPont relating to, arising out of or resulting from certain general corporate matters of DuPont and (ii) certain separation expenses not otherwise allocated to Corteva or Dow (or allocated specifically to it) pursuant to the Core Agreements, and third parties could seek to hold it responsible for Dow's or Corteva's share of any such liabilities. Dow and/or Corteva, as applicable, have agreed to indemnify it for such liabilities; however, such indemnities may not be sufficient to protect it against the full amount of such liabilities or from other remedies, and Dow and/or Corteva, as applicable, may not be able to fully satisfy their indemnification obligations. Even if DuPont ultimately succeeds in recovering from Dow and/or Corteva, as applicable, any amounts for which DuPont is held liable, DuPont may be temporarily required to bear these losses. Each of these risks could negatively affect the Company's business, financial condition, results of operations and cash flows.

Generally, as described in Litigation, Environmental Matters and Indemnifications, losses from liabilities related to discontinued and/or divested operations and businesses of EID that are not primarily related to its agriculture business or specialty products business, ("Stray Liabilities"), are allocated to or shared by each of Corteva and DuPont. Stray Liabilities include liabilities arising out of actions to the extent related to or resulting from EID's development, testing, manufacture or sale of per- or polyfluoroalkyl substances, ("PFAS Stray Liabilities").

At December 31, 2021, the Company has recorded an indemnification liability related to Stray Liabilities. The Company recognizes an indemnification liability when a loss is reasonably probable and can be reasonably estimated. While the Company has established processes and controls over the information to support its accounting for indemnification liabilities with each of Corteva and Dow, the Company is reliant on the accuracy, transparency, completeness and timeliness of information from the applicable party, either Corteva or Dow, that retains direct liability for the underlying matter. Estimating indemnified costs of environmental remediation and compliance activities is particularly difficult since such activities are dependent on the nature of and activity at specific sites; new and evolving analytical, operating and remediation technologies and techniques; agreed action plans; changes in environmental regulations; permissible levels of specific compounds in water, air or soil; enforcement theories and policies, including efforts to recover natural resource damages; and the presence and financial viability of other potentially responsible parties.

At December 31, 2021, the Company had recorded indemnification assets related to various Stray Liabilities and other matters. Although the Company believes it is remote, there can be no assurance that any such third party would have adequate resources to satisfy its indemnification obligation when due, or, would not ultimately be successful in claiming defenses against payment. Even if recovery from the third party is ultimately successful, DuPont may be temporarily required to bear these losses. Each of these risks could negatively affect the Company's business, financial condition, results of operations and cash flows. See discussion of the Core Agreements in Note 4 to the Consolidated Financial Statements and Litigation, Environmental Matters and Indemnifications in Note 16 to the Consolidated Financial Statements.

On January 22, 2021, DuPont, Corteva and Chemours entered into a cost sharing arrangement related to future eligible PFAS costs. The Company's results of operations could be adversely affected by litigation and other commitments and contingencies, including expected performance under and impact of the cost sharing arrangement.

Although by reducing uncertainty, the Company expects to benefit from the cost sharing arrangement related to future PFAS eligible costs, achievement of any such benefits may not be realized and depend on a number of factors and uncertainties that include, but are not limited to: the achievement, terms and conditions of final agreements related to the cost sharing arrangement; the outcome of any pending or future litigation related to PFAS or PFOA, including personal injury claims and natural resource damages claims; the extent and cost of ongoing remediation obligations and potential future remediation obligations; changes in laws and regulations applicable to PFAS chemicals, changes in applicable health advisory levels and in chronic reference doses for PFAS in drinking water; the performance by each of the parties of their respective obligations under the cost sharing arrangement.

DuPont faces risks arising from various unasserted and asserted litigation matters, including product liability, patent infringement and other intellectual property disputes, contract and commercial litigation, claims for damage or personal injury, antitrust claims, governmental regulations and other actions. An adverse outcome in any one or more of these matters could be material to the Company's business, results of operations, financial condition and cash flows.

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

If the completed distribution of Corteva or Dow, in each case, 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.

The completed distributions of Corteva and Dow were each conditioned upon the receipt of an opinion from Skadden, Arps, Slate, Meagher & Flom LLP, the Company's tax counsel, regarding the qualification of the applicable distribution along with certain related transactions as a tax-free transaction under Section 355 and Section 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended (the "Code," and such opinions, collectively, the "Tax Opinions"). The Tax Opinions relied on certain facts, assumptions, and undertakings, and certain representations from the Company, Dow and Corteva, as applicable, as well as the IRS Ruling (as defined below). Notwithstanding the Tax Opinions and the IRS Ruling, the Internal Revenue Service (the "IRS") could determine on audit that either, or both, of the distributions and certain related transactions should be treated as taxable transactions if it determines that any of these facts, assumptions, representations or undertakings are not correct or have been violated, or that the distributions should be taxable for other reasons, including if the IRS were to disagree with the conclusions of the Tax Opinions.

Even if a distribution otherwise constituted a tax-free transaction to stockholders under Section 355 of the Code, the Company could be required to recognize corporate level tax on such distribution and certain related transactions under Section 355(e) of the Code if the IRS determines that, as a result of the DWDP Merger or other transactions considered part of a plan with such distribution, there was a 50 percent or greater change in ownership in the Company, Dow or Corteva, as relevant. In connection with the DWDP Merger, the Company sought and received a private letter ruling from the IRS regarding the proper time, manner and methodology for measuring common ownership in the stock of the Company, EID and TDCC for purposes of determining whether there was a 50 percent or greater change of ownership under Section 355(e) of the Code as a result of the DWDP Merger (the "IRS Ruling"). The Tax Opinions relied on the continued validity of the IRS Ruling and representations made by the Company as to the common ownership of the stock of TDCC and EID immediately prior to the DWDP Merger, and concluded that there was not a 50 percent or greater change of ownership for purposes of Section 355(e) as a result of the DWDP Merger. Notwithstanding the Tax Opinions and the IRS Ruling, the IRS could determine that a distribution or a related transaction should nevertheless be treated as a taxable transaction to the Company if it determines that any of the Company's facts, assumptions, representations or undertakings was not correct or that a distribution should be taxable for other reasons, including if the IRS were to disagree with the conclusions in the Tax Opinions that are not covered by the IRS Ruling.

Generally, corporate taxes resulting from the failure of a distribution to qualify for non-recognition treatment for U.S. federal income tax purposes would be imposed on the Company. Under the DWDP Tax Matters Agreement, as amended, that the Company entered into with Dow and Corteva, Dow and Corteva are generally obligated to indemnify the Company against any such taxes imposed on it. However, if a distribution fails to qualify for non-recognition treatment for U.S. federal income tax purposes for certain reasons relating to the overall structure of the DWDP Merger and the distributions, then under the DWDP Tax Matters Agreement, as amended, the Company and Corteva, on the one hand, and Dow, on the other hand, would share the tax liability resulting from such failure in accordance with the relative equity values of the Company and Dow on the first full trading day following the distribution of Dow, and the Company and Corteva would in turn share any such resulting tax liability

in accordance with the relative equity values of the Company and Corteva on the first full trading day following the distribution of Corteva. Furthermore, under the terms of the DWDP Tax Matters Agreement, as amended, a party also generally will be responsible for any taxes imposed on the other parties that arise from the failure of either 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 party, or such party's affiliates', stock, assets or business, or any breach of such party's representations made in connection with the IRS Ruling or in any representation letter provided to a tax advisor in connection with certain tax opinions, including the Tax Opinions, regarding the tax-free status of the distributions and certain related transactions. To the extent that the Company is responsible for any liability under the DWDP Tax Matters Agreement, as amended, there could be a material adverse impact on the Company's business, financial condition, results of operations and cash flows in future reporting periods.

The DWDP separations and DWDP Distributions and the N&B Transaction may expose the Company to potential liabilities arising out of state and federal fraudulent conveyance laws and legal distribution requirements.
Although in connection with the DWDP Distributions and in connection with the N&B Transaction DuPont received separate solvency opinions from investment banks confirming that DuPont, Dow, Corteva and N&B would each be adequately capitalized following the separations and DWDP Distributions, and the N&B Transactions as relevant, (the "Transactions"), the Transactions could be challenged under various state and federal fraudulent conveyance laws. 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 any of the Transactions and that any one or the aggregate of the Transactions left DuPont insolvent or with unreasonably small capital or that DuPont intended or believed DuPont would incur debts beyond the Company's ability to pay such debts as they mature. If a court were to agree with such a plaintiff, then such court could void the separations and distributions as a fraudulent transfer or impose substantial liabilities on it, which could adversely affect the Company's financial condition and the Company's results of operations.

The Transactions are also subject to review under state corporate distribution statutes. Under the Delaware General Corporation Law, 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 DuPont's Board of Directors made the distributions out of DuPont's surplus and received an opinion that DuPont had adequate surplus under Delaware law to declare the dividends of Corteva and Dow common stock in connection with the DWDP Distributions there can be no assurance that a court will not later determine that some or all of the distributions were unlawful.

Risks Relating to DuPont's Business and Results of Operations

The extent to which the novel coronavirus and variants (COVID-19) and measures taken in response to it, impact DuPont's business, results of operations, access to sources of liquidity and financial condition depends on future developments, which are highly uncertain and cannot be predicted.
DuPont is actively monitoring the global impacts of the COVID-19 pandemic, including the impacts from responsive measures, and remains focused on its top priorities - the safety and health of its employees and the needs of its customers. The Company's business and financial condition, and the business and financial condition of the company's customers and suppliers, have been and continue to be impacted by the significantly increased economic, supply and demand uncertainties created by the COVID-19 outbreak. In addition, public and private sector responsive measures, such as the imposition of travel restrictions, quarantines, adoption of remote working, and suspension of non-essential business and government services, have impacted the Company's business and financial condition. Many of DuPont's facilities and employees are based in areas impacted by the virus. While most DuPont manufacturing sites remain in operation, DuPont has reduced or furloughed, when necessary, certain operations in response to government measures, employee welfare concerns and the impact of COVID-19 on the global demand and supply chain. DuPont's manufacturing operations may be further adversely affected by impacts from COVID-19 including, among other things, additional government actions and other responsive measures, more and /or deeper supply chain disruptions, quarantines and health and availability of essential onsite personnel. In response, the Company developed site-by-site protocols in 2020 under which the Company continues to operate. These protocols include pre-entrance screening, restricting visitor access, social distancing and masking requirements, additional sanitization and disinfecting requirements, restrictions on all nonessential travel and implementation of work-from-home protocols. Limitations on travel and doing business in-person has increased the Company's exposure to cybersecurity risks and could negatively impact the Company's innovation and marketing efforts, challenge the ability to deliver against the Company's strategic priorities and to otherwise transact business in a timely manner, or create operational or other challenges, any of which could harm DuPont's business. Furthermore, COVID-19 continues to adversely impact the broader global economy, including negatively impacting economic

growth and creating disruption and volatility in the global financial and capital markets, which could result in increases in the cost of capital and/or adversely impact the availability of and access to capital, which could negatively affect DuPont's liquidity. DuPont is unable to predict the extent of COVID-19 related impacts on its business, results of operations, access to sources of liquidity and financial condition which depends on highly uncertain and unpredictable future developments, including, but not limited to, the duration and spread of the COVID-19 outbreak, its severity, the emergence of new variants, actions taken in response, the efficacy and availability of vaccines, and how quickly and to what extent normal economic and operating conditions resume. DuPont's financial results may be materially and adversely impacted by a variety of factors that have not yet been determined, including potential impairments of goodwill and other assets. DuPont, when necessary, is taking actions, including reducing costs, restructuring actions, and delaying certain capital expenditures and non-essential spend. In addition, the Company may consider further reductions in or furloughing additional operations in response to further and/or deeper declines in demand and/or or supply chain disruptions. There can be no guaranty that such actions will significantly mitigate the impact of COVID-19 on the company's business, results of operations, access to sources of liquidity or financial condition and the Company may continue to experience materially adverse impacts to its business, results of operations and financial condition as a result of related global economic impacts, including inflationary pressures that have occurred and may continue to occur in the future.

Supply chain and operational disruptions and volatility in energy and raw material costs could significantly increase costs and expenses and adversely impact the Company's sales and earnings.

The Company's manufacturing processes and operations depend on the continued availability of energy and raw materials, the costs of which are subject to worldwide supply and demand as well as other factors beyond the Company's control, including potential legislation to address climate change by reducing greenhouse gas emissions, creating a carbon tax or implementing a cap and trade program which could create increases in costs and price volatility. Operational changes and transition to renewable energy sources to meet country, NGO and corporate-level net-zero GHG emissions pledges and related decarbonization technology investments, may require the Company to make significant capital investments, re-qualify its products with certain suppliers, as well as meet additional regulatory and compliance requirements and could result in higher cost and expenses.

Supply chain disruptions, plant and/or power outages, labor shortages and/or strikes, geo-political activity, weather events and natural disasters, including hurricanes or flooding that impact coastal regions, and global health risks or pandemics could seriously harm the Company's operations as well as the operations of the Company's customers and suppliers. Climate change increases the frequency and severity of potential supply chain and operational disruptions from weather events and natural disasters. The chronic physical impacts associated with climate change, for example, increased temperatures, changes in weather patterns and rising sea levels, could significantly increase costs and expenses and create additional supply chain and operational disruption risks.

In addition, the Company' suppliers may experience capacity limitations in their own operations or may elect to reduce or eliminate certain product lines. To address this risk, generally, the Company seeks to have many sources of supply for key raw materials in order to avoid significant dependence on any one or a few suppliers. In addition, and where the supply market for key raw materials is concentrated, DuPont takes additional steps to manage its exposure to supply chain risk and price fluctuations through, among other things, negotiated long-term contracts some which include minimum purchase obligations. However, there can be no assurance that such mitigation efforts will prevent future difficulty in obtaining sufficient and timely delivery of certain raw materials.

DuPont also takes actions to offset the effects of higher energy and raw material costs through selling price increases, productivity improvements and cost reduction programs. Success in offsetting higher raw material costs with price increases is largely influenced by competitive and economic conditions and could vary significantly depending on the market served. As a result, volatility in these costs may negatively impact the Company's business, results of operations, financial condition and cash flows.

The Company's business, results of operations, financial condition and cash flows could be adversely affected by interruption of the Company's information technology or network systems and other business disruptions.

DuPont relies on centralized and local information technology networks and systems, some of which are managed or accessible by third parties, to process, transmit and store electronic information, and to otherwise manage or support its business. Additionally, the Company collects and stores certain data, including proprietary business information, and has access to confidential or personal information that is subject to privacy and security laws, regulations and customer-imposed controls. The processing and storage of personal information is increasingly subject to privacy and data security regulations, and many such regulations are country-specific. The interpretation and application of data protection laws in the U.S., Europe, including the EU General Data Protection Regulation, Asia Pacific, Latin America, and elsewhere are uncertain, evolving and may be inconsistent among jurisdictions. Violations of these laws could result in criminal or civil sanctions and even the mere

allegation of such violations, could harm the Company's ability to do business, its results of operations, financial position and reputation.

Information technology system and/or network disruptions, whether caused by acts of sabotage, employee error, malfeasance or other actions, could have an adverse impact on the Company's operations as well as the operations of the Company's customers and suppliers. Some of the Company's systems use open source software, which can create additional risks, including potential security vulnerabilities. Other business 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, malfeasance or other actions or other disruptions. DuPont and/or the Company's suppliers may fail to effectively prevent, detect and recover from these or other security breaches and, therefore, such breaches could result in misuse of the Company's assets, loss of property including trade secrets and confidential or personal information, some of which is subject to privacy and security laws, and other business disruptions. As a result, DuPont may be subject to legal claims or proceedings, reporting errors, processing inefficiencies, negative media attention, loss of sales, interference with regulatory compliance which could result in sanctions or penalties, liability or penalties under privacy laws, disruption in the Company's operations, and damage to the Company's reputation, which could adversely affect the Company's business, results of operations, financial condition and cash flows.

Like most major corporations, DuPont is the target of industrial espionage, including cyber-attacks, from time to time. DuPont continues to experience an increase in attempts to breach its information technology systems, including in conjunction with implementation of work-from-home protocols adopted in response to COVID-19. These cyber-security threats include phishing, spam emails, hacking, social engineering, and malicious software. DuPont has determined that these attacks have resulted, and could result in the future, in unauthorized parties gaining access to certain confidential business information. Although management does not believe that DuPont has experienced any material losses to date related to these security breaches, including cybersecurity incidents, there can be no assurance that DuPont will not suffer such losses in the future.

DuPont has engaged and expects to continue to engage in merger & acquisition activity. As part of preparatory and post-closing integration activities, the Company: (i) conducts a cybersecurity risk threat assessment and when evidence of a breach is uncovered, conducts additional due diligence; (ii) based on the assessment, the Company develops and implements risk mitigation plans if needed and brings the acquisition under the Company's cyber-attack/breach detection and response programs; and (iii) conducts an internal controls risk and compliance assessment and creates responsive action plans as needed to mitigate and remediate identified weaknesses in the control environment.

DuPont seeks to actively manage the risks within the Company's control that could lead to business disruptions and security breaches. As these threats continue to evolve, particularly around cybersecurity, DuPont may be required to expend significant resources to enhance the Company's control environment, processes, practices and other protective measures. Despite these efforts, such events could have a material adverse effect on the Company's business, results of operations, financial condition and cash flows.

Enforcing the Company's intellectual property rights, or defending against intellectual property claims asserted by others, could adversely affect the Company's business, results of operations, financial condition and cash flows.
Intellectual property rights, including patents, trade secrets, know-how and confidential information, trademarks, tradenames and trade dress, are important to the Company's business. DuPont endeavors to protect the Company's business, products and processes by obtaining and enforcing intellectual property rights under the intellectual property laws of certain jurisdictions around the world. However, DuPont may be unable to obtain or enforce its intellectual property rights in key jurisdictions for various reasons including government policies and regulations, and changes in such policies and regulations, including changes made in reaction to pressure from non-governmental organizations, or the public generally, which could impact the extent of intellectual property protection afforded by such jurisdictions.

DuPont has designed and implemented internal controls intended to restrict access to and unauthorized use of the Company's confidential information and trade secrets. Despite these precautions, the Company's confidential information and trade secrets are vulnerable to unauthorized access and use through employee error or actions, theft by employees or third parties, cybersecurity incidents and other security breaches. When unauthorized access and use is discovered, DuPont considers the matter for report to governmental authorities for investigation, as appropriate, and takes measures intended to mitigate any potential impact and to stop unauthorized access.

Third parties may also claim the Company's products violate their intellectual property rights. Defending such claims, even those without merit, is time-consuming and expensive. In addition, as a result of such claims, DuPont has and could be required in the future 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 the Company's ability to obtain licenses on competitive terms, commercialize new products and generate sales from existing products.

Any one or more of the above factors could significantly affect the Company's business, results of operations, financial condition and cash flows.

An impairment of goodwill or intangible assets could negatively impact the Company's financial results.
In connection with completed acquisitions, DuPont has recorded goodwill and other intangible assets on our balance sheet. As a result of the DWDP Merger and related acquisition method of accounting, EID's assets and liabilities were remeasured and DowDuPont recognized them at fair value. Since certain of the Company's assets, especially those related to the Materials & Mobility and Water & Protection segments and those carried at Corporate at December 31, 2021 are heritage EID, declines, if any, in projected cash flows could have a material, negative impact on the fair value of the Company's reporting units and assets.

In accordance with US GAAP, at least annually, DuPont must assess both goodwill and indefinite-lived intangible assets for impairment. Intangible assets with finite lives are tested for impairment when events or changes in circumstances indicate their carrying value may not be recoverable. If testing indicates that goodwill or intangible assets are impaired, their carrying values will be written down based on fair values with a charge against earnings. Where DuPont utilizes discounted cash flow methodologies in determining fair values, significant negative industry or economic trends, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant change or planned changes in use of our assets, changes in the structure of our business, divestitures, market capitalization declines or increases in associated discount rates may impair our goodwill and other intangible assets. Accordingly, any determination requiring the write-off of a significant portion of goodwill or intangible assets could negatively impact the Company's results of operations.

Failure to effectively manage acquisitions, divestitures, alliances and other portfolio actions could adversely impact the Company's business, results of operations, financial condition and cash flows.
DuPont continuously evaluates acquisition candidates, including significant transactions, that may strategically fit the Company's business and/or growth objectives. If DuPont is unable to successfully integrate and develop acquired businesses, DuPont 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 the Company's financial results. DuPont expects to continually review the Company's portfolio of assets for contributions to the Company's objectives and alignment with the Company's growth strategy. The Letter Agreement between the Company and Corteva limits DuPont's ability to separate certain businesses and assets to third parties without assigning certain of its indemnification obligations under the DWDP Separation and Distribution Agreement to the transferee of such businesses and assets or meeting certain other alternative conditions. DuPont may be unable to meet the conditions under the Letter Agreement, if applicable. Even if the conditions under the Letter Agreement are met or are not applicable, DuPont 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 the Company's earnings. Moreover, DuPont might incur asset impairment charges related to acquisitions or divestitures that reduce the Company's earnings. In addition, if the execution or implementation of acquisitions, divestitures, alliances, joint ventures and other portfolio actions is not successful and/or the Company fails to effectively manage its cost as its portfolio evolves, it could adversely impact the Company's business, results of operations, financial condition and cash flows.

Failure to maintain a streamlined operating model and sustain operational improvements may reduce the Company's profitability or adversely impact the Company's business, results of operations, financial condition and cash flows.
The Company's profitability and margin growth will depend in part on the Company's ability to maintain a streamlined operating model and drive sustainable improvements, through actions and projects, such as consolidation of manufacturing facilities, transitions to cost-competitive regions and product line rationalizations. A variety of factors may adversely affect the Company's ability to realize the targeted cost synergies, including failure to successfully optimize the Company's facilities footprint, the failure to take advantage of the Company's global supply chain, the failure to identify and eliminate duplicative programs. There can be no assurance that DuPont is be able to achieve or sustain any or all of the cost savings generated from restructuring actions.

The Company's results will be affected by competitive conditions and customer preferences.
Demand for the Company's products, which impacts revenue and profit margins, will be affected by (i) the development and timing of the introduction of competitive products; (ii) the Company's response to downward pricing trends to stay competitive; (iii) changes in customer preferences, order patterns, such as changes in the levels of inventory maintained by customers and the timing of customer purchases which may be affected by announced price changes; (iv) availability and cost of raw materials and energy, as well as the Company's ability and success in passing through increases in such costs; (v) levels of economic growth in the geographic and end use markets served by the Company; and (vi) the mega-trends in digital transformation, connectivity, automation and ethics, environmental impact and sustainability driven purchasing decisions.

Demand for product offerings that are less carbon-intensive and help customers reduce GHG emissions is expected to continue to increase, driven by end-user and customer demand, investor preference, and government legislative and market- and product-specific actions in response to risks created by climate change. Failure to timely react to these trends and manage the Company's product portfolio and innovation activities responsively could decrease the competitiveness of the Company's products and result in the de-selection of the Company as a partner of choice. In addition, the failure to set and make progress, commensurate with relevant market competitors, toward the Company's ESG goals, could harm the Company's reputation, and its ability to compete and to attract top talent, and could result in increased investor activism.

Additionally, success in achieving the Company's growth objectives is significantly dependent on the timing and market acceptance of the Company's new product offerings, including the Company's ability to renew the Company's pipeline of new product offerings and to bring those offerings to market. This ability may be adversely affected by difficulties or delays in product development, such as the inability to identify viable new products, obtain adequate intellectual property protection, or gain market acceptance of new products.

There are no guarantees that new product offerings will prove to be commercially successful. Additionally, the Company's expansion into new markets may result in greater-than-expected risks, liabilities and expenses.

Failure to attract and retain talented people with the necessary knowledge and experience could adversely affect Company's ability to compete and achieve its strategic goals.
Attracting, developing, and retaining talented employees is essential to the Company's successful delivery of products and services, ability to innovate, including developing new products and technologies, and ability to identify trends and develop new markets.

Competition for employees can be intense. If the Company is unable to successfully integrate, motivate and reward its employees, it may not be able to retain them or attract new employee in the future which could adversely impact the Company's ability to effectively compete. The Company may be required to increase salary and/or benefits to attract top performers which could significantly increase the Company costs and results of operations.

Risks Relating to Capital Resources and Liquidity

Changes in the Company's credit ratings could increase the Company's cost of borrowing or restrict the Company's ability to access debt capital markets. The Company's credit ratings are important to the Company's cost of capital.
DuPont relies on access to the debt capital markets and other short-term borrowings to finance the Company's long-term and day-to-day operations. A decrease in the ratings assigned to it by the ratings agencies may negatively impact the Company's access to the debt capital markets and increase the Company's cost of borrowing. The major rating agencies will routinely evaluate the Company's credit profile and assign debt ratings to it. This evaluation is based on a number of factors, which include weighing the Company's financial strength versus business, industry and financial risk. The addition of further leverage to the Company's capital structure could impact the Company's credit ratings. Failure to maintain an investment grade rating at the Company's current level would adversely affect the Company's cost of funding and the Company's results of operations and could adversely affect the Company's liquidity and access to the capital markets. Any limitation on the Company's ability to continue to raise money in the debt capital markets could have a substantial negative effect on the Company's liquidity. If DuPont is unable to generate sufficient cash flow or maintain access to adequate external financing, including from significant disruptions in the global credit markets, it could restrict the Company's current operations, activities under its current and future stock buyback programs, and the Company's growth opportunities, which could adversely affect the Company's operating results.

A significant percentage of the Company's net sales are generated from the Company's international operations and are subject to economic, geo-political, foreign exchange and other risks.
DuPont does business globally in about 60 countries. The percentage of net sales generated by the international operations of DuPont, including U.S. exports, was approximately 74 percent of net sales on a continuing operations basis for the year ended December 31, 2021. With Asia Pacific as the Company's largest region by revenue and China as the largest country within the Asia Pacific region and second largest globally by revenue, DuPont expects the percentage of the Company's net sales derived from international operations to continue to be significant. Risks related to international operations include:

- exchange control regulations
- fluctuations in foreign exchange rates
- foreign investment laws

The Company's international operations expose it to fluctuations in foreign currencies relative to the U.S. dollar, which could adversely affect the Company's results of operations. For its continuing operations as of the year ended December 31, 2021, the Company's largest currency exposures are the European euro, Chinese renminbi, and Japanese yen. U.S. dollar fluctuations against foreign currency have an impact to commercial prices and raw material costs in some cases and could result in local price increases if the price or raw material costs is denominated in U.S. dollar.

Sales and expenses of the Company's non-U.S. businesses are also translated into U.S. dollars for reporting purposes and fluctuations of foreign currency against the U.S. dollar could impact U.S. dollar-denominated earnings. In addition, the Company's assets and liabilities denominated in foreign currencies can also be impacted by foreign currency exchange rates against the U.S. dollar, which could result in exchange gain or loss from revaluation.

DuPont also faces exchange rate risk from the Company's investments in subsidiaries owned and operated in foreign countries.

DuPont has a balance sheet hedging program and actively looks for opportunities in managing currency exposures related to earnings. However, foreign exchange hedging activities bear a financial cost and may not always be available to it or be successful in completely mitigating such exposures.

DuPont generates significant amounts of cash outside of the United States that is invested with financial and non-financial counterparties. While DuPont employs comprehensive controls regarding global cash management to guard against cash or investment loss and to ensure the Company's ability to fund the Company's operations and commitments, a material disruption to the counterparties with whom DuPont transacts business could expose it to financial loss.

Any one or more of the above factors could adversely affect the Company's international operations and could significantly affect the Company's business, results of operations, financial condition and cash flows.

Risks Related to Regulatory Changes and Compliance

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

DuPont continues to be subject to extensive federal, state, local and foreign laws, regulations, rules and ordinances relating to pollution, protection of the environment, greenhouse gas emissions, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. 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 the Company's operations, or require modifications to the Company's facilities. Changes to regulations or the implementation of additional regulations, may result in significant costs or capital expenditures or require changes in business practice that could result in reduced margins or profitability.

Accordingly, environmental, health or safety regulatory matters could result in significant unanticipated costs or liabilities causing a negative impact on the Company's business, cash flows and results of operations.

The Company's business, results of operations and reputation could be adversely affected by industry-specific risks including process safety and product stewardship/regulatory compliance issues.

DuPont is subject to risks which include, but are not limited to, product safety or quality; shifting consumer preferences and public perception; federal, state, and local regulations on manufacturing or labeling; environmental, health and safety regulations; and customer product liability claims.

In most jurisdictions, DuPont must test the safety, efficacy and environmental impact of the Company's products to satisfy regulatory requirements and obtain the needed approvals. In certain jurisdictions, DuPont must periodically renew the Company's approvals, which may require it to demonstrate compliance with then-current standards. The regulatory approvals process is lengthy, complex and in some markets unpredictable, with requirements that can vary by product, technology, industry and country. Regulatory standards and trial procedures are continuously changing in response to technological developments, changes in legislation, and governmental, NGO and societal demands for increasing levels of product safety and environmental protection. The pace of change together with the lack of regulatory harmony could result in unintended noncompliance. To maintain the Company's right to produce or sell existing products or to commercialize new products, DuPont must be able to demonstrate the Company's ability to satisfy the requirements of regulatory agencies, industries, and customers.

The failure to meet existing and new requirements or receive necessary permits or approvals could have near- and long-term effects on the Company's ability to produce and sell certain current and future products, which could significantly increase operating costs and adversely affect the Company's business, results of operations, financial condition and cash flows. In addition, negative publicity related to product liability, safety, health and environmental matters may damage the Company's reputation.

Changes in tax rates, adoption of new tax legislation and the distribution of income among the various jurisdictions in which the Company operates, could adversely impact DuPont's results of operations.

DuPont's future results of operations could be adversely affected by changes in the effective tax rate as a result of a change in the mix of earnings in countries with differing statutory tax rates, changes in tax laws, regulations and judicial rulings (or changes in the interpretation thereof), changes in generally accepted accounting principles, changes in the valuation of deferred tax assets and liabilities, changes in the amount of earnings permanently reinvested offshore, the results of audits and examinations of previously filed tax returns and continuing assessments of the Company's tax exposures and various other governmental enforcement initiatives. The Company's tax expense includes estimates of tax reserves and reflects other estimates and assumptions, including assessments of future earnings of the Company which could impact the valuation of the Company's deferred tax assets.

Changes in tax laws or regulations, including further regulatory developments arising from proposed U.S. tax legislation, the final form of which is uncertain; multi-jurisdictional changes enacted in response to the action items provided by the Organization for Economic Co-operation and Development (OECD); and the OCED's, European Commission's and other major jurisdiction's heightened interest in and taxation of large multi-national companies, increase tax uncertainty and impact the Company's effective tax rate and provision for income taxes. Given the unpredictability of possible further changes to and the potential interdependency of the United States or foreign tax laws and regulations, it is difficult to predict the cumulative effect of such tax laws and regulations on DuPont's results of operations.

The Company's business, results of operations and reputation could be harmed by improper conduct by its employees, agents or business partners.

DuPont is required to comply with numerous U.S. and non-U.S. laws and regulations including those related to anti-corruption, anti-bribery, global trade, trade sanctions, anti-trust, anti-money laundering laws, anti-slavery and human rights. The Company's policies mandate compliance with these laws and regulations. The Company operates globally, including in parts of the world that are recognized as having governmental and commercial corruption and where local customs and practices can be inconsistent with anti-corruption and/or anti-bribery laws. Despite the Company's training and compliance program, DuPont cannot ensure that its internal control processes will prevent improper action by employees, agents, distributors, suppliers or business partners. Violations of these laws could result in criminal or civil sanctions and even the mere allegation of such violations, could harm the Company's ability to do business, its results of operations, financial position and reputation.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 2. PROPERTIES

The Company's corporate headquarters is located in Wilmington, Delaware. The Company's manufacturing, processing, marketing and research and development facilities, as well as regional purchasing offices and distribution centers are located throughout the world. Additional information with respect to the Company's property, plant and equipment and leases is contained in Notes 12, 17 and 23 to the Consolidated Financial Statements.

The Company has investments in property, plant and equipment related to global manufacturing operations. Collectively there are approximately 120 principal sites in total. The number of manufacturing and other significant sites by reportable segment and geographic area around the world at December 31, 2021 is as follows:

Geographic Region	*Electronics & Industrial*	*Water & Protection*	*Mobility & Materials*	*Corporate*	*Total* [2]
Asia Pacific	26	13	15	—	54
EMEA [1]	6	7	9	—	22
Latin America	1	—	2	—	3
U.S. & Canada	23	13	18	1	55
Total	56	33	44	1	134

1. Europe, Middle East, and Africa.
2. Sites that are used by multiple segments are included more than once in the figures above.

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. 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.

ITEM 3. LEGAL PROCEEDINGS

The Company and its subsidiaries are subject to various litigation matters, including, but not limited to, product liability, patent infringement, antitrust claims, and claims for third party property damage or personal injury stemming from alleged environmental torts. Information regarding certain of these matters is set forth below and in Note 16 to the Consolidated Financial Statements, which also includes discussion of the allocation of liabilities in connection with the DWDP Distributions.

Litigation

See Note 16 to the Consolidated Financial Statements.

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 description is included per Regulation S-K, Item 103(c) of the Securities Exchange Act of 1934.

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. Subsequent to this inspection, the U.S. Environmental Protection Agency ("EPA)", the U.S. Department of Justice ("DOJ"), the Louisiana Department of Environmental Quality ("DEQ"), the Company (originally through EID), and Denka began discussions in the spring of 2017 relating to the inspection conclusions and allegations of noncompliance arising under the Clean Air Act, including leak detection and repair. DuPont, Denka, EPA, DOJ and DEQ are continuing these discussions, which include potential settlement options.

New Jersey Directive PFAS

On March 25, 2019, the New Jersey Department of Environmental Protection ("NJDEP") issued a Directive and Notice to Insurers to a number of companies, including Chemours, DowDuPont, EID, and certain DuPont subsidiaries. NJDEP's allegations relate to former operations of EID involving poly- and perfluoroalkyl substances, ("PFAS"), including PFOA and PFOA- replacement products. The NJDEP seeks past and future costs of investigating, monitoring, testing, treating, and remediating New Jersey's drinking water and waste systems, private drinking water wells and natural resources including groundwater, surface water, soil, sediments and biota. The Directive seeks certain information as to future costs and information related to the historic uses of PFAS and replacement chemicals including "information ranging from use and discharge of the chemicals through wastewater treatment plants, air emissions, and sales of products containing the chemicals to current development, manufacture, use and release of newer chemicals in the state."

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable

DuPont de Nemours, Inc.

PART II

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

The Company's common stock is traded on the NYSE under the ticker symbol "DD."

During 2021 and 2020, the Company paid quarterly dividends on its common stock of $0.30 per share. The DuPont Board of Directors on February 7, 2022, declared a first quarter 2022 dividend of $0.33 per share, a ten percent per share increase versus the first quarter 2021 dividend, payable on March 15, 2022, to holders of record at the close of business on February 28, 2022. The Company expects to continue to pay quarterly dividends, although each dividend is subject to the approval of the Company's Board of Directors.

At January 31, 2022, there were 71,128 stockholders of record.

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

Issuer Purchases of Equity Securities

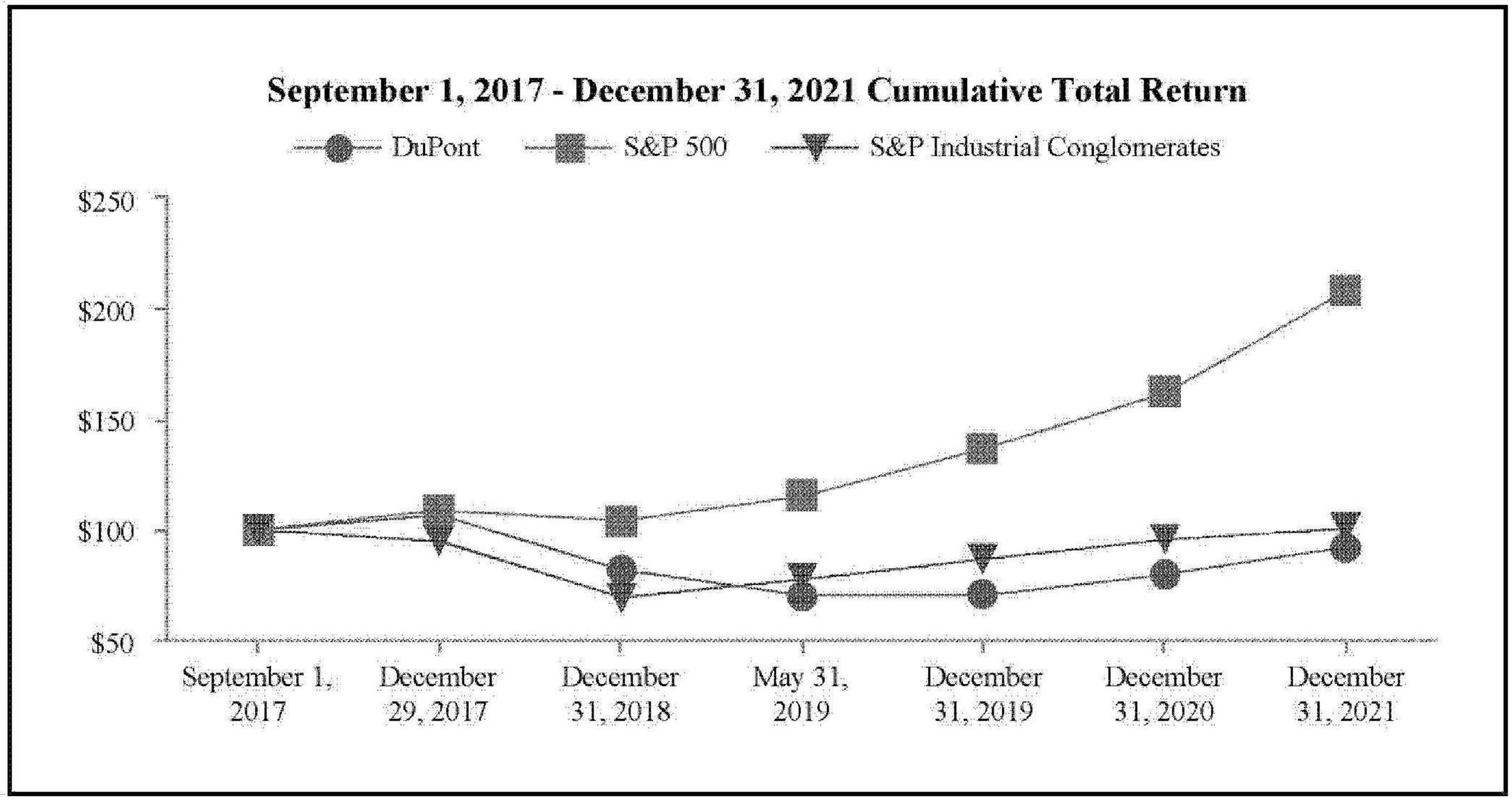
The following table provides information regarding purchases of the Company's common stock by the Company during the three months ended December 31, 2021:

Issuer Purchases of Equity Securities				
Period	*Total number of shares purchased*	*Average price paid per share*	*Total number of shares purchased as part of the Company's publicly announced share repurchase program* [1]	*Approximate dollar value of shares that may yet be purchased under the Company's publicly announced share repurchase program* [1] *(In millions)*
October	—	$ —	—	875
November	3,644,493	79.55	3,644,493	585
December	2,747,571	76.45	2,747,571	375
Fourth Quarter 2021	6,392,064	$ 78.22	6,392,064	$ 375

1. In the first quarter of 2021, the Company's Board of Directors authorized a $1.5 billion share buyback program, which expires on June 30, 2022.

Stockholder Return

The form of the chart presented below is in accordance with the requirements of the U.S. Securities and Exchange Commission. Stockholders are cautioned against drawing any conclusions from the data contained therein, as past results are not necessarily indicative of future performance. The chart illustrates the cumulative total return of the Company's stock following completion of the DWDP Merger based on a presumed investment of $100 on September 1, 2017 and a presumption that all dividends were reinvested. The historical stock prices of DuPont presented in the chart have been adjusted to reflect the impact of the DWDP Distributions and the Reverse Stock Split. The Company elected to display the closing price on May 31, 2019, the day preceding the Corteva Distribution, in order to provide the reader a more useful baseline for the Company's performance as a specialty products company after consummation of the DWDP Distributions. The chart does not reflect the Company's forecast of future financial performance.



Cumulative Total Return	*September 1, 2017*	*December 29, 2017*	*December 31, 2018*	*May 31, 2019* [2]	*December 31, 2019*	*December 31, 2020*	*December 31, 2021*
DuPont [1]	$ 100.00	$ 106.60	$ 81.92	$ 70.30	$ 70.48	$ 79.86	$ 92.16
S&P 500	$ 100.00	$ 108.84	$ 104.07	$ 115.24	$ 136.84	$ 162.02	$ 208.53
S&P Industrial Conglomerates	$ 100.00	$ 94.76	$ 69.29	$ 77.63	$ 86.70	$ 95.60	$ 100.59

1. The historical stock prices of DuPont prior to the DWDP Distributions have been adjusted to reflect the impact of the DWDP Distributions and the Reverse Stock Split.
2. Represents the day preceding the Corteva Distribution.

ITEM 6. RESERVED

Not applicable.

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

Management's discussion and analysis of financial condition and results of operations is provided as a supplement to, and should be read in conjunction with, the consolidated financial statements and related notes to enhance the understanding of the Company's operations and present business environment. Components of management's discussion and analysis of financial condition and results of operations include:

- Overview
- Analysis of Operations
- Result of Operations
- Supplemental Unaudited Pro Forma Combined Financial Information
- Segment Results
- Outlook
- Liquidity and Capital Resources
- Recent Accounting Pronouncements
- Critical Accounting Estimates
- Long-Term Employee Benefits
- Environmental Matters

OVERVIEW

As of December 31, 2021, the Company has $3.8 billion of net working capital and over $2 billion in cash and cash equivalents. The Company expects its cash and cash equivalents, cash generated from operations, and ability to access the debt capital markets to provide sufficient liquidity and financial flexibility to meet the liquidity requirements associated with its continued operations. The Company continually assesses its liquidity position, including possible sources of incremental liquidity, in light of the current economic environment, capital market conditions and Company performance.

DWDP Merger & Distributions

Effective August 31, 2017, the Dow Chemical Company ("TDCC") and E. I. du Pont de Nemours and Company ("EID") each merged with subsidiaries of DowDuPont Inc. ("DowDuPont") and, as a result, TDCC and EID became subsidiaries of DowDuPont (the "DWDP Merger"). Except as otherwise indicated by the context, the term "TDCC" includes TDCC and its consolidated subsidiaries and "EID" includes EID and its consolidated subsidiaries.

DowDuPont completed a series of internal reorganizations and realignment steps in order to separate into three, independent, publicly traded companies - one for each of its agriculture, materials science and specialty products businesses. On April 1, 2019, the Company completed the separation of the materials science business through the spin-off of Dow Inc., ("Dow") including Dow's subsidiary TDCC (the "Dow Distribution"). On June 1, 2019, the Company completed the separation of the agriculture business through the spin-off of Corteva, Inc. ("Corteva") including Corteva's subsidiary EID, (the "Corteva Distribution and together with the Dow Distribution, the "DWDP Distributions").

Following the Corteva Distribution, the Company holds the specialty products business. On June 1, 2019, DowDuPont changed its registered name from "DowDuPont Inc." to "DuPont de Nemours, Inc." doing business as "DuPont" (the "Company"). Beginning on June 3, 2019, the Company's common stock is traded on the NYSE under the ticker symbol "DD."

The results of operations of DuPont for the 2019 period presented reflects the historical financial results of Dow and Corteva as discontinued operations, as applicable. The cash flows and comprehensive income related to Dow and Corteva have not been segregated and are included in the Consolidated Statements of Cash Flows and Consolidated Statements of Comprehensive Income, respectively, for the applicable period. Unless otherwise indicated, the information in the notes to the Consolidated Financial Statements refer only to DuPont's continuing operations and do not include discussion of balances or activity of Dow or Corteva.

N&B Transaction

On February 1, 2021, the Company completed the divestiture of the Nutrition & Biosciences ("N&B") business to International Flavors & Fragrance Inc. ("IFF") in a Reverse Morris Trust transaction (the "N&B Transaction") that resulted in IFF issuing shares to DuPont stockholders. In connection with the N&B Transaction, N&B made a one-time cash payment of approximately $7.3 billion (the "Special Cash Payment") to DuPont.

The results of operations of DuPont for all periods presented reflect the historical financial results of N&B as discontinued operations. The cash flows and comprehensive income related to N&B have not been segregated and are included in the Consolidated Statements of Cash Flows and Consolidated Statements of Comprehensive Income, respectively, for the applicable period. Unless otherwise indicated, the information in the notes to the Consolidated Financial Statements refer only to DuPont's continuing operations and do not include discussion of balances or activity of N&B.

2021 Segment Realignment

Effective February 1, 2021, in conjunction with the closing of the N&B Transaction, the Company changed its management and reporting structure (the "2021 Segment Realignment"). DuPont's worldwide operations are managed through global businesses, which are currently reported in three reportable segments: Electronics & Industrial; Water & Protection; and Mobility & Materials. The changes became effective February 1, 2021 and have been retrospectively reflected in the segment results for all periods presented.

ANALYSIS OF OPERATIONS

COVID-19 Update

The novel coronavirus ("COVID-19") and its variants continue to adversely impact the broader global economy, including certain of the Company's customers and suppliers. During 2021, the Company benefited from strong demand in certain key end-markets, principally in electronics, water filtration and continued recovery within the automotive markets and commercial construction. Although results reflect notable improvement, the COVID-19 pandemic has caused widespread supply chain challenges due to labor, raw material and component shortages. In addition, logistic challenges have increased significantly in the second half of 2021.

Intended Rogers Acquisition

On November 2, 2021, the Company announced that it had entered into a definitive agreement to acquire all the outstanding shares of Rogers Corporation ("Rogers") for about $5.2 billion (the "Intended Rogers Acquisition"). The acquisition is expected to close by the end of the second quarter of 2022, pending receipt of regulatory approvals and satisfaction of customary closing conditions. When complete, the acquisition of Rogers, is expected to broaden the Company's presence in the electronic materials market. Rogers is complementary to and aligned strategically with the Company's existing Electronics & Industrial segment. The completion of the acquisition is subject to regulatory approvals and other customary closing conditions.

Mobility & Materials Segment Intended Divestiture

On November 2, 2021 the Company announced that it has initiated a divestiture process related to a substantial portion of the Mobility & Materials segment, which predominantly includes the Engineering Polymers and Performance Resins lines of business (the "In-Scope M&M Businesses"). The outcome of which, including the entry into a definitive agreement, is subject to the approval of the DuPont Board of Directors. The scope of the intended divestiture excludes certain product lines including Auto Adhesives and Multibase™. The divestiture of the In-Scope M&M Businesses may include a full or partial separation of the businesses from the Company. The Mobility & Materials segment will remain in its current management and reporting structure while these strategic alternatives are considered.

Laird Performance Materials

On July 1, 2021, DuPont completed the acquisition of Laird Performance Materials ("Laird PM") from Advent International ("Laird PM Acquisition") for cash consideration of $2.404 billion, which reflects adjustments, primarily for acquired cash and net working capital. See Note 3 to the Consolidated Financial Statements for additional information.

Divestitures

On December 31, 2021, the Company completed the sale of its Clean Technologies business unit, which is part of Corporate. Total consideration related to the sale of the business is approximately $510 million, with cash proceeds of about $500 million reflecting adjustments for customary closing costs as defined within the purchase agreement. For the year ended December 31, 2021, a pre-tax loss of $3 million ($39 million loss net of tax, primarily driven by nondeductible goodwill) on the disposition was recorded in "Sundry income (expense) - net" in the Company's Consolidated Statements of Operations.

In the second quarter of 2021, the Company completed the sale of its Solamet® business unit, which was part of Corporate. Total consideration received related to the sale of the business was approximately $190 million. The sale resulted in a pre-tax gain of $140 million ($105 million net of tax) which was recorded in "Sundry income (expense) - net" in the Company's Consolidated Statements of Operations.

In the fourth quarter of 2020, the Company entered into a definitive agreement to sell its Biomaterials business unit, which includes the Company's equity method investment in DuPont Tate & Lyle Bio Products. The sale of the Biomaterials business unit is subject to customary closing conditions and is expected to close by mid-year 2022.

In the third quarter of 2020, the Company completed the sale of its trichlorosilane business ("TCS Business") along with its equity ownership interest in DC HSC Holdings LLC and Hemlock Semiconductor L.L.C. (the "HSC Group," and together with the TCS Business, the "TCS/HSC Disposal Group" and the sale of the TCS/HSC Disposal Group, the "TCS/HSC Disposal") to the HSC Group, both of which were part of the Non-Core segment. The TCS/HSC Disposal resulted in a net pre-tax benefit of $396 million ($236 million net of tax) which was recorded in "Sundry income (expense) – net" in the Company's Consolidated Statements of Operations.

In the first quarter of 2020, the Company completed the sale of its Compound Semiconductor Solutions business unit, a part of the Electronics & Industrial segment, to SK Siltron, for approximately $420 million. The sale resulted in a pre-tax gain of $197 million ($102 million net of tax) recorded in "Sundry income (expense) - net" in the Company's Consolidated Statements of Operations. See Note 4 of the Consolidated Financial Statements for additional information.

Joint Settlement Agreement
On January 22, 2021, the Company, Corteva, EID and Chemours entered into a binding Memorandum of Understanding (the "MOU"), pursuant to which the parties have agreed to share certain costs associated with potential future liabilities related to alleged historical releases of certain PFAS arising out of pre-July 1, 2015 conduct ("eligible PFAS costs") until the earlier to occur of (i) December 31, 2040, (ii) the day on which the aggregate amount of qualified spend (as defined in the MOU) is equal to $4 billion or (iii) a termination in accordance with the terms of the MOU. The parties have agreed that, during the term of this sharing arrangement, Chemours will bear 50% of any qualified spend and the Company and Corteva shall together bear 50% of any qualified spend. As of December 31, 2021, the Company has recorded an indemnification liability of $126 million in connection with the cost sharing arrangement related to future eligible PFAS costs.

Total pre-tax charges of $98 million ($76 million after-tax) and $86 million ($66 million after-tax) related to the MOU are reflected as a loss from discontinued operations for the year ended December 31, 2021 and 2020, respectively, in the Company's Consolidated Statements of Operations.

See Note 16 of the Consolidated Financial Statements for additional information.

Goodwill, Long-Lived Asset and Indefinite-Lived Asset Impairments
During the third quarter of 2020, multiple triggering events occurred requiring the Company to perform impairment analyses associated with its Mobility & Materials segment and corporate businesses. As a result of the analyses performed, the Company recorded aggregate pre-tax, non-cash goodwill impairment charges of $183 million recognized in "Goodwill impairment charges" within its corporate businesses and aggregate pre-tax, non-cash asset impairment charges of $318 million within its Mobility & Materials segment and $52 million within corporate businesses both recognized in "Restructuring and asset related charges - net" in the Consolidated Statements of Operations.

During the second quarter of 2020, demand weakness in global automotive production resulting from the COVID-19 pandemic, along with revised views of recovery, served as a triggering event requiring the Company to perform an impairment analysis of the goodwill associated with its Mobility & Materials and Industrial Solutions reporting units. As a result of the analysis performed, the Company recorded pre-tax, non-cash goodwill impairment charges of $2,498 million recognized in "Goodwill impairment charges" in the Consolidated Statements of Operations. In connection with the Mobility & Materials impairment analysis, the Company also recorded pre-tax, non-cash impairment charges of $21 million related to indefinite-lived intangible assets recognized in "Restructuring and asset related charges - net" in the Consolidated Statements of Operations.

During the first quarter of 2020, the Company was required to perform interim impairment tests of its goodwill and long-lived assets as expectations of proceeds related to certain potential divestitures related to the businesses held in Corporate gave rise to fair value indicators and, thus, served as triggering events. As a result of the analysis performed, the Company recorded pre-tax, non-cash impairment charges related to goodwill of $533 million. The charges were recognized in "Goodwill impairment charge" in the Consolidated Statements of Operations. The Company also recorded pre-tax, non-cash impairment charges of $270 million related to long-lived assets. The charges were recognized in "Restructuring and asset related charges - net" in the Consolidated Statements of Operations.

During the second quarter of 2019, the Company was required to perform interim impairment tests of its goodwill due to the internal distribution of the specialty products legal entities from EID to DowDuPont (the "Internal SP Distribution") and changes made to its management and reporting structure. As a result of the analyses performed, the Company recorded pre-tax, non-cash impairment charges during the year ended December 31, 2019 of $242 million impacting Corporate. The charges were recognized in "Goodwill impairment charges" in the Consolidated Statements of Operations.

See Notes 6 and 14 of the Consolidated Financial Statements for additional information.

Dividends
On February 18, 2021, the Board of Directors declared a first quarter dividend of $0.30 per share, paid on March 15, 2021, to shareholders of record on March 1, 2021. On April 28, 2021, the Board of Directors declared a second quarter dividend of $0.30 per share, paid on June 15, 2021, to shareholders of record on May 28, 2021. On June 17, 2021, the Board of Directors declared a third quarter dividend of $0.30 per share, paid on September 15, 2021, to shareholders of record on July 30, 2021. On October 14, 2021, the Board of Directors declared a fourth quarter dividend of $0.30 per share, paid on December 15, 2021, to shareholders of record on November 30, 2021.

The DuPont Board of Directors on February 7, 2022, declared a first quarter 2022 dividend of $0.33 per share, a ten percent per share increase versus the first quarter 2021 dividend, payable on March 15, 2022, to holders of record at the close of business on February 28, 2022.

Share Buyback Program
In the first quarter of 2021, the Company's Board of Directors authorized a $1.5 billion share buyback program, which expires on June 30, 2022 (the "2021 Share Buyback Program"). As of December 31, 2021, the Company had repurchased and retired a total of 14.5 million shares for $1.1 billion under the 2021 Share Buyback Program.

On June 1, 2019, the Company's Board of Directors approved a $2 billion share buyback program, which expired on June 1, 2021. At the expiry of the 2019 Share Buyback Program, the Company had repurchased and retired a total of 29.9 million shares at a cost of $2 billion.

In February 2022, the Company's Board of Directors authorized an additional $1.0 billion share buyback program which expires on March 31, 2023, (the "2022 Share Buyback Program").This authorization enables the Company to repurchase shares following the expected completion of the remaining authorization under its 2021 Share Buyback Program.

Restructuring Programs
2021 Restructuring Actions
In October 2021, the Company approved targeted restructuring actions to capture near term cost reductions (the "2021 Restructuring Actions"). For the year ended December 31, 2021, DuPont recorded a pre-tax charge related to the 2021 Restructuring Actions in the amount of $46 million, recognized in "Restructuring and asset related charges - net" in the Company's Consolidated Statements of Operations, comprised of $26 million of severance and related benefit costs and $20 million of asset related charges. At December 31, 2021, total liabilities related to the 2021 Restructuring Actions were $25 million for severance and related benefits. The Company expects actions related to this program to be substantially complete by the first half of 2022.

2020 Restructuring Program
During the first quarter of 2020, the Company approved restructuring actions designed to capture near-term cost reductions and to further simplify certain organizational structures in anticipation of the N&B Transaction (the "2020 Restructuring Program"). The Company recorded pre-tax restructuring charges of $180 million inception-to-date, consisting of severance and related benefit costs of $128 million and asset related charges of $52 million, recognized in "Restructuring and asset related charges - net" in the Company's Consolidated Statements of Operations. At December 31, 2021, total liabilities related to the program were $15 million, which represents expected future cash payments related to this program for the payment of severance and related benefits. The 2020 Restructuring Program is considered substantially complete.

2019 Restructuring Program
During the second quarter of 2019 and in connection with the ongoing integration activities, DuPont approved restructuring actions to simplify and optimize certain organizational structures following the completion of the DWDP Distributions (the "2019 Restructuring Program"). The Company recorded pre-tax restructuring charges of $125 million inception-to-date, consisting of severance and related benefit costs of $98 million and asset related charges of $27 million, recognized in "Restructuring and asset related charges - net" in the Company's Consolidated Statements of Operations. At December 31, 2021, total liabilities related to the program were $2 million, which represents expected future cash payments related to this program for the payment of severance and related benefits. The 2019 Restructuring Program is considered substantially complete.

RESULTS OF OPERATIONS

Summary of Sales Results In millions	For the Years Ended December 31, 2021	2020	2019
Net sales	$ 16,653	$ 14,338	$ 15,436

Sales Variances by Segment and Geographic Region - As Reported										
	For the Year Ended December 31, 2021					For the Year Ended December 31, 2020				
Percentage change from prior year	Local Price & Product Mix	Currency	Volume	Portfolio & Other	Total	Local Price & Product Mix	Currency	Volume	Portfolio & Other	Total
Electronics & Industrial	— %	1 %	12 %	6 %	19 %	(1)%	— %	6 %	— %	5 %
Water & Protection	2	1	8	—	11	2	—	(8)	2	(4)
Mobility & Materials	12	2	12	—	26	(4)	—	(11)	—	(15)
Corporate	3	1	4	(33)	(25)	2	—	(23)	(18)	(39)
Total	4 %	2 %	10 %	— %	16 %	(1)%	— %	(6)%	— %	(7)%
U.S. & Canada	4 %	— %	7 %	(2)%	9 %	(1)%	— %	(11)%	(1)%	(13)%
EMEA [1]	3	4	13	1	21	(1)	—	(13)	—	(14)
Asia Pacific	5	1	11	1	18	(1)	—	3	—	2
Latin America	4	(1)	13	1	17	1	(4)	(14)	(1)	(18)
Total	4 %	2 %	10 %	— %	16 %	(1)%	— %	(6)%	— %	(7)%

1. Europe, Middle East and Africa.

2021 versus 2020

The Company reported net sales for the year ended December 31, 2021 of $16.7 billion, up 16 percent from $14.3 billion for the year ended December 31, 2020, due to a 10 percent increase in volume, a 4 percent increase due to local price and product mix, and a 2 percent favorable currency impact. Portfolio and other changes was flat. Volume grew across all geographic regions and across all segments, most notably Electronics & Industrial and Mobility & Materials (both up 12 percent). Local price and product mix increased across all regions and all segments with the exception of Electronics & Industrial where it was flat. Currency was up 2 percent compared with the same period last year, driven primarily by EMEA (up 4 percent) and Asia Pacific (up 1 percent). Portfolio and other changes were flat overall as the acquisition of Laird PM in Electronics & Industrial (up 6 percent) was offset by the decline within Corporate (down 33 percent) due to the sale of businesses.

2020 versus 2019

The Company reported net sales for the year ended December 31, 2020 of $14.3 billion, down 7 percent from $15.4 billion for the year ended December 31, 2019, due to a 6 percent decrease in volume and a 1 percent decline due to local price and product mix. Portfolio and other changes and currency were flat. Volume declined across all geographic regions with the exception of Asia Pacific where it increased 3 percent. Volume gains in Electronics & Industrial (up 6 percent) were more than offset by declines in Mobility & Materials (down 11 percent) and Water & Protection (down 8 percent). Local price increased in Latin America (up 1 percent) and Water & Protection (up 2 percent). Portfolio and other changes were flat overall. The divestitures in Corporate (down 18 percent) were offset by Water & Protection (up 2 percent). Currency was flat compared with the same period last year in all segments.

Cost of Sales

Cost of sales was $10.8 billion for the year ended December 31, 2021, up from $9.5 billion for the year ended December 31, 2020. Cost of sales increased for the year ended December 31, 2021 primarily due to increased sales volume, currency impacts, and higher raw materials and logistics costs. The increase was partially offset by the absence of approximately $230 million of charges in the prior year associated with temporarily idling several manufacturing plants to align supply with demand due to COVID-19.

Cost of sales as a percentage of net sales for the year ended December 31, 2021 was 64.9 percent compared with 66.3 percent for the year ended December 31, 2020.

For the year ended December 31, 2020, cost of sales was $9.5 billion, down from $10.0 billion for the year ended December 31, 2019. Cost of sales decreased for the year ended December 31, 2020 primarily due to lower sales volume, cost synergies, and the absence in 2020 of costs previously allocated to the materials science and agriculture businesses that did not meet the definition of expenses related to discontinued operations in accordance with ASC 205 and therefore remained as costs of continuing operations for periods prior to the DWDP Distributions, offset by approximately $230 million of charges associated with temporarily idling several manufacturing plants to align supply with demand due to COVID-19, driven primarily by the Mobility & Materials segment.

Cost of sales as a percentage of net sales for the year ended December 31, 2020 was 66.3 percent compared with 65.0 percent for the year ended December 31, 2019.

Research and Development Expense ("R&D")

R&D expense was $618 million for the year ended December 31, 2021, down from $625 million for the year ended December 31, 2020, and $689 million for the year ended December 31, 2019. R&D as a percentage of net sales was 4 percent for the years ended December 31, 2021, 2020, and 2019.

R&D expense in 2021 compared to 2020 was relatively consistent, the slight decline was primarily due to productivity actions. The decrease in R&D costs in 2020 compared to 2019 was due to productivity actions as well as the absence of R&D costs previously allocated to the materials science and agriculture businesses that did not meet the definition of expenses related to discontinued operations in accordance with ASC 205 and therefore remained as a cost of continuing operations for periods prior to the DWDP Distributions.

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

For the year ended December 31, 2021, SG&A expenses totaled $1,855 million, up from $1,701 million in the year ended December 31, 2020 and down from $2,057 million for the year ended December 31, 2019. SG&A as a percentage of net sales was 11 percent, 12 percent, and 13 percent for the years ended December 31, 2021, 2020, and 2019, respectively.

The increase in SG&A costs in 2021 compared with 2020 was primarily due to incremental costs from higher personnel related expenses, currency fluctuations, and six months of consolidating Laird PM. The decrease in SG&A costs in 2020 compared to 2019 was due to productivity actions, temporarily reducing costs due to COVID-19 restrictions, overall reduced spending, and the absence of SG&A costs previously allocated to the materials science and agriculture businesses that did not meet the definition of expenses related to discontinued operations in accordance with ASC 205 and therefore remained as costs of continuing operations for periods prior to the DWDP Distributions.

Amortization of Intangibles

Amortization of intangibles was $725 million, $696 million, and $701 million for the years ended December 31, 2021, 2020, and 2019, respectively. The increase in amortization of intangibles in 2021 compared to 2020 was primarily due to the amortization of the intangible assets acquired in the Laird PM Acquisition, partially offset by lower amortization due to the sale of the trichlorosilane business ("TCS Business") in the third quarter of 2020, as well as the classification of the Biomaterials and Clean Technologies business units as held for sale in the third quarter of 2020. Amortization expense in 2020 compared to 2019 was relatively flat. See Note 14 to the Consolidated Financial Statements for additional information on intangible assets.

Restructuring and Asset Related Charges - Net

Restructuring and asset related charges - net were $55 million, $845 million, and $152 million for the years ended December 31, 2021, 2020 and 2019, respectively.

The activity for the year ended December 31, 2021 included a $46 million charge related to the 2021 Restructuring Actions, a $12 million charge related to the 2020 Restructuring Program, a $1 million charge related to the 2019 Restructuring Program and a $4 million credit related to the DowDuPont Cost Synergy Program. The charges for the year ended December 31, 2020 included a $270 million impairment charge related to long-lived assets and a $52 million impairment charge related to indefinite-lived intangible assets in Corporate, a $318 million impairment charge related to long-lived assets and a $21 million impairment charge related to indefinite-lived intangible assets in the Mobility & Materials segment, a $168 million charge related to the 2020 Restructuring Program, a $5 million charge related to the 2019 Restructuring Program and a $11 million charge related to the DowDuPont Cost Synergy Program. The charges for the year ended December 31, 2019 included a charge of $119 million related to the 2019 Restructuring Program and a $33 million charge to the DowDuPont Cost Synergy Program.

See Note 6 to the Consolidated Financial Statements for additional information.

Goodwill Impairment Charges

There were no goodwill impairment charges for the year ended December 31, 2021. Goodwill impairment charges were $3,214 million and $242 million for the years ended December 31, 2020 and 2019, respectively. For the year ended December 31, 2020, goodwill impairment charges related to a business reported in Corporate and the Mobility & Materials and Industrial Solutions reporting units. For the year ended December 31, 2019, goodwill impairment charges related to businesses reported in Corporate. See Note 14 to the Consolidated Financial Statements for additional information.

Acquisition, Integration and Separation Costs

Acquisition, integration and separation costs were $133 million, $177 million and $1,257 million for the years ended December 31, 2021, 2020 and 2019, respectively. Acquisition, integration and separation costs primarily consist of financial advisory, information technology, legal, accounting, consulting, and other professional advisory fees. For the year-ended December 31, 2021 these costs were primarily associated with the execution of strategic initiatives, including the acquisition of Laird PM, the planned divestiture of the In-Scope M&M Businesses, the Intended Rogers Acquisition, and the completed and planned divestitures of the held for sale businesses included within Corporate. For the years ended December 31, 2020 and December 31, 2019 these costs were primarily associated with the preparation and execution of activities related to the DWDP Merger, post-DWDP Merger integration, and the DWDP Distributions.

Equity in Earnings of Nonconsolidated Affiliates

The Company's share of the earnings of nonconsolidated affiliates was $94 million, $187 million, and $85 million for the years ended December 31, 2021, 2020 and 2019, respectively. The decrease in earnings of nonconsolidated affiliates for the year ended December 31, 2021 compared to the prior year is primarily due to the sale of DC HSC Holdings LLC and Hemlock Semiconductor L.L.C. (the "HSC Group") in the third quarter of 2020. The increase in earnings of nonconsolidated affiliates for the year ended December 31, 2020 compared to the year ended December 31, 2019 is due to higher HSC Group equity earnings in the first half of 2020, driven mainly by customer settlements in the second quarter of 2020.

Sundry Income (Expense) - Net

Sundry income (expense) - net includes a variety of income and expenses such as foreign currency exchange gains or losses, interest income, dividends from investments, gains and losses on sales of investments and assets, non-operating pension and other post-employment benefit plan credits or costs, and certain litigation matters. Sundry income (expense) - net for the year ended December 31, 2021 was $163 million compared with $667 million and $144 million in the years ended December 31, 2020 and 2019, respectively.

The year ended December 31, 2021 included a net pre-tax benefit of $140 million associated with the sale of the Solamet® business unit within Corporate, a pre-tax gain of $28 million related to the sale of assets within the Electronics & Industrial segment, income related to non-operating pension and other post-employment benefit plans of $52 million, partially offset by foreign currency exchange losses of $53 million, and miscellaneous expenses of $11 million.

The year ended December 31, 2020 included a net pre-tax benefit of $396 million associated with the TCS/HSC Disposal, a pre-tax gain of $197 million related to the sale of the Compound Semiconductor Solutions business unit in the Electronics & Industrial segment, miscellaneous income of $32 million, and income related to non-operating pension and other post-employment benefit plans of $30 million, partially offset by foreign currency exchange losses of $39 million.

The year ended December 31, 2019 included a net gain on sale of assets and investments of $144 million, income related to non-operating pension and other post-employment benefit plans of $72 million and interest income of $56 million, partially offset by foreign currency exchange losses of $104 million and miscellaneous expenses of $24 million which includes a $48 million charge reflecting a reduction in gross proceeds from lower withholding taxes related to a prior year legal settlement. The net gain on sale of assets includes income of $92 million related to a sale of assets within the Electronics & Industrial segment and as well as a gain of $28 million related to the sale of the Sustainable Solutions business unit included in Corporate.

See Note 7 to the Consolidated Financial Statements for additional information.

Interest Expense

Interest expense was $525 million, $672 million, and $667 million for the years ended December 31, 2021, 2020, and 2019, respectively. The decrease in interest expense in 2021 compared to 2020 primarily relates to the maturity of the November 2020 Notes, the early repayment of the $3.0 billion Term Loan Facilities in February 2021, and significant reduction of commercial paper borrowings, partially offset by structuring fees and the amortization of commitment fees related to the Intended Rogers Acquisition financing agreements. The increase in interest expense in 2020 compared to 2019 primarily relates to financing costs associated with the May 2020 Debt Offering, partially offset by reduced borrowing rates on floating rate debt. Refer to Note 15 to the Consolidated Financial Statements for additional information.

Provision for (Benefit from) Income Taxes on Continuing Operations

The Company's effective tax rate fluctuates based on, among other factors, where income is earned and the level of income relative to tax attributes. For the year ended December 31, 2021, the Company's effective tax rate was 17.9 percent on pre-tax income from continuing operations of $2,196 million. The effective tax rate differential for the year ended December 31, 2021, was principally the result of a $59 million tax benefit related to the step-up in tax basis in the goodwill of the Company's European regional headquarters legal entity.

For the year ended December 31, 2020, the Company's effective tax rate was (7.1) percent on a pre-tax loss from continuing operations of $2,246 million. The effective tax rate differential was principally the result of the non-tax-deductible goodwill impairment charge impacting Corporate in the first and third quarter and a non-tax-deductible goodwill impairment charge impacting the Mobility & Materials and Electronics & Industrial segments in the second quarter, coupled with an allocation of non-tax-deductible goodwill related to the TCS/HSC Disposal.

For the year ended December 31, 2019, the Company's effective tax rate was 1.6 percent on a pre-tax loss from continuing operations of $126 million. The effective tax rate differential was principally the result of the non-tax-deductible goodwill impairment charges impacting Corporate.

The underlying factors affecting the Company's overall tax rate are summarized in Note 8 to the Consolidated Financial Statements.

SUPPLEMENTAL UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following supplemental unaudited pro forma financial information (the "unaudited pro forma financial statements") was derived from DuPont's Consolidated Financial Statements, adjusted to give effect to certain events directly attributable to the DWDP Distributions. In contemplation of the DWDP Distributions and to achieve the respective credit profiles of each of the current companies, in the fourth quarter of 2018, DowDuPont borrowed $12.7 billion under the 2018 Senior Notes and entered the Term Loan Facilities with an aggregate principal amount of $3.0 billion. Additionally, DuPont issued approximately $1.4 billion in commercial paper in May 2019 in anticipation of the Corteva Distribution (the "Funding CP Issuance" together with the 2018 Senior Notes and the Term Loan Facilities, the "DWDP Financings"). The unaudited pro forma financial statements below were prepared in accordance with Article 11 of Regulation S-X. The historical consolidated financial information has been adjusted to give effect to pro forma events that are (1) directly attributable to the DWDP Distributions and the DWDP Financings (collectively the "DWDP Transactions"), (2) factually supportable and (3) with respect to the statements of operations, expected to have a continuing impact on the results. The unaudited pro forma statements of operations for the years ended December 31, 2019 give effect to the pro forma events as if the DWDP Transactions had occurred on January 1, 2018. There were no pro forma adjustments for the years ended December 31, 2021 and 2020.

Restructuring or integration activities or other costs following the DWDP Distributions that may be incurred to achieve cost or growth synergies of DuPont are not reflected. The unaudited pro forma statements of operations provides shareholders with summary financial information and historical data that is on a basis consistent with how DuPont reports current financial information.

The unaudited pro forma financial statements are presented for informational purposes only, and do not purport to represent what DuPont's results of operations or financial position would have been had the DWDP Transactions occurred on the dates indicated, nor do they purport to project the results of operations or financial position for any future period or as of any future date.

Unaudited Pro Forma Combined Statement of Operations In millions, except per share amounts	*2019*		
	DuPont[1]	*Pro Forma Adjustments*[2]	*Pro Forma*
Net sales	$ 15,436	$ —	$ 15,436
Cost of sales	10,026	16	10,042
Research and development expenses	689	—	689
Selling, general and administrative expenses	2,057	—	2,057
Amortization of intangibles	701	—	701
Restructuring and asset related charges - net	152	—	152
Goodwill impairment charges	242	—	242
Integration and separation costs	1,257	(173)	1,084
Equity in earnings of nonconsolidated affiliates	85	—	85
Sundry income (expense) - net	144	—	144
Interest expense	667	29	696
(Loss) Income from continuing operations before income taxes	(126)	128	2
Provision for income taxes on continuing operations	(2)	31	29
(Loss) Income from continuing operations, net of tax	(124)	97	(27)
Net income attributable to noncontrolling interests of continuing operations	29	—	29
Net (loss) income from continuing operations attributable to DuPont	$ (153)	$ 97	$ (56)
Per common share data:			
(Loss) Income per common share from continuing operations - basic	$ (0.21)		$ (0.08)
(Loss) Income per common share from continuing operations - diluted	$ (0.21)		$ (0.08)
Weighted-average common shares outstanding - basic	746.3		746.3
Weighted-average common shares outstanding - diluted	746.3		746.3

1. See the Company's historical U.S. GAAP Consolidated Statements of Operations.
2. Certain pro forma adjustments were made to illustrate the estimated effects of the DWDP Transactions, assuming that the DWDP Transactions had occurred on January 1, 2018. The adjustments include the impact to "Cost of sales" of different pricing than historical intercompany and intracompany practices related to various supply agreements entered into with the Dow Distribution, adjustments to "Integration and separation costs" to eliminate one time transaction costs directly attributable to the DWDP Distributions, and adjustments to "Interest expense" to reflect the impact of the Financings.

SEGMENT RESULTS

The Company's measure of profit/loss for segment reporting purposes is Operating EBITDA as this is the manner in which the Company's chief operating decision maker ("CODM") assesses performance and allocates resources. The Company defines Operating EBITDA as earnings (i.e., "Income from continuing operations before income taxes") before interest, depreciation, amortization, non-operating pension / other post-employment benefits ("OPEB") / charges, and foreign exchange gains / losses, adjusted for significant items. Prior to April 1, 2019, the Company's measure of profit / loss for segment reporting purposes was pro forma Operating EBITDA as this was the manner in which the Company's chief operating decision maker ("CODM") assessed performance and allocated resources. The Company defines pro forma Operating EBITDA as pro forma earnings (i.e. pro forma "Income (loss) from continuing operations before income taxes") before interest, depreciation, amortization, non-operating pension / OPEB benefits / charges, and foreign exchange gains/losses, excluding the impact of costs historically allocated to the materials science and agriculture businesses that did not meet the criteria to be recorded as discontinued operations and adjusted for significant items.

Pro forma adjustments were determined in accordance with Article 11 of Regulation S-X. Pro forma financial information is based on the Consolidated Financial Statements of DuPont, adjusted to give effect to the impact of certain items directly attributable to the DWDP Distributions, and the Term Loan Facilities, the 2018 Senior Notes and the Funding CP Issuance (together, the "DWDP Financings"), including the use of proceeds from such Financings (collectively the "DWDP Transactions"). The historical consolidated financial information has been adjusted to give effect to pro forma events that are (1) directly attributable to the DWDP Transactions, (2) factually supportable and (3) with respect to the statements of operations, expected to have a continuing impact on the results. Events that are not expected to have a continuing impact on the combined results are excluded from the pro forma adjustments. Those pro forma adjustments include the impact of various supply agreements entered into in connection with the Dow Distribution ("supply agreements") and are adjustments to "Cost of sales." The impact of these supply agreements are reflected in pro forma Operating EBITDA for the year ended December 31, 2019 as they are included in the measure of profit/loss reviewed by the CODM in order to show meaningful comparability among periods while assessing performance and making resource allocation decisions. Refer to the Supplemental Unaudited Pro Forma Combined Financial Information section for further information.

ELECTRONICS & INDUSTRIAL

The Electronics & Industrial segment is a leading global supplier of differentiated materials and systems for a broad range of consumer electronics including mobile devices, television monitors, personal computers and electronics used in a variety of industries. The segment is a leading provider of materials and solutions for the fabrication and packaging of semiconductors and integrated circuits, and provides innovative solutions for thermal management and electromagnetic shielding as well as metallization processes for metal finishing, decorative, and industrial applications. Electronics & Industrial is a leading provider of platemaking systems and photopolymer plates for the packaging graphics industry, digital printing inks and cutting-edge materials for the manufacturing of displays for organic light emitting diode ("OLED"). In addition, the segment produces high performance elastomer and polyimide parts, medical silicones and specialty lubricants.

Electronics & Industrial In millions	*For the Years Ended December 31,*		
	2021	*2020*	*2019*
Net sales	$ 5,554	$ 4,674	$ 4,446
Operating EBITDA [1]	$ 1,758	$ 1,468	$ 1,454
Equity earnings	$ 41	$ 34	$ 24

1. For the year ended December 31, 2019 operating EBITDA is on a pro forma basis.

Electronics & Industrial Percentage change from prior year	*For the Years Ended December 31,*	
	2021	*2020*
Change in Net Sales from Prior Period due to:		
Local price & product mix	— %	(1)%
Currency	1	—
Volume	12	6
Portfolio & other	6	—
Total	19 %	5 %

2021 Versus 2020

Electronics & Industrial net sales were $5,554 million for the year ended December 31, 2021, up 19 percent from $4,674 million for the year ended December 31, 2020. Net sales increased due to a 12 percent increase in volume, a 6 percent portfolio and other increase and a 1 percent favorable currency impact. Local price and product mix were flat. Volume growth was driven by Industrial Solutions primarily due to increased demand in consumer electronics and healthcare markets. Semiconductor Technologies volume growth was led by new technology ramps at advanced nodes within logic and foundry and growth in high performance computing and 5G communications markets. Within Interconnect Solutions, the increase was driven by the July 1, 2021 acquisition of Laird PM, increases in consumer electronics, and continued volume recovery within industrial applications.

Operating EBITDA was $1,758 million for the year ended December 31, 2021, up 20 percent compared with $1,468 million for the year ended December 31, 2020 driven by strong volume growth and the acquisition of Laird PM and partially offset by higher raw material and logistic costs. The years ended December 31, 2021 and 2020 include income of $28 million and $40 million, respectively, related to the sale of assets.

2020 Versus 2019

Electronics & Industrial net sales were $4,674 million for the year ended December 31, 2020, up from $4,446 million for the year ended December 31, 2019. Net sales increased due to a 6 percent volume increase partially offset by a 1 percent decrease in local price. Volume growth was driven by Semiconductor Technologies with continued strength and new technology in logic and foundry and increased demand in the memory segment. Volume growth within Interconnect Solutions was driven by increased material content in next-generation smartphones. Within Industrial Solutions, volume growth in KALREZ® for electronics applications, OLED materials for displays and digital printing inks for the consumer segment offset weakness in flexographic plates and declines in the automotive and aerospace end markets. Volume grew significantly in Asia Pacific.

Operating EBITDA was $1,468 million for the year ended December 31, 2020, up 1 percent compared with pro forma Operating EBITDA of $1,454 million for the year ended December 31, 2019 as volume growth, productivity and higher equity income more than offset higher raw material logistic costs and lower gains related to asset sales.

WATER & PROTECTION

Water & Protection is the global leader in providing innovative engineered products and integrated systems for a number of industries including, worker safety, water purification and separation, transportation, energy, medical packaging and building materials. Water & Protection addresses the growing global needs of businesses, governments and consumers for solutions that make life safer, healthier and better. By uniting market-driven science and engineering with the strength of highly regarded brands, the segment strives to bring new products and solutions to solve customers' needs faster, better and more cost effectively.

Water & Protection In millions	*For the Years Ended December 31,*		
	2021	*2020*	*2019*
Net sales	$ 5,552	$ 4,993	$ 5,201
Operating EBITDA [1]	$ 1,385	$ 1,313	$ 1,370
Equity earnings	$ 36	$ 26	$ 27

1. For the year ended December 31, 2019 operating EBITDA is on a pro forma basis.

Water & Protection Percentage change from prior year	*For the Years Ended December 31,*	
	2021	*2020*
Change in Net Sales from Prior Period due to:		
Local price & product mix	2 %	2 %
Currency	1	—
Volume	8	(8)
Portfolio & other	—	2
Total	11 %	(4)%

2021 Versus 2020

Water & Protection net sales were $5,552 million for the for the year ended December 31, 2021, up 11 percent from $4,993 million for the year ended December 31, 2020 due to an 8 percent increase in volume, a 2 percent increase in local price, and a 1 percent favorable currency impact. Portfolio was flat. Volume growth across the segment was driven by ongoing recovery of end markets following the COVID-19 pandemic. Volume gains in Safety Solutions were driven by continued recovery in end-markets for aramid fibers most notably in NOMEX® and KEVLAR®. Within Shelter Solutions, volume growth was driven by the ongoing recovery of commercial construction and continued demand in residential construction and do-it-yourself applications. Water Solutions volume gains reflect strong demand for water technologies led by reverse osmosis membranes in industrial and desalination markets.

Operating EBITDA was $1,385 million for the year ended December 31, 2021, up 5 percent compared with $1,313 million for the year ended December 31, 2020 as volume gains and the absence of costs associated with temporarily idling several manufacturing facilities were partially offset by higher raw material and logistics costs.

2020 Versus 2019

Water & Protection net sales were $4,993 million for the year ended December 31, 2020, down from $5,201 million for the year ended December 31, 2019 as a 2 percent increase in local price and 2 percent increase in portfolio were more than offset by a 8 percent volume decline. The portfolio impact reflects the recent acquisitions in the Water Solutions business. Volume growth in the segment was led by gains in Water Solutions and TYVEK® protective garment sales within Safety Solutions which were more than offset by weakened demand in end markets for NOMEX® and KEVLAR®. Shelter Solutions volume declined due to the COVID-19 pandemic and the resulting impact on commercial construction activity.

Operating EBITDA was $1,313 million for the year ended December 31, 2020, down 4 percent compared with pro forma Operating EBITDA of $1,370 million for the year ended December 31, 2019 due to lower volumes, the absence of licensing income, and costs associated with idling facilities more than offsetting pricing gains, improved product mix, and productivity actions.

MOBILITY & MATERIALS

The Mobility & Materials segment provides high-performance engineering thermoplastics and advanced solutions to engineers and designers in the transportation, electronics, industrial, consumer and renewable energy end-markets to enable systems solutions for demanding applications and environments. The segment delivers a broad range of polymer-based high-performance materials in its product portfolio, including elastomers and thermoplastic and thermoset engineering polymers which are used by customers to fabricate components for mechanical, chemical and electrical systems. In addition, the segment supplies key materials for the manufacturing of photovoltaic cells and panels, including backsheet materials and silicone encapsulates and adhesives. The segment provides specialty pastes and films used in consumer electronics, automotive, and aerospace markets. Mobility & Materials is a global leader of advanced materials that provides technologies that differentiate customers' products with improved performance characteristics enabling the transition to hybrid-electric-connected vehicles and high speed high frequency connectivity.

Mobility & Materials In millions	*For the Years Ended December 31,*		
	2021	*2020*	*2019*
Net sales	$ 5,045	$ 4,005	$ 4,690
Operating EBITDA [1]	$ 1,082	$ 588	$ 954
Equity earnings	$ 9	$ 19	$ 4

1. For the year ended December 31, 2019 operating EBITDA is on a pro forma basis.

Mobility & Materials Percentage change from prior year	*For the Years Ended December 31,*	
	2021	*2020*
Change in Net Sales from Prior Period due to:		
Local price & product mix	12 %	(4)%
Currency	2	—
Volume	12	(11)
Portfolio & other	—	—
Total	26 %	(15)%

2021 Versus 2020

Mobility & Materials net sales were $5,045 million for the year ended December 31, 2021, up 26 percent from $4,005 million for the year ended December 31, 2020. Net sales increased due to a 12 percent increase in local price and product mix, a 12 percent increase in volume and a 2 percent favorable currency impact. The local price increase reflects actions taken to offset higher raw material costs and higher metals pricing. Volume growth was attributable to the continued recovery of key end markets, primarily the global automotive market.

Operating EBITDA was $1,082 million for the year ended December 31, 2021, up 84 percent compared with $588 million for the year ended December 31, 2020 driven by higher volumes, pricing gains, and the absence of $170 million of charges recorded in the prior year associated with temporarily idling several manufacturing facilities which offset higher raw material and logistic costs.

2020 Versus 2019

Mobility & Materials net sales were $4,005 million for the year ended December 31, 2020, down from $4,690 million for the year ended December 31, 2019 due to a 11 percent decrease in volume and a 4 percent decrease in local price. Volume declines were due to the impact of the COVID-19 pandemic on the automotive industry and the other key industrial markets.

Operating EBITDA was $588 million for the year ended December 31, 2020, down 38 percent compared with pro forma Operating EBITDA of $954 million for the year ended December 31, 2019 driven primarily by price and volume declines due to the COVID-19 pandemic and approximately $170 million in charges associated with temporarily idling several manufacturing plants to align supply with demand.

Corporate

Corporate includes certain enterprise and governance activities including non-allocated corporate overhead costs and support functions, leveraged services, non-business aligned litigation expenses and other costs not absorbed by reportable segments. The sales and activity of to be divested and previously divested businesses including the operations of Biomaterials, Clean Technologies, and Solamet® business units, and the TCS Business along with its equity ownership interest in DC HSC Holdings LLC and Hemlock Semiconductor L.L.C. (the "HSC Group") are reflected as Corporate activity. To date, the following divestitures of businesses held within Corporate have occurred:

- Clean Technologies on December 31, 2021;
- Solamet® in the third quarter 2021;
- the TCS Business and HSC Group in the third quarter 2020; and
- the Sustainable Solutions business in third quarter 2019.

Corporate net sales related to the divested businesses were $502 million, $666 million, and $1,099 million for the years ended December 31, 2021, 2020, and 2019, respectively. The decrease in sales for the year ended December 31, 2021, was driven by the timing of portfolio actions, discussed above, offset by volume growth driven by demand in carpet and apparel markets within Biomaterials and pricing gains. For the year ended December 31, 2020, sales declined due to the portfolio actions discussed above and volume declines which were led by lower demand in Biomaterials due to weakened demand in carpet and apparel markets and lower volumes in Clean Technologies.

Operating EBITDA was $(55) million and $70 million for the year ended December 31, 2021 and 2020, respectively and pro forma Operating EBITDA was $366 million for the years ended December 31, 2019. The decrease in EBITDA both years was primarily the result of portfolio actions and declines in customer settlements.

OUTLOOK

In 2022, the Company expects demand to remain strong across all segments led by on-going strength in semiconductors, along with continued demand in industrial technologies, smartphone sales, water filtration and residential construction. The Company anticipates raw material and logistic costs will remain at elevated levels in 2022. The anticipated strong demand, productivity actions and Laird PM acquisition synergies along with benefits from continued pricing actions in response to incremental cost increases, are expected to deliver earnings improvement versus 2021. The Company continues to closely monitor macroeconomic and geopolitical developments.

LIQUIDITY & CAPITAL RESOURCES

The Company continually reviews its sources of liquidity and debt portfolio and may make adjustments to one or both to ensure adequate liquidity and increase the Company's optionality and financing efficiency as it relates to financing cost and balancing terms/maturities. The Company's primary source of incremental liquidity is cash flows from operating activities. COVID-19 continues to impact the broader global economy. Management expects the generation of cash from operations and the ability to access the debt capital markets and other sources of liquidity will continue to provide sufficient liquidity and financial flexibility to meet the Company's and its subsidiaries obligations as they come due. However, DuPont is unable to predict the extent of COVID-19 related impacts which depend on uncertain and unpredictable future developments. In light of this uncertainty, the Company has taken steps to further ensure liquidity and capital resources, as discussed below.

In millions	*December 31, 2021*	*December 31, 2020*
Cash and cash equivalents [1]	$ 2,011	$ 2,544
Total debt	$ 10,782	$ 15,612

1. The net proceeds of approximately $6.2 billion received from an offering of senior unsecured notes associated with the N&B Transaction were recorded within non-current "Restricted cash" in the Consolidated Balance Sheets at December 31, 2020 and thus are not included in "Cash and cash equivalents" as presented in the table above.

The Company's cash and cash equivalents at December 31, 2021 and December 31, 2020 were $2.0 billion and $2.5 billion, respectively, of which $1.4 billion at December 31, 2021 and $1.8 billion at December 31, 2020 were held by subsidiaries in foreign countries, including United States territories. For each of its foreign subsidiaries, the Company makes an assertion regarding the amount of earnings intended for permanent reinvestment, with the balance available to be repatriated to the United States.

Total debt at December 31, 2021 and December 31, 2020 was $10.8 billion and $15.6 billion, respectively. The decrease was primarily due to the termination and repayment of the Company's $3.0 billion term loan facilities in the first quarter of 2021, and the redemption of the May 2020 Notes in the second quarter of 2021, described further below, in accordance with a special mandatory redemption feature.

As of December 31, 2021, the Company is contractually obligated to make future cash payments of $10.7 billion and $5.9 billion associated with principal and interest, respectively, on debt obligations. Related to the principal, all payments will be due subsequent to 2022. Related to interest, $503 million will be due in the next twelve months and the remainder will be due subsequent to 2022. The majority of interest obligations will be due in 2027 or later.

Term Loan and Revolving Credit Facilities

In November 2018, the Company entered into a term loan agreement that establishes two term loan facilities in the aggregate principal amount of $3.0 billion, (the "Term Loan Facilities") as well as a five-year $3.0 billion revolving credit facility (the "Five-Year Revolving Credit Facility"). Effective May 2, 2019, the Company fully drew the two Term Loan Facilities in the aggregate principal amount of $3.0 billion and the Five-Year Revolving Credit Facility became effective and available. The Five-Year Revolving Credit Facility is generally expected to remain undrawn, and serve as a backstop to the Company's commercial paper and letter of credit issuance.

On February 1, 2021, the Company terminated its fully drawn $3.0 billion Term Loan Facilities. The termination triggered the repayment of the aggregate outstanding principal amount of $3.0 billion, plus accrued and unpaid interest through and including January 31, 2021. The Company funded the repayment with proceeds from the Special Cash Payment.

On April 15, 2021, the Company entered into an updated $1.0 billion 364-day revolving credit facility (the "2021 $1B Revolving Credit Facility") as the $1.0 billion 364-day revolving credit facility entered in April 2020 (the "2020 $1B Revolving Credit Facility") expired mid-April. As of the effectiveness of the 2021 $1B Revolving Credit Facility, the 2020 $1B Revolving Credit Facility was terminated. The 2021 $1B Revolving Credit facility may be used for general corporate purposes. The Company intends to renew the 364-Day Revolving Credit Facility on or prior to expiration.

May 2020 Debt Offering

On May 1, 2020, the Company completed an underwritten public offering of senior unsecured notes (the "May 2020 Notes") in the aggregate principal amount of $2.0 billion of 2.169 percent fixed rate notes due May 1, 2023 (the "May 2020 Debt Offering"). Upon consummation of the N&B Transaction, the special mandatory redemption feature of the May 2020 Debt Offering was triggered, requiring the Company to redeem all of the May 2020 Notes at a redemption price equal to 100% of the aggregate principal amount of the May 2020 Notes plus accrued and unpaid interest. The Company redeemed the May 2020 Notes on May 13, 2021 and funded the redemption with proceeds from the Special Cash Payment.

Laird Performance Materials
On July 1, 2021, the Company completed the acquisition of Laird PM from Advent International for aggregate consideration of $2.4 billion, which reflects adjustments, including for acquired cash and net working capital. The acquisition is part of the Interconnect Solutions business within the Electronics & Industrial segment. The Company paid for the acquisition from existing cash balances.

Intended Rogers Acquisition
On November 2, 2021, the Company announced that it had entered into a definitive agreement to acquire all the outstanding shares of Rogers for about $5.2 billion. The acquisition is expected to close by the end of the second quarter of 2022 subject to regulatory approvals and other customary closing conditions.

Concurrent with the signing of the definitive agreement, the Company entered into a Bridge Commitment Letter (the "Bridge Letter") in an aggregate principal amount of $5.2 billion to secure committed financing for the Intended Rogers Acquisition. On November 22, 2021, the Company entered into a two-year senior unsecured committed term loan agreement in the amount of $5.2 billion (the "2021 Term Loan Facility"). The 2021 Term Loan Facility is intended to fund the Intended Rogers Acquisition and will be drawn upon contemporaneously with the close of the Intended Rogers Acquisition. The 2021 Term Loan Facility is required to be repaid upon completion of the intended divestiture of the In-Scope M&M Businesses. Commensurate with the entry into the 2021 Term Loan Facility, the commitments under the Bridge Letter were terminated.

Commercial Paper
In April 2019, DuPont authorized a $3.0 billion commercial paper program (the "DuPont Commercial Paper Program"). At December 31, 2021 the Company has $150 million of commercial paper issued and outstanding.

Credit Ratings
The Company's credit ratings impact its access to the debt capital markets and cost of capital. The Company remains committed to maintaining a strong financial position with a balanced financial policy focused on maintaining a strong investment-grade rating and driving shareholder value and remuneration. At January 31, 2022, DuPont's credit ratings were as follows:

Credit Ratings	*Long-Term Rating*	*Short-Term Rating*	*Outlook*
Standard & Poor's	BBB+	A-2	Stable
Moody's Investors Service	Baa1	P-2	Negative
Fitch Ratings	BBB+	F-2	Stable

The Company's indenture covenants include customary limitations on liens, sale and leaseback transactions, and mergers and consolidations, subject to certain limitations. The senior unsecured notes (the "2018 Senior Notes") also contain customary default provisions. The 2021 Term Loan Facility, the Five-Year Revolving Credit Facility and the 2021 $1B Revolving Credit Facility contain a financial covenant, typical for companies with similar credit ratings, requiring that the ratio of Total Indebtedness to Total Capitalization for the Company and its consolidated subsidiaries not exceed 0.60. At December 31, 2021, the Company was in compliance with this financial covenant.

Summary of Cash Flows
The Company's cash flows from operating, investing and financing activities, as reflected in the Consolidated Statements of Cash Flows, are summarized in the following table. The cash flows related to N&B have not been segregated and are included in the Consolidated Statements of Cash Flows for all periods presented, while cash flows related to the materials science and agriculture businesses are included in the Consolidated Statements of Cash Flows for the year ended December 31, 2019.

Cash Flow Summary In millions	*2021*	*2020*	*2019*
Cash provided by (used for):			
Operating activities	$ 2,281	$ 4,095	$ 1,409
Investing activities	$ (2,401)	$ (202)	$ (2,313)
Financing activities	$ (6,507)	$ 3,238	$ (11,550)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	$ (72)	$ 67	$ 9
Cash, cash equivalents and restricted cash in discontinued operations	$ —	$ 8	$ 8

Cash Flows from Operating Activities

Cash provided by operating activities was $2,281 million, $4,095 million and $1,409 million for the years ended December 31, 2021, 2020 and 2019, respectively. Cash provided by operating activities decreased in 2021 compared with 2020, primarily due to the use of cash from accounts and notes receivable and inventories in 2021 compared to the release of cash from those same balance sheet assets in 2020. In 2021, these changes were driven by economic recovery resulting in sales growth/higher accounts receivable and supply chain challenges resulting in higher inventory levels. Cash provided by operating activities increased in 2020 compared with 2019, largely due to a release of cash from net working capital in 2020 versus a use of cash for net working capital in the prior period, partially offset by lower earnings versus the prior period. Activity related to the N&B business is included in the full year of the 2020 comparative period and the first month of 2021.

Net Working Capital [1] In millions (except ratio)	*December 31, 2021*	*December 31, 2020*
Current assets	$ 8,065	$ 8,349
Current liabilities	4,262	3,616
Net working capital	$ 3,803	$ 4,733
Current ratio	1.89:1	2.31:1

1. Net working capital at December 31, 2020 has been presented to exclude the assets and liabilities related to the N&B Transaction. The assets and liabilities related to the N&B Transaction are presented as assets of discontinued operations and liabilities of discontinued operations, respectively, in the Consolidated Balance Sheets.

Cash Flows from Investing Activities

Cash used for investing activities in 2021 was $2,401 million compared to cash used for investing of $202 million in 2020. The increase in cash used was primarily attributable to the acquisition of Laird PM, and decrease in cash proceeds received from the sales of Solamet® and Clean Technologies businesses in 2021 compared to the cash proceeds received from the sales of the TCS Business and Compound Semiconductor Solutions business units in 2020 partially offset by lower capital expenditures in 2021. Cash used for investing activities in 2019 was $2,313 million primarily driven by capital expenditures and purchases of investments, which were partially offset by proceeds from sales and maturities of investments and proceeds from sales of property and business. Activity related to the N&B business is included in the full year of the comparative period and the first month of 2021.

Capital expenditures totaled $891 million, $1,194 million and $2,472 million for the years ended December 31, 2021, 2020 and 2019, respectively. The Company expects 2022 capital expenditures to be about $900 million. The Company may adjust its spending throughout the year as economic conditions develop.

Cash Flows from Financing Activities

Cash used for financing activities in 2021 was $6,507 million compared to cash provided by financing activities of $3,238 million in 2020. The difference in cash flows from financing activities in 2021 versus the prior year is primarily driven by the use of cash in repayment of long-term debt, repurchases of common stock and significant reduction in issuances of long-term debt, which was partially offset by cash provided by increase in short-term notes payable and reduction in dividends paid to stockholders due to less shares outstanding. Cash used for financing activities in 2019 was $11,550 million, primarily driven by repurchases of common stock and impact of the DWDP Distributions of the materials science and agriculture businesses to cash balances. Activity related to the N&B business is included in the full year of the comparative period and the first month of 2021.

Dividends

The following table provides dividends paid to common shareholders for the years ended December 31, 2021, 2020, and 2019:

Dividends Paid In millions	*December 31, 2021*	*December 31, 2020*	*December 31, 2019*
Dividends paid, per common share	$ 1.20	$ 1.20	$ 2.16
Dividends paid to common stockholders [1,2]	$ 630	$ 882	$ 1,611

1. The 2019 dividends include dividends paid to DowDuPont common stockholders prior to the DWDP Distributions.
2. The 2020 dividends include dividends paid to common stockholders prior to the N&B Transaction.

The DuPont Board of Directors on February 7, 2022, declared a first quarter 2022 dividend of $0.33 per share, a ten percent per share increase versus the first quarter 2021 dividend, payable on March 15, 2022, to holders of record at the close of business on February 28, 2022.

Share Buyback Programs

On June 1, 2019, the Company's Board of Directors authorized a $2.0 billion share buyback program, which expired on June 1, 2021 ("2019 Share Buyback Program"). At the expiry of the 2019 Share Buyback Program, the Company had repurchased and retired a total cost of 29.9 million shares at a cost of $2.0 billion.

In the first quarter of 2021, the Company's Board of Directors authorized a $1.5 billion share buyback program, which expires on June 30, 2022 ("2021 Share Buyback Program"). As of December 31, 2021, the Company had repurchased and retired a total of 14.5 million shares for $1.1 billion under the 2021 Share Buyback Program.

In February 2022, the Company's Board of Directors authorized an additional $1.0 billion share buyback program which expires on March 31, 2023, (the "2022 Share Buyback Program"). This authorization enables the Company to repurchase shares following the expected completion of the remaining authorization under its 2021 Share Buyback Program.

See Part II, Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities and Note 18 to the Consolidated Financial Statements, for additional information.

Pension and Other Post-Employment Plans

Subsequent to the DWDP Distributions, the Company retained defined benefit pension plans in a number of other countries but does not have any qualified defined benefit pension plans in the United States.

The Company's funding policy is to contribute to defined benefit pension plans based on pension funding laws and local country requirements. Contributions exceeding funding requirements may be made at the Company's discretion. The Company expects to contribute approximately $90 million to its pension plans in 2022. The amount and timing of the Company's actual future contributions will depend on applicable funding requirements, discount rates, investment performance, plan design, and various other factors, separations and distributions. See Note 19 to the Consolidated Financial Statements for additional information concerning the Company's pension plans.

TDCC's funding policy was to contribute to plans when pension laws and/or economics either require or encourage funding. Prior to the Dow Distribution, TDCC made discretionary contributions exceeding funding requirements. During the three months of 2019, TDCC made contributions of $103 million to TDCC plans that were separated with Dow after the DWDP Distributions.

As of December 31, 2021, the Company is contractually obligated to make future cash payments of $922 million related to pension and other post-employment benefit plans. $90 million will be due in the next twelve months and the remainder will be due subsequent to 2022 with the majority due subsequent to 2026.

EID's funding policy was to contribute to defined benefit pension plans based on pension funding laws and local country requirements. Prior to the Corteva Distribution, EID made discretionary contributions exceeding funding requirements. During the five months of 2019, EID made $36 million contributions to plans that were separated from the Company in conjunction with the Corteva Distribution.

Restructuring

In October 2021, the Company approved targeted restructuring actions to capture near term cost reductions (the "2021 Restructuring Actions"). For the year ended December 31, 2021, DuPont recorded a pre-tax charge related to the 2021 Restructuring Actions in the amount of $46 million, recognized in "Restructuring and asset related charges - net" in the Company's Consolidated Statements of Operations, comprised of $26 million of severance and related benefit costs and $20 million of asset related charges. At December 31, 2021, total liabilities related to the 2021 Restructuring Actions were $25 million for severance and related benefits. The Company expects actions related to this program to be substantially complete by the first half of 2022.

In March 2020, the Company approved restructuring actions designed to capture near-term cost reductions and to further simplify certain organizational structures in anticipation of the N&B Transaction. As a result of these actions, the Company recorded pre-tax restructuring charges of $180 million inception-to-date, consisting of severance and related benefit costs of $128 million and asset related charges of $52 million. Actions associated with the 2020 Restructuring Program are considered substantially complete. Future cash payments related to the 2020 Restructuring Program are anticipated to be $15 million primarily related to the payment of severance and related benefits.

In June 2019, DuPont approved restructuring actions to simplify and optimize certain organizational structures following the completion of the DWDP Distributions. As a result of these actions, the Company has recorded pre-tax restructuring charges of $125 million inception-to-date, consisting of severance and related benefit costs of $98 million, and asset related charges of $27 million. Actions associated with this program are considered substantially complete. Future cash payments related to the 2019 Restructuring Program are anticipated to be $2 million and relate to the payment of severance and related benefits.

In September and November 2017, the Company approved post-merger restructuring actions under the DowDuPont Cost Synergy Program, which was designed to integrate and optimize the organization following the DWDP Merger and in preparation for the DWDP Distributions. The Company has recorded pre-tax restructuring charges attributable to the continuing operations of DuPont of $342 million inception-to-date, consisting of severance and related benefit costs of $136 million, asset related charges of $159 million and contract termination and other charges of $47 million. The activities related to the Synergy Program are expected to result in additional cash expenditures of $6 million and relate primarily to the payment of severance and related benefit costs.

See Note 6 to the Consolidated Financial Statements for more information on the Company's restructuring programs.

Other Off-balance Sheet Arrangements

Certain Guarantee Contracts

Guarantees arise in the ordinary course of business from relationships with nonconsolidated affiliates when the Company undertakes an obligation to guarantee the performance of others if specific triggering events occur. At December 31, 2021 and December 31, 2020, the Company had directly guaranteed $170 million and $167 million, respectively, of such obligations. Additional information related to the guarantees of the Subsidiaries can be found in the "Guarantees" section of Note 16 to the Consolidated Financial Statements.

The MOU Cost Sharing Agreement

In connection with the cost sharing arrangement entered into as part of the MOU, the companies agreed to establish an escrow account to address potential future PFAS costs. Subject to the terms of the arrangement, contributions to the escrow account will be made by Chemours, DuPont and Corteva, annually over an eight-year period. Over such period, Chemours will deposit a total of $500 million into the account and DuPont and Corteva, together, will deposit an additional $500 million pursuant to the terms of their existing Letter Agreement.

As per the terms of the MOU, the Company deposited $50 million to the escrow account on September 30, 2021. Additional information regarding the MOU and funding of the escrow account can be found in Note 16 to the Consolidated Financial Statements.

Other Contractual Obligations

As of December 31, 2021, the Company is contractually obligated to make future cash payments of $861 million and $528 million related to purchase and lease obligations, respectively. Related to purchases, $294 million will be due in the next twelve months and the remainder will be due subsequent to 2022. Related to leases, $110 million will be due in the next twelve months and remainder will be due subsequent to 2022.

As of December 31, 2021, the Company is contractually obligated to make future cash payments of $191 million related to other miscellaneous obligations, the majority of which is due subsequent to 2022.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 2 to the Consolidated Financial Statements for a description of recent accounting pronouncements.

CRITICAL ACCOUNTING ESTIMATES

The Company's significant accounting policies are more fully described in Note 1 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, restructuring liabilities, 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 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 the inactive participants if all or almost all of a plan's participants are inactive.

For the majority of the benefit plans, the Company utilizes the Aon AA corporate bond yield curves to determine the discount rate, applicable to each country, at the measurement date.

The Company establishes strategic asset allocation percentage targets and appropriate benchmarks for significant asset classes in accordance with the laws and practices of those countries. Where appropriate, asset-liability studies are also taken into consideration. For plans, the long-term expected return on plan assets 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 plans based on assets and liabilities at December 31, 2021:

Pre-tax Earnings Benefit (Charge) *(Dollars in millions)*	**1/4 Percentage Point Increase**	**1/4 Percentage Point Decrease**
Discount rate	$ (3)	$ 4
Expected rate of return on plan assets	9	(9)

Additional information with respect to pension plans, liabilities and assumptions is discussed under "Long-term Employee Benefits" and in Note 19 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 16 to the Consolidated Financial Statements.

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 the 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.

At December 31, 2021, the Company had a net deferred tax liability balance of $1.8 billion, net of a valuation allowance of $0.8 billion. 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 8 to the Consolidated Financial Statements for additional details related to the deferred tax liability balance.

Assessments of Long-Lived Assets and Goodwill

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 in these analyses include, future cash flow projections, the weighted average cost of capital, the terminal growth rate, and the tax rate for the income approach. For the market approach, the company uses metrics of publicly traded companies or historically completed transactions of comparable businesses. The estimates are deemed reasonable by management based on information available at the dates of acquisition, however, 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 environments in which the Company's diversified product lines operate, and key economic and product line 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 diverse 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 testing 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 has seven reporting units, of which one reporting unit has no goodwill and is reported within the held-for-sale disposal group.

For purposes of goodwill impairment testing, 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. The qualitative evaluation is an assessment of factors, including reporting unit or asset specific operating results and cost factors, as well as industry, market and macroeconomic conditions, to determine whether it is more likely than not that the fair value of a reporting unit or asset is less than the respective carrying amount, including goodwill. 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.

If additional quantitative testing is performed, an impairment loss is recognized in the amount by which the carrying value of the reporting unit exceeds its fair value, limited to the amount of goodwill at the reporting unit. The Company determines fair values for each of the reporting units using a combination of the income approach and 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 uses internal forecasts to estimate future cash flows 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. Discounted cash flow valuations are completed using the following key assumptions: projected revenue, projected margins, discount rates, tax rates, and terminal values. These key assumptions are determined through evaluation of the Company as a whole, underlying business fundamentals and industry risk. The Company derives its discount rates using a capital asset pricing model and analyzing 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.

Under the market approach, the Company applies the Guideline Public Company Method ("GPCM"). Selected peer sets are based on close competitors, publicly traded companies and reviews of analysts' reports, public filings, and industry research. In selecting the EBIT/EBITDA multiples and determining the fair value, the Company considers the size, growth, and profitability of each reporting unit versus the relevant guideline public companies. When applicable, third party purchase offers may be utilized to measure fair value.

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.

In the fourth quarter of 2021, the Company performed its annual goodwill impairment testing by applying the qualitative assessment to all of its reporting units. The Company considered various qualitative factors that would have affected the estimated fair value of the reporting units, and the results of the qualitative assessments indicated that it is not more likely than not that the fair values of the reporting units were less than their carrying values.

As part of the 2021 Segment Realignment, the Company assessed and re-defined certain reporting units effective February 1, 2021, including reallocation of goodwill on a relative fair value basis, as applicable, to reporting units impacted. A combination of quantitative and qualitative goodwill impairment analyses was then performed for reporting units impacted by this new structure and no impairments were identified.

The Company evaluates the carrying value of long-lived assets (collectively the "asset group") 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 anticipated future undiscounted cash flows to be derived from the asset group 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 group. Fair value of the asset group is determined using a combination of a discounted cash flow model and/or market approach. 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. Depreciation is recognized over the remaining useful life of the assets.

Valuation of Acquired Intangible Assets

The Company engaged an independent third-party valuation specialist to assist with the allocation of the total purchase price for the acquisition of Laird Performance Materials to the fair value of the net assets acquired. This required the use of several assumptions and estimates, including, but not limited to, the customer attrition rate, the discount rate, the royalty rates, the economic life, the EBITDA margin, the contributory asset charge, and the projected revenue for the customer-related intangible asset, the discount rate, the projected revenue, the royalty rate, the obsolescence rate, and the economic life for the developed technology, and the discount rate, the projected revenue, the royalty rate, and the economic life for the trademark/tradename. Although the Company believes the assumptions and estimates made were reasonable and appropriate, these estimates require significant judgment by management and are based in part on historical experience and information obtained from Laird Performance Materials management. For further information see Note 3 to the Consolidated Financial Statements.

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. The Company has a few medical, dental and life insurance benefits for employees, pensioners and survivors and for employees (other post-employment benefits or "OPEB" 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 and life insurance. Benefits under defined benefit pension plans are based primarily on years of service and employees' pay near retirement.

Pension benefits are paid primarily from trust funds established to comply with applicable laws and regulations of the sovereign country in which the pension plan operates. Unless required by law, the Company does not make contributions that are in excess of tax-deductible limits. 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. 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 $28 million to its funded pension plans for the years ended December 31, 2021 and December 31, 2020, respectively. The Company contributed $497 million to its funded pension plans for the year ended December 31, 2019.

The Company does maintain one U.S. pension benefit plan. This plan is a separate unfunded plan and these benefits are paid to employees 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 $60 million, $73 million, and $72 million to its unfunded plans, including OPEB plans, for the years ended December 31, 2021, December 31, 2020, and December 31, 2019, respectively.

In 2022, the Company expects to contribute approximately $90 million to its funded pension plans and its remaining plans with no plan assets. The amount and timing of actual future contributions will depend on applicable funding requirements, discount rates, investment performance, plan design, and various other factors.

The Company's income can be significantly affected by pension and defined contribution charges/(benefits) as well as OPEB costs. The following table summarizes the extent to which the Company's income for the years ended December 31, 2021, December 31, 2020, and December 31, 2019 was affected by pre-tax charges related to long-term employee benefits:

In millions	*For the Years Ended*		
	December 31, 2021	*December 31, 2020*	*December 31, 2019*
Long-term employee benefit plan charges	$ 106	$ 155	$ 98

The above charges (benefit) for pension and OPEB are determined as of the beginning of each period. See "Pension Plans and Other Post-Employment Benefits" under the Critical Accounting Estimates section of this report for additional information on determining annual expense.

For 2022, long term employee benefit expense from continuing operations is not expected to change materially as compared to 2021.

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 various voluntary programs to reduce its environmental footprint, which includes initiatives 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. In October 2019 DuPont announced its sustainability strategy and 2030 Sustainability Goals. The Company's sustainability strategy and goals prioritize global challenges such as climate change, water stewardship, advancing circular economy and processes, improving health and safety, and more. With these goals, DuPont is committed to using the Company's strength in innovation to advance progress on several of the United Nations' Sustainable Development Goals, increasing resiliency and reducing environmental and social impacts across value chains, and ensuring people are put at the center of all the Company's work. Executive responsibility for overall sustainability performance sits with the Chief Technology & Sustainability Officer (the "CTSO"). The CTSO role was created specifically for DuPont to capitalize on the intrinsic link between sustainability and innovation in the Company's operating model. The CTSO reports directly to the CEO, and routinely engages the Environmental, Health, Safety & Sustainability (EHS&S) Committee of the Board of Directors on matters of sustainability. DuPont's sustainability initiatives and strategy are discussed further in its 2021 Sustainability Report, which is available under *Sustainability* in the "About Us" section of its website; this report is not incorporated by reference and should not be considered part of this Form 10-K.

The costs to comply with complex environmental laws and regulations, as well as internal voluntary programs and goals, such as DuPont's sustainability strategy, are significant and will continue to be significant for the foreseeable future. Based on existing facts and circumstances, management does not believe that year-over-year changes, if any, in environmental expenses 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.

Climate Change

The Company believes that climate change is an important global environmental issue that presents risks and opportunities. The Company is continuously evaluating opportunities for existing and new product and service offerings to meet the anticipated demands of a low-carbon economy. As part of DuPont's sustainability strategy, the Company announced an Acting on Climate Goal. The objective of the Acting on Climate goal is to reduce the Company's greenhouse gas (GHG) emissions by 30 percent, measured from a base year of 2019, including sourcing 60 percent of electricity for operations from renewable energy and delivering carbon neutral operations by 2050. DuPont reports on its progress against these goals in its annual sustainability report. In 2022, the Company plans to include its inaugural TCFD Index in its Sustainability Report and additional climate-related disclosure in its response to the CDP Climate survey.

In line with the objectives of the Acting on Climate goal, DuPont signed a virtual power purchase agreement (the "VPPA") with a subsidiary of NextEra Energy Resources, LLC in 2021. The VPPA will deliver the equivalent of 135 megawatts of new wind power capacity or approximately 528,000 megawatt hours (MWh) of renewable electricity on an annual basis beginning in 2023.

The Company is actively engaged in efforts to develop constructive public policies to reduce GHG emissions and encourage lower-carbon forms of energy. DuPont is part of several organizations, including the CEO Climate Dialogue, a collaboration between large companies and NGOs working together to advance effective climate legislation in the US. DuPont is also part of the Alliance to Save Energy, which is an organization advocating to advance federal energy efficiency policy, as well as other organizations that advocate for clean mobility and renewable fuel.

Public policies may bring higher operating costs as well as greater revenue and margin opportunities. Legislative efforts to control or limit GHG emissions could affect the Company's energy source and supply choices as well as increase the cost of energy and raw materials derived from fossil fuels. Such efforts are also anticipated to provide the business community with greater certainty for the regulatory future, help guide investment decisions, and drive growth in demand for low-carbon and energy-efficient products, technologies, and services. Similarly, demand is expected to grow for products that facilitate adaptation to a changing climate. However, the current unsettled policy environment in the U.S., where many company facilities are located, adds an element of uncertainty to business decisions, particularly those relating to long-term capital investments.

In addition, significant differences in regional or national approaches could present challenges in a global marketplace. An effective global climate policy framework will help drive the market changes that are needed to stimulate and efficiently deploy new innovations in science and technology, while maintaining open and competitive global markets.

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.

Environmental Remediation
The Company has directly incurred environmental remediation costs of $14 million, $6 million, and $28 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Changes in the remediation accrual balance are summarized below:

(Dollars in millions)	
Balance at December 31, 2019	$ 77
Remediation payments	(5)
Net increase in remediation accrual	6
Net change, indemnification [1]	2
Balance at December 31, 2020	$ 80
Remediation payments	(7)
Net increase in remediation accrual	14
Net change, indemnification [1]	2
Balance at December 31, 2021	$ 89

1. Represents the net change in indemnified remediation obligations based on activity pursuant to the DWDP Separation and Distribution Agreement and Letter Agreement as discussed below and in Notes 4 and 16 to the Consolidated Financial Statements. This is not inclusive of the accrual of $116 million related to eligible PFAS costs associated with the MOU.

Considerable uncertainty exists with respect to environmental remediation costs, and, under adverse changes in circumstances, the potential liability may range up to $166 million above the amount accrued as of December 31, 2021. 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.

Pursuant to the DWDP Separation and Distribution Agreement and the Letter Agreement discussed in Notes 4 and 16 to the Consolidated Financial Statements, the Company indemnifies Dow and Corteva for certain environmental matters. The Company has recorded an indemnification liability of $46 million corresponding to the Company's accrual balance related to these matters at December 31, 2021. The indemnification liability is included in the total remediation accrual liability of $89 million.

Environmental Capital Expenditures
Capital expenditures for environmental projects, either required by law or necessary to meet the Company's internal environmental goals, were $40 million for the year ended December 31, 2021. This amount includes $11 million of expenditures used towards the Company's climate change initiatives. The Company currently estimates expenditures for environmental-related capital projects to be approximately $48 million in 2022, with $19 million estimated for climate change initiatives.

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, interest rate and commodity price risks under established procedures and controls. For additional information on these derivatives and related exposures, see Note 21 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 are also 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 from international sales, purchases, investments and borrowings. The primary currencies for which the Company has an exchange rate exposure are the European euro ("EUR"), Chinese renminbi ("CNY"), and Japanese yen ("JPY"). The Company uses forward exchange contracts to offset its net exposures, by currency, related to the foreign currency denominated monetary assets and liabilities of its operations. In addition to the contracts disclosed in Note 21 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.

The following table illustrates the fair values of outstanding foreign currency contracts at December 31, 2021 and 2020, and the effect on fair values of a hypothetical adverse change in the foreign exchange rates that existed at December 31, 2021 and 2020. The sensitivities for foreign currency contracts are based on a 10 percent adverse change in foreign exchange rates.

	Fair Value Asset/(Liability)		Fair Value Sensitivity	
In millions	2021	2020	2021	2020
Foreign currency contracts	$ (5)	$ (9)	$ (192)	$ (210)

The Company uses cross currency swaps, designated as a net investment hedge, to hedge portions of its net investment in its European operations. The net investment hedge serves to offset the foreign currency translation risk from the Company's foreign operations. If the U.S. dollar weakened by 10%, the fair value of the net investment hedge would have been approximately $118 million lower as of December 31, 2021.

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 DuPont 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. As of December 31, 2021, no one individual customer balance represented more than five percent of the Company's total outstanding receivables balance. Credit risk associated with its receivables balance is representative of the geographic, industry and customer diversity associated with the Company's global product lines.

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 industry and region.

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

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 SEC. 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, 2021, 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.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 and 15d-15 that was conducted during the quarter ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

The Company's assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2021 excluded Laird Performance Materials, which was acquired by the Company in July 2021. The total assets and total net sales of Laird Performance Materials represent less than 1 percent of the related consolidated financial statement amounts as of and for the year ended December 31, 2021. Companies are allowed to exclude acquisitions from their assessment of internal control over financial reporting in the year of acquisition while integrating the acquired company under guidelines established by the Securities and Exchange Commission.

The Company has completed its evaluation of its internal controls and has concluded that the Company's system of internal controls over financial reporting was effective as of December 31, 2021 (see page F-2).

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

DuPont de Nemours, Inc.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information related to Directors, certain executive officers and certain corporate governance matters (including identification of Audit Committee members and financial expert(s)) is contained in the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders of DuPont De Nemours Inc. and is incorporated herein by reference.

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 2022 Annual Meeting of Stockholders of DuPont de Nemours, Inc. and is incorporated herein by reference.

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

Information with respect to beneficial ownership of DuPont de Nemours, Inc. common stock by each Director and all Directors and executive officers of the Company as a group is contained in the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders of DuPont de Nemours, 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 DuPont de Nemours, Inc. common stock is contained in the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders of DuPont de Nemours, 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 2022 Annual Meeting of Stockholders of DuPont de Nemours, Inc. and is incorporated herein by reference.

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

Reportable relationships and related transactions, if any, as well as information relating to director independence are contained in the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders of DuPont de Nemours, Inc. and are incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information with respect to fees and services related to the Company's independent auditors, PricewaterhouseCoopers LLP, and the disclosure of the Audit Committee's pre-approval policies and procedures are contained in the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders of DuPont and are incorporated herein by reference.

DuPont de Nemours, Inc.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements and Financial Statement Schedules:

1. Financial Statements (See the Index to the Consolidated Financial Statements on page F-1 of this report).

2. Financial Statement Schedules

Schedule II—Valuation and Qualifying Accounts

(In millions) for the years ended December 31,	2021	2020	2019
Accounts Receivable—Allowance for Doubtful Receivables			
Balance at beginning of period	$ 32	$ 2	$ 1
Additions charged to expenses	9	31	—
Deductions from reserves[1]	(9)	(1)	1
Balance at end of period	$ 32	$ 32	$ 2
Inventory—Obsolescence Reserve			
Balance at beginning of period	$ 4	$ 21	$ 24
Additions charged to expenses	15	5	22
Deductions from reserves[2]	(12)	(22)	(25)
Balance at end of period	$ 7	$ 4	$ 21
Deferred Tax Assets—Valuation Allowance			
Balance at beginning of period	$ 677	$ 598	$ 603
Additions[3, 4]	171	109	45
Deductions from reserves[3]	(69)	(30)	(50)
Balance at end of period	$ 779	$ 677	$ 598

1. Deductions include write-offs, recoveries and currency translation adjustments.
2. Deductions include disposals and currency translation adjustments.
3. Additions and Deductions include currency translation adjustments.
4. Includes approximately $50 million related to the acquisition of Laird Performance Materials in 2021.

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.

(b) Exhibits required to be filed by Item 601 of Regulation S-K (all of which are under Commission File No. 0001666700):

EXHIBIT NO.	DESCRIPTION
3.1	Third Amended and Restated Certificate of Incorporation of DuPont de Nemours, Inc. incorporated by reference to Exhibit 3.1 to DuPont de Nemours, Inc.'s Current Report on Form 8-K filed April 30, 2021.
3.2	Fifth Amended and Restated Bylaws of DuPont de Nemours, Inc. incorporated by reference to Exhibit 3.2 to DuPont de Nemours, Inc.'s Current Report on Form 8-K filed April 30, 2021.
4.1	Description of Capital Stock incorporated by reference to Exhibit 4.1 to DuPont de Nemours, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2020.
4.2	Indenture, dated as of November 28, 2018, by and between DowDuPont Inc. and U.S. Bank National Association, as trustee, incorporated by reference to Exhibit 4.1 to the DuPont de Nemours. Inc. Current Report on Form 8-K filed on November 28, 2018.
10.1	DuPont de Nemours, Inc. 2020 Equity and Incentive Plan, incorporated by reference to Exhibit 10.1 to the DuPont de Nemours, Inc. Current Report on Form 8- K filed May 29, 2020.
10.2	Memorandum of Understanding, dated January 22, 2021, by and among DuPont de Nemours, Inc., Corteva, Inc., E. I. du Pont de Nemours and Company and The Chemours Company, incorporated by reference to Exhibit 10.1 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed January 22, 2021.
10.3	Agreement and Plan of Merger, dated December 15, 2019, by and among DuPont de Nemours Inc., Nutrition & Biosciences, Inc., International Flavors & Fragrances Inc. and Neptune Merger Sub I Inc. incorporated by reference to Exhibit 2.1 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed December 18, 2019.
10.4	Separation and Distribution Agreement, dated as of December 15, 2019, by and among DuPont de Nemours Inc., Nutrition & Biosciences, Inc. and International Flavors & Fragrances Inc. incorporated by reference to Exhibit 2.2 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed December 18, 2019.
10.5	Amendment No. 1 dated January 22, 2021 to that certain Separation and Distribution Agreement dated as of December 15, 2019, by and among DuPont de Nemours Inc., Nutrition & Biosciences, Inc. and International Flavors & Fragrances Inc.and Neptune Merger Sub II LLC, incorporated by reference to Exhibit 2.1 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed January 25, 2021.
10.6	Amendment No. 2 dated February 1, 2021 to that certain Separation and Distribution Agreement dated December 15, 2019, by and among DuPont de Nemours Inc., Nutrition & Biosciences, Inc., International Flavors & Fragrances Inc. and Neptune Merger Sub II LLC, incorporated by reference to Exhibit 2.4 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed February 4, 2021.
10.7	Employee Matters Agreement, dated December 15, 2019, by and among DuPont de Nemours Inc., Nutrition & Biosciences, Inc. and International Flavors & Fragrances Inc. incorporated by reference to Exhibit 10.1 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed December 18, 2019.
10.8	Amendment No. 1 dated January 22, 2021 to that certain Employee Matters Agreement, dated December 15, 2019, by and among DuPont de Nemours Inc., Nutrition & Biosciences, Inc. and International Flavors & Fragrances Inc. incorporated by reference to Exhibit 10.1 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed January 25, 2021.
10.9	Tax Matters Agreement dated February 1, 2021, by and among DuPont de Nemours Inc., Nutrition & Biosciences, Inc. and International Flavors & Fragrances Inc. incorporated by reference to Exhibit 10.1 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed February 4, 2021.
10.10	Intellectual Property Cross-License Agreement, dated February 1, 2021, by and among DuPont de Nemours Inc., Nutrition & Biosciences, Inc. and the other parties identified therein incorporated by reference to Exhibit 10.2 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed February 4, 2021.
10.11	Separation and Distribution Agreement, effective as of April 1, 2019, by and among DowDuPont Inc., Dow Inc. and Corteva, Inc. incorporated by reference to Exhibit 2.1 to the DowDuPont Inc. Current Report on Form 8-K filed April 2, 2019.
10.12	Tax Matters Agreement, effective as of April 1, 2019, by and among DowDuPont Inc., Dow Inc. and Corteva, Inc. incorporated by reference to Exhibit 10.1 to the DowDuPont Inc. Current Report on Form 8-K filed April 2, 2019.

10.13	Employee Matters Agreement, effective as of April 1, 2019, by and among DowDuPont Inc., Dow Inc. and Corteva, Inc. incorporated by reference to Exhibit 10.2 to the DowDuPont Inc. Current Report on Form 8-K filed April 2, 2019.
10.14	Intellectual Property Cross-License Agreement, effective as of April 1, 2019, by and among DowDuPont Inc. and Dow Inc., incorporated by reference to Exhibit 10.3 to the DowDuPont Inc. Current Report on Form 8-K filed April 2, 2019.
10.15	Intellectual Property Cross-License Agreement, effective as of April 1, 2019, by and among Dow Inc. and Corteva, Inc., incorporated by reference to Exhibit 10.4 to the DowDuPont Inc. Current Report on Form 8-K filed April 2, 2019.
10.16	Intellectual Property Cross-License Agreement, effective as of June 1, 2019, by and among DuPont de Nemours, Inc. and Corteva, Inc., incorporated by reference to Exhibit 10.1 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed June 3, 2019.
10.17	Letter Agreement, effective as of June 1, 2019 by and between DuPont de Nemours, Inc. and Corteva, Inc., incorporated by reference to Exhibit 10.2 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed June 3, 2019.
10.18	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 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed June 3, 2019.
10.19	DuPont Senior Executive Severance Plan, effective as of June 1, 2019, incorporated by reference to Exhibit 10.4 to the DuPont de Nemours, Inc. Current Report on Form 8-K filed June 3, 2019.
10.20	DuPont Management Deferred Compensation Plan, effective June 1, 2019, incorporated by reference to Exhibit 10.5 to DuPont de Nemours, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.
10.21	DuPont Stock Accumulation and Deferred Compensation Plan for Directors, effective June 1, 2019, incorporated by reference to Exhibit 10.6 to DuPont de Nemours, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.
10.22	DuPont Deferred Variable Compensation Plan, effective June 1, 2019, incorporated by reference to Exhibit 10.7 to DuPont de Nemours, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.
10.23	DuPont Retirement Savings Restoration Plan, effective June 1, 2019, incorporated by reference to Exhibit 10.8 to DuPont de Nemours, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.
10.24	DuPont Pension Restoration Plan, effective June 1, 2019, incorporated by reference to Exhibit 10.9 to DuPont de Nemours, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.
10.25	DuPont Omnibus Incentive Plan effective June 1, 2019, incorporated by reference to Exhibit 10.10 to DuPont de Nemours, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.
10.26	Amended and Restated Employment Agreement by and between DuPont de Nemours, Inc. and Edward D. Breen, dated as of December 28, 2019, incorporated by reference to Exhibit 10.1 to DuPont de Nemours, Inc. Current Report on Form 8-K filed December 29, 2020.
21	Subsidiaries of the Registrant.
23.1	Consent of Independent Registered Public Accounting Firm, PricewaterhouseCoopers LLP.
23.2	Consent of Independent Registered Public Accounting Firm, Deloitte & Touche LLP.
24	Power of Attorney (included as part of signature page).
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.

101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

ITEM 16. FORM 10-K SUMMARY

None.

DuPont de Nemours, Inc.
Signatures

Pursuant to the requirements of Section 13 or 15(d) 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.

DUPONT DE NEMOURS, INC.

Registrant

Date: February 11, 2022

By: /s/ MICHAEL G. GOSS
Name: Michael G. Goss
Title: Vice President and Controller
City: Wilmington
State: Delaware

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 and in the capacities and on the dates indicated.

Signature	Title(s)	Date
/s/ LORI KOCH Lori Koch	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 11, 2022
/s/ MICHAEL G. GOSS Michael G. Goss	Vice President and Controller (Principal Accounting Officer)	February 11, 2022

We, the undersigned directors and officers of DuPont de Nemours, Inc, hereby severally constitute Erik T. Hoover, Senior Vice President & General Counsel and Peter W. Hennessey, Vice President, Associate General Counsel & Corporate Secretary, and each of them singly, as our true and lawful attorneys with full power to them and each of them to sign for us, in our names in the capacities indicated below, any and all amendments or supplements to this Annual Report on Form 10-K and to cause same to be filed with the U.S. Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934.

Signature	Title(s)	Date
/s/ EDWARD D. BREEN Edward D. Breen	Chief Executive Officer and Director (Principal Executive Officer)	February 11, 2022
/s/ AMY G. BRADY Amy G. Brady	Director	February 11, 2022
/s/ RUBY R. CHANDY Ruby R. Chandy	Director	February 11, 2022
/s/ TERRENCE R. CURTIN Terrence R. Curtin	Director	February 11, 2022
/s/ ALEXANDER M. CUTLER Alexander M. Cutler	Director	February 11, 2022
/s/ ELEUTHERE I. DU PONT Eleuthère I. du Pont	Director	February 11, 2022
/s/ LUTHER C. KISSAM Luther C. Kissam	Director	February 11, 2022
/s/ FREDERICK M. LOWERY Frederick M. Lowery	Director	February 11, 2022
/s/ RAYMOND J. MILCHOVICH Raymond J. Milchovich	Director	February 11, 2022
/s/ DEANNA M. MULLIGAN Deanna M. Mulligan	Director	February 11, 2022
/s/ STEVEN M. STERIN Steven M. Sterin	Director	February 11, 2022

DuPont de Nemours, 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 firms, PricewaterhouseCoopers LLP for the years ended December 31, 2021, 2020, and 2019 and Deloitte & Touche LLP for the three months ended March 31, 2019. The purpose of their audits 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, 2021, 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, 2021. Management's assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2021 excluded Laird Performance Materials, which was acquired by the Company in July 2021. The total assets and total net sales of Laird Performance Materials represent less than 1 percent of the related consolidated financial statement amounts as of and for the year ended December 31, 2021. Companies are allowed to exclude acquisitions from their assessment of internal control over financial reporting in the year of acquisition while integrating the acquired company under guidelines established by the Securities and Exchange Commission staff.

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, 2021, as stated in its report, which is presented on the following pages.

/s/ EDWARD D. BREEN
Edward D. Breen
Chief Executive Officer

/s/ LORI KOCH
Lori Koch
Chief Financial Officer

February 11, 2022

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of DuPont de Nemours, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of DuPont de Nemours, Inc. and its subsidiaries (the "Company") as of December 31, 2021 and 2020 and the related consolidated statements of operations, comprehensive income, equity and cash flows for each of the three years in the period ended December 31, 2021, including the related notes and schedule of valuation and qualifying accounts for each of the three years in the period ended December 31, 2021 appearing under Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2021, 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, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021 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, 2021, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

We did not audit the financial statements of The Dow Chemical Company, which was a wholly owned subsidiary prior to the April 1, 2019 distribution discussed in Note 4, which statements reflect, for the period from January 1, 2019 to March 31, 2019, total net sales of $13,582 million (of which $1,334 million is included in continuing operations and $12,248 million is included in discontinued operations in the Company's consolidated statement of operations) for the period then ended. 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 Chemical Company for period from January 1, 2019 to March 31, 2019 is based solely on the report of the other auditors.

Change in Accounting Principle

As discussed in Note 1 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.

As described in Management's Report on Internal Control over Financial Reporting, management has excluded Laird Performance Materials from its assessment of internal control over financial reporting as of December 31, 2021 as it was acquired by the Company in a purchase business combination during 2021. We have also excluded Laird Performance Materials from our audit of internal control over financial reporting. Laird Performance Materials is a wholly-owned subsidiary whose total assets and net sales excluded from management's assessment and our audit of internal control over financial reporting represent less than 1 percent of the related consolidated financial statement amounts as of and for the year ended December 31, 2021.

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 matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate 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 matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Interim goodwill impairment analyses resulting from the realignment of certain reporting units

As described in Note 14 to the consolidated financial statements, as of December 31, 2021, the Company's consolidated goodwill balance was $19.6 billion, and the goodwill associated with the Electronics and Industrial and Mobility and Materials segments was $9.6 billion and $3.2 billion, respectively. Management tests goodwill for impairment annually during the fourth quarter, or more frequently when events or changes in circumstances indicate that fair value may be below carrying value. Effective February 1, 2021, the Company realigned certain businesses resulting in a change to its management and reporting structure, which served as a triggering event requiring management to perform an impairment analysis related to goodwill carried by certain reporting units as of February 1, 2021, prior to the realignment. As part of the realignment, management assessed and re-defined certain reporting units, including reallocation of goodwill on a relative fair value basis, as applicable, to the new reporting units identified. Goodwill impairment analyses were then performed for the new reporting units identified in the Electronics and Industrial and Mobility and Materials segments. No impairments were identified as a result of the analyses described above. Fair value of each reporting unit tested is estimated using a combination of a discounted cash flow model and market approach. The Company's assumptions in estimating fair value include, but are not limited to, projected revenue, gross margins, the weighted average costs of capital, the terminal growth rates, and derived multiples from comparable market transactions.

The principal considerations for our determination that performing procedures relating to the interim goodwill impairment analyses resulting from the realignment of certain reporting units is a critical audit matter are (i) the significant judgment by management when developing the fair value of the reporting units; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to projected revenue, gross margins, the weighted average costs of capital, the terminal growth rates, and derived multiples from comparable market transactions; 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 impairment assessments, including controls over the determination of the fair value of the Company's reporting units and controls over the development of significant assumptions related to projected revenue, gross margins, the weighted average costs of capital, the terminal growth rates, and derived multiples from comparable market transactions. These procedures also included, among others (i) testing management's process for developing the fair value estimate for the reporting units in the Electronics and Industrial and Mobility and Materials segments prior to and subsequent to the realignment; (ii) evaluating the appropriateness of the discounted cash flow model and market approach; (iii) testing the completeness and accuracy of underlying data provided by management; and (iv) evaluating the reasonableness of the significant assumptions used by management related to the projected revenue, gross margins, the weighted average costs of capital, the terminal growth rates, and derived multiples from comparable market transactions, as applicable. Evaluating the reasonableness of management's significant assumptions related to projected revenue and gross margins involved considering (i) the current economic conditions and recent operating results of the reporting units in the Electronics and Industrial and Mobility and Materials segments; (ii) external market data; and (iii) whether the assumptions used by management 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 model and market approach and the weighted average costs of capital, terminal growth rates, and derived multiples from comparable market transactions, as applicable.

Valuation of customer-related and developed technology intangible assets - Laird Performance Materials acquisition

As described in Note 3 to the consolidated financial statements, the Company completed the acquisition of Laird Performance Materials ("Laird PM") for cash consideration of $2,404 million on July 1, 2021, which resulted in $1,160 million of intangible assets with finite lives being recorded. Amounts recorded included $840 million and $290 million related to customer-related and developed technology intangible assets, respectively. Management applied significant judgment in estimating the fair value of certain intangible assets acquired, which involved the use of several assumptions and estimates, including, but not limited to, the projected revenue, the EBITDA margin, the customer attrition rate, the discount rate, the royalty rates, the economic life, and the contributory asset charge for the customer-related intangible asset, and the projected revenue, the discount rate, the royalty rate, the obsolescence rate, and the economic life for the developed technology intangible asset.

The principal considerations for our determination that performing procedures relating to the valuation of customer-related and developed technology intangible assets for the Laird PM acquisition is a critical audit matter are (i) the significant judgment by management when developing the estimates; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating certain of management's significant assumptions related to the projected revenue, the EBITDA margin, the customer attrition rate, the discount rate, the royalty rates, the economic life, and the contributory asset charge for the customer-related intangible asset, and the projected revenue, the discount rate, the royalty rate, the obsolescence rate, and the economic life for the developed technology 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 the acquisition accounting, including controls over management's valuation of the customer-related and developed technology intangible assets and controls over the development of significant assumptions related to the projected revenue, the EBITDA margin, the customer attrition rate, the discount rate, the royalty rates, the economic life, and the contributory asset charge for the customer-related intangible asset, and the projected revenue, the discount rate, the royalty rate, the obsolescence rate, and the economic life for the developed technology intangible asset. These procedures also included, among others (i) testing management's process for estimating the fair value of certain intangibles; (ii) evaluating the appropriateness of the valuation methods; (iii) testing the completeness and accuracy of underlying data provided by management; and (iv) evaluating the reasonableness of significant assumptions used by management related to the projected revenue, the EBITDA margin, the customer attrition rate, the discount rate, the royalty rates, the economic life, and the contributory asset charge for the customer-related intangible asset, and the projected revenue, the discount rate, the royalty rate, the obsolescence rate, and the economic life for the developed technology intangible asset. Evaluating the reasonableness of management's significant assumptions related to the projected revenue and the EBITDA margin involved considering (i) the current economic conditions and recent operating results of Laird PM; (ii) external market data; and (iii) whether the assumptions used by management 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 valuation methods and the customer attrition rate, the discount rate, the royalty rates, the economic life, and the contributory asset charge for the customer-related intangible asset and the discount rate, the royalty rate, the obsolescence rate, and the economic life for the developed technology intangible asset.

Determination of tax consequences of certain internal distributions, reorganizations and restructurings and the external distribution of the Nutrition and Biosciences business

As described in Note 8 to the consolidated financial statements, management has determined that certain internal distributions and reorganizations, the external distribution of the Nutrition and Biosciences business on February 1, 2021 and certain internal restructurings in connection with the integration of Laird PM, qualified as tax-free transactions under the applicable sections of the United States Internal Revenue Code. As such, the Company is not required to pay corporate taxes on the transactions. The determination of the tax-free nature of these transactions requires management to make judgments about the application of tax laws and regulations. As disclosed by management, the United States Internal Revenue Service could determine on audit that certain internal distributions, reorganizations and restructurings, or the external distribution of the Nutrition and Biosciences business should be treated as taxable transactions, which could have a material adverse impact on the Company. In addition, management has determined that an internal restructuring in connection with the anticipated divestiture of a substantial portion of the Mobility and Materials segment was taxable from a United States and local country perspective. The determination of the tax consequences of this transaction requires management to make judgments about the application of tax laws and regulations.

The principal considerations for our determination that performing procedures relating to the determination of the tax consequences of certain internal distributions, reorganizations and restructurings, and the external distribution of the Nutrition and Biosciences business is a critical audit matter are (i) the significant judgment made by management regarding certain transactions and the application of tax laws and regulations in determining that the internal and external distributions, reorganizations and restructurings qualify for tax-free status and in determining the tax consequences of the taxable transaction; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence relating to the tax consequences of certain internal distributions, reorganizations and restructurings, and the external distribution of the Nutrition and Biosciences business; 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 the key judgments relating to management's determination of the tax consequences of certain internal distributions, reorganizations and restructurings, and the external distribution of the Nutrition and Biosciences business. These procedures also included, among others (i) evaluating the information, including third party opinions, tax law, and other relevant evidence used by management to support its position regarding the tax consequences of the transactions; and (ii) evaluating certain internal and external distributions, reorganizations and restructurings, and related tax consequences. Professionals with specialized skill and knowledge were used to assist in the evaluation of the transactions, and certain assertions from management, as well as the application of relevant tax laws.

/s/PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 11, 2022

We have served as the Company's auditor since 2019.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder of The Dow Chemical Company

Opinion on the Financial Statements

We have audited the consolidated balance sheet of The Dow Chemical Company and subsidiaries (the "Company") as of March 31, 2019, the related consolidated statements of income, comprehensive income, equity, and cash flows, for the three-month period ended March 31, 2019, 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 financial position of the Company as of March 31, 2019, and the results of its operations and its cash flows for the three-month period ended March 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's 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 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 audit in accordance with the standards of the PCAOB. 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 Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting for the three-month period ended March 31, 2019. 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 Company's 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
February 14, 2020

We have served as the Company's auditor since 1905.

DuPont de Nemours, Inc.
Consolidated Statements of Operations

(In millions, except for per share amounts) For the years ended December 31,	*2021*	*2020*	*2019*
Net sales	$ 16,653	$ 14,338	$ 15,436
Cost of sales	10,803	9,508	10,026
Research and development expenses	618	625	689
Selling, general and administrative expenses	1,855	1,701	2,057
Amortization of intangibles	725	696	701
Restructuring and asset related charges - net	55	845	152
Goodwill impairment charges	—	3,214	242
Acquisition, integration and separation costs	133	177	1,257
Equity in earnings of nonconsolidated affiliates	94	187	85
Sundry income (expense) - net	163	667	144
Interest expense	525	672	667
Income (loss) from continuing operations before income taxes	2,196	(2,246)	(126)
Provision for (benefit from) income taxes on continuing operations	392	160	(2)
Income (loss) from continuing operations, net of tax	1,804	(2,406)	(124)
Income (loss) from discontinued operations, net of tax	4,711	(517)	724
Net income (loss)	6,515	(2,923)	600
Net income attributable to noncontrolling interests	48	28	102
Net income (loss) available for DuPont common stockholders	$ 6,467	$ (2,951)	$ 498
Per common share data:			
Earnings (loss) per common share from continuing operations - basic	$ 3.24	$ (3.31)	$ (0.21)
Earnings (loss) per common share from discontinued operations - basic	8.68	(0.70)	0.87
Earnings (loss) earnings per common share - basic	$ 11.92	$ (4.01)	$ 0.67
Earnings (loss) per common share from continuing operations - diluted	$ 3.23	$ (3.31)	$ (0.21)
Earnings (loss) per common share from discontinued operations - diluted	8.66	(0.70)	0.87
Earnings (loss) per common share - diluted	$ 11.89	$ (4.01)	$ 0.67
Weighted-average common shares outstanding - basic	542.7	735.5	746.3
Weighted-average common shares outstanding - diluted	544.2	735.5	746.3

See Notes to the Consolidated Financial Statements.

DuPont de Nemours, Inc.
Consolidated Statements of Comprehensive Income

(In millions) For the years ended December 31,	*2021*	*2020*	*2019*
Net income (loss)	$ 6,515	$ (2,923)	$ 600
Other comprehensive (loss) income, net of tax			
Unrealized gains on investments	—	—	67
Cumulative translation adjustments	(755)	1,540	(464)
Pension and other post-employment benefit plans	425	(80)	(65)
Derivative instruments	56	—	(58)
Split-off of N&B	258	—	—
Total other comprehensive (loss) income	(16)	1,460	(520)
Comprehensive income (loss)	6,499	(1,463)	80
Comprehensive income attributable to noncontrolling interests, net of tax	35	28	112
Comprehensive income (loss) attributable to DuPont	$ 6,464	$ (1,491)	$ (32)

See Notes to the Consolidated Financial Statements.

DuPont de Nemours, Inc.
Consolidated Balance Sheets

(In millions, except share and per share amounts)	*December 31, 2021*	*December 31, 2020*
Assets		
Current Assets		
Cash and cash equivalents	$ 2,011	$ 2,544
Accounts and notes receivable - net	2,711	2,421
Inventories	2,862	2,393
Prepaid and other current assets	236	181
Assets held for sale	245	810
Assets of discontinued operations	—	20,659
Total current assets	8,065	29,008
Property		
Property, plant and equipment	11,701	11,123
Less: Accumulated depreciation	4,735	4,256
Property, plant and equipment - net	6,966	6,867
Other Assets		
Goodwill	19,578	18,702
Other intangible assets	8,442	8,072
Restricted cash and cash equivalents	53	6,206
Investments and noncurrent receivables	981	1,047
Deferred income tax assets	143	190
Deferred charges and other assets	1,479	812
Total other assets	30,676	35,029
Total Assets	$ 45,707	$ 70,904
Liabilities and Equity		
Current Liabilities		
Short-term borrowings and finance lease obligations	$ 150	$ 1
Accounts payable	2,612	2,222
Income taxes payable	278	169
Accrued and other current liabilities	1,197	1,084
Liabilities related to assets held for sale	25	140
Liabilities of discontinued operations	—	8,610
Total current liabilities	4,262	12,226
Long-Term Debt	10,632	15,611
Other Noncurrent Liabilities		
Deferred income tax liabilities	1,974	2,053
Pension and other post-employment benefits - noncurrent	852	1,110
Other noncurrent obligations	937	834
Total other noncurrent liabilities	3,763	3,997
Total Liabilities	18,657	31,834
Commitments and contingent liabilities		
Stockholders' Equity		
Common stock (authorized 1,666,666,667 shares of $0.01 par value each; issued 2021: 511,792,785 shares; 2020: 734,204,054 shares)	5	7
Additional paid-in capital	49,574	50,039
Accumulated deficit	(23,187)	(11,586)
Accumulated other comprehensive income	41	44
Total DuPont stockholders' equity	26,433	38,504
Noncontrolling interests	617	566
Total equity	27,050	39,070
Total Liabilities and Equity	$ 45,707	$ 70,904

See Notes to the Consolidated Financial Statements.

DuPont de Nemours, Inc.
Consolidated Statements of Cash Flows

(In millions) For the years ended December 31,	*2021*	*2020*	*2019*
Operating Activities			
Net income (loss)	$ 6,515	$ (2,923)	$ 600
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	1,458	3,094	3,195
Credit for deferred income tax and other tax related items	(323)	(692)	(768)
Earnings of nonconsolidated affiliates less than (in excess of) dividends received	9	(87)	909
Net periodic pension benefit (credit) cost	(1)	37	(55)
Pension contributions	(85)	(98)	(697)
Net gain on sales and split-offs of assets, businesses and investments	(5,092)	(642)	(149)
Restructuring and asset related charges - net	57	849	588
Goodwill impairment charges	—	3,214	1,175
Inventory step-up amortization	12	—	253
Other net loss	181	175	338
Changes in assets and liabilities, net of effects of acquired and divested companies:			
Accounts and notes receivable	(255)	308	(2,227)
Inventories	(537)	570	387
Accounts payable	317	177	(1,049)
Other assets and liabilities, net	25	113	(1,091)
Cash provided by operating activities	2,281	4,095	1,409
Investing Activities			
Capital expenditures	(891)	(1,194)	(2,472)
Proceeds from sales of property, businesses, and ownership interests in nonconsolidated affiliates, net of cash divested	797	1,033	299
Acquisitions of property and businesses, net of cash acquired	(2,346)	(70)	(180)
Purchases of investments	(2,001)	(1)	(197)
Proceeds from sales and maturities of investments	2,001	1	242
Other investing activities, net	39	29	(5)
Cash used for investing activities	(2,401)	(202)	(2,313)
Financing Activities			
Changes in short-term borrowings	150	(1,829)	2,735
Proceeds from issuance of long-term debt	—	8,275	4,005
Proceeds from issuance of long-term debt transferred to IFF at split-off	1,250	—	—
Payments on long-term debt	(5,000)	(2,031)	(6,900)
Purchases of common stock	(2,143)	(232)	(2,329)
Proceeds from issuance of Company stock	115	57	85
Employee taxes paid for share-based payment arrangements	(26)	(15)	(84)
Distributions to noncontrolling interests	(41)	(50)	(27)
Dividends paid to stockholders	(630)	(882)	(1,611)
Cash held by Dow and Corteva at the respective DWDP Distributions	—	—	(7,315)
Debt extinguishment costs	—	—	(104)
Cash transferred to IFF and working capital adjustments	(153)	—	—
Other financing activities, net	(29)	(55)	(5)
Cash (used for) provided by financing activities	(6,507)	3,238	(11,550)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(72)	67	9
(Decrease) increase in cash, cash equivalents and restricted cash	(6,699)	7,198	(12,445)
Cash, cash equivalents and restricted cash from continuing operations, beginning of period	8,767	1,569	8,583
Cash, cash equivalents and restricted cash from discontinued operations, beginning of period	8	8	5,439
Cash, cash equivalents and restricted cash at beginning of period	8,775	1,577	14,022
Cash, cash equivalents and restricted cash from continuing operations, end of period	2,076	8,767	1,569
Cash, cash equivalents and restricted cash from discontinued operations, end of period	—	8	8
Cash, cash equivalents and restricted cash at end of period	$ 2,076	$ 8,775	$ 1,577
Supplemental cash flow information			
Cash paid during the year for:			
Interest, net of amounts capitalized	$ 498	$ 647	$ 969
Income taxes	$ 561	$ 495	$ 722

See Notes to the Consolidated Financial Statements.

DuPont de Nemours, Inc.
Consolidated Statements of Equity

In millions	*Common Stock*	*Additional Paid-in Capital*	*Retained Earnings (Accumulated Deficit)*	*Accumulated Other Comp (Loss) Income*	*Unearned ESOP*	*Treasury Stock*	*Non-controlling Interests*	*Total Equity*
2019								
Balance at January 1, 2019	$ 8	$ 81,976	$ 30,257	$ (12,394)	$ (134)	$ (5,421)	$ 1,608	$ 95,900
Adoption of accounting standards	—	—	(111)	—	—	—	—	(111)
Net income	—	—	498	—	—	—	102	600
Other comprehensive (loss) income	—	—	—	(520)	—	—	10	(510)
Dividends ($2.16 per common share)	—	(446)	(1,165)	—	—	—	—	(1,611)
Common stock issued/sold	—	85	—	—	—	—	—	85
Stock-based compensation and allocation of ESOP shares	—	194	(1)	—	29	—	—	222
Distributions to non-controlling interests	—	—	—	—	—	—	(27)	(27)
Purchases of treasury stock	—	—	—	—	—	(2,329)	—	(2,329)
Retirement of treasury stock	—	—	(7,750)	—	—	7,750	—	—
Spin-off of Dow and Corteva	—	(31,010)	(30,123)	11,498	105	—	(1,124)	(50,654)
Other	(1)	(3)	(5)	—	—	—	—	(9)
Balance at December 31, 2019	$ 7	$ 50,796	$ (8,400)	$ (1,416)	$ —	$ —	$ 569	$ 41,556
2020								
Adoption of accounting standards	—	—	(3)	—	—	—	—	(3)
Net (loss) income	—	—	(2,951)	—	—	—	28	(2,923)
Other comprehensive income	—	—	—	1,460	—	—	—	1,460
Dividends ($1.20 per common share)	—	(882)	—	—	—	—	—	(882)
Common stock issued/sold	—	57	—	—	—	—	—	57
Stock-based compensation	—	98	—	—	—	—	—	98
Distributions to non-controlling interests	—	—	—	—	—	—	(50)	(50)
Purchases of treasury stock	—	—	—	—	—	(232)	—	(232)
Retirement of treasury stock	—	—	(232)	—	—	232	—	—
Other	—	(30)	—	—	—	—	19	(11)
Balance at December 31, 2020	$ 7	$ 50,039	$ (11,586)	$ 44	$ —	$ —	$ 566	$ 39,070
2021								
Net income	—	—	6,467	—	—	—	48	6,515
Other comprehensive loss	—	—	—	(3)	—	—	(13)	(16)
Dividends ($1.20 per common share)	—	(630)	—	—	—	—	—	(630)
Common stock issued/sold	—	115	—	—	—	—	—	115
Stock-based compensation	—	49	—	—	—	—	—	49
Contributions from non-controlling interests	—	—	—	—	—	—	84	84
Distributions to non-controlling interests	—	—	—	—	—	—	(41)	(41)
Purchases of treasury stock	—	—	—	—	—	(2,143)	—	(2,143)
Retirement of treasury stock	—	—	(2,143)	—	—	2,143	—	—
Split-off of N&B	(2)	—	(15,926)	—	—	—	(27)	(15,955)
Other	—	1	1	—	—	—	—	2
Balance at December 31, 2021	$ 5	$ 49,574	$ (23,187)	$ 41	$ —	$ —	$ 617	$ 27,050

See Notes to the Consolidated Financial Statements.

DuPont De Nemours, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

The accompanying Consolidated Financial Statements of DuPont de Nemours, Inc. ("DuPont" or the "Company") were prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The significant accounting policies described below, together with the other notes that follow, are an integral part of the Consolidated Financial Statements.

The Consolidated Financial Statements include the accounts of the Company and subsidiaries in which a controlling interest is maintained. The Consolidated Financial Statements also include the accounts of joint ventures that are variable interest entities ("VIEs") in which the Company is the primary beneficiary due to the Company's power to direct the VIEs significant activities. 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 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, 2021 and 2020, the maximum exposure to loss related to the nonconsolidated VIEs is not considered material to the Consolidated Financial Statements.

Historic Transactions

Effective August 31, 2017, E. I. du Pont de Nemours and Company ("EID") and The Dow Chemical Company ("TDCC") each merged with subsidiaries of DowDuPont Inc. (n/k/a "DuPont") and, as a result, EID and TDCC became subsidiaries of the Company. On April 1, 2019, the Company completed the separation of the materials science business through the spin-off of Dow Inc., ("Dow") including Dow's subsidiary TDCC (the "Dow Distribution"). On June 1, 2019, the Company completed the separation of the agriculture business through the spin-off of Corteva, Inc. ("Corteva") including Corteva's subsidiary EID, (the "Corteva Distribution" and together with the Dow Distribution, the "DWDP Distributions"). Following the Corteva Distribution, DuPont holds the specialty products business as continuing operations. DowDuPont Inc. changed its registered name to DuPont de Nemours, Inc. ("DuPont") (for certain events prior to June 1, 2019, the Company may be referred to as DowDuPont). Beginning on June 3, 2019, the Company's common stock is traded on the New York Stock Exchange under the ticker symbol "DD."

On February 1, 2021, DuPont completed the separation and distribution of the Nutrition & Biosciences business segment (the "N&B Business"), and merger of Nutrition & Biosciences, Inc. ("N&B"), a DuPont subsidiary formed to hold the N&B Business, with a subsidiary of International Flavors & Fragrances Inc. ("IFF"). The distribution was effected through an exchange offer (the "Exchange Offer") and the consummation of the Exchange Offer was followed by the merger of N&B with a wholly owned subsidiary of IFF, with N&B surviving the merger as a wholly owned subsidiary of IFF (the "N&B Merger" and, together with the Exchange Offer, the "N&B Transaction"). See Note 4 for more information.

The financial position and the results of operations of DuPont present the historical financial results of N&B as discontinued operations for all periods presented and present Dow and Corteva as discontinued operations in 2019. The cash flows and comprehensive income related to Dow, Corteva and N&B have not been segregated and are included in the Consolidated Statements of Cash Flows and Consolidated Statements of Comprehensive Income, in 2019 for Dow and Corteva and in all periods presented for N&B. Unless otherwise indicated, the information in the notes to the Consolidated Financial Statements refer only to DuPont's continuing operations and do not include discussion of balances or activity of Dow, Corteva and N&B.

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, which approximates fair value.

Restricted Cash and Cash Equivalents
Restricted cash and cash equivalents represents trust assets and cash held in escrow. These funds are restricted as to withdrawal or use under the terms of certain contractual agreements. Restricted cash is classified as a current or non-current asset based on the timing and nature of when or how the cash is expected to be used. See Note 7 for further information.

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 local 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 (local 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 the local currency is the functional currency, assets and liabilities denominated in local 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 local currency are re-measured into the local 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. The Company's inventories are generally accounted for under the average cost method. The Company establishes allowances for obsolescence of inventory based upon quality considerations and assumptions about future demand and market conditions.

In periods of abnormally low production, certain fixed costs normally absorbed into inventory are recorded directly to cost of sales in the period incurred.

Property, Plant and Equipment
Property, plant and equipment are carried at cost less accumulated depreciation. 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 annually during the fourth quarter, 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.

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. If the carrying value of a reporting unit exceeds its fair value, an impairment loss is recognized in the amount by which the carrying value of the reporting unit exceeds its fair value, limited to the amount of goodwill at the reporting unit. The Company determines fair values for each of the reporting units using a combination of the income approach and/or 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. Under the market approach, the Company selects peer sets based on close competitors and reviews the EBIT/EBITDA multiples to determine the fair value. When applicable, third party purchase offers may be utilized to measure fair value. The Company applies a weighting to the market approach and income approach to determine the fair value. See Note 14 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. When testing indefinite-lived intangible assets 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 indefinite-lived intangible assets is less than carrying value. If the Company chooses not to complete a qualitative assessment for indefinite-lived intangible assets or if the initial assessment indicates that it is more likely than not that the carrying value of indefinite-lived intangible assets exceeds the fair value, additional quantitative testing is required. Impairment exists when carrying value exceeds fair value. The Company's fair value methodology is primarily based on discounted cash flow techniques.

Definite-lived intangible assets are amortized over their estimated useful lives, generally on a straight-line basis for periods ranging primarily from 1 to 23 years. The Company continually evaluates the reasonableness of the useful lives of these assets.

Impairment and Disposals 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 for impairment 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 would be recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset group. 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. Depreciation is recognized over the remaining useful life of the assets.

Acquisitions
In accordance with ASC 805, *Business Combinations*, acquisitions are recorded using the acquisition method of accounting. The Company includes the operating results of acquired entities from their respective dates of acquisition. The Company recognizes and measures the identifiable assets acquired and liabilities assumed as of the acquisition date fair value, where applicable. The excess, if any, of total consideration transferred in a business combination over the fair value of identifiable assets acquired and liabilities assumed is recognized as goodwill. Costs incurred as a result of a business combination other than costs related to the issuance of debt or equity securities are recorded in the period the costs are incurred.

Leases
The Company adopted the ASC 842, *Leases*, in the first quarter of 2019 which resulted in a cumulative effect adjustment to opening accumulated deficit of $111 million at January 1, 2019. 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 "Deferred charges and other assets" on the Consolidated Balance Sheets. Operating lease liabilities are included in "Accrued and other current liabilities" and "Other noncurrent obligations" on the Consolidated Balance Sheets. Finance lease ROU assets are included in "Property, plant and equipment - net" and the corresponding lease liabilities are included in "Short-term borrowings and finance lease obligations" and "Long-term debt" on the Consolidated Balance Sheets.

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, and lease expense is recognized 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. Additionally, for certain equipment leases, the portfolio approach is applied to account for the operating lease ROU assets and lease liabilities. 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 17 for additional information regarding the Company's leases.

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 gain or loss is reported in "Accumulated other comprehensive loss" ("AOCL") until it is cleared to earnings during the same period in which the hedged item affects earnings.

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 AOCL generally remains in AOCL 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.

For derivative instruments designated as net investment hedges, the gain or loss is reported as a component of Other comprehensive income (loss) and recorded in AOCL. The gain or loss will be subsequently reclassified into net earnings when the hedged net investment is either sold or substantially liquidated.

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 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 5 for additional information on revenue recognition.

Cost of Sales
Cost of sales 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 and other operational expenses. No amortization of intangibles is included within costs of sales.

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, and enhancement of 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.

Acquisition, Integration and Separation Costs
Acquisition, integration and separation costs primarily consist of financial advisory, information technology, legal, accounting, consulting, and other professional advisory fees associated with the preparation and execution of activities related to strategic initiatives.

Litigation
Accruals for legal matters 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.

Restructuring and Asset Related Charges
Charges for restructuring programs generally include targeted actions involving employee severance and related benefit costs, contract termination charges, and asset related charges, which include impairments or accelerated depreciation/amortization of long-lived assets associated with such actions. Employee severance and related benefit costs are provided to employees under the Company's ongoing benefit arrangements. These charges are accrued during the period 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. Contract termination charges primarily reflect costs to terminate a contract before the end of its term or costs that will continue to be incurred under the contract for its remaining term without economic benefit to the Company. Asset related charges reflect impairments to long-lived assets and indefinite-lived intangible assets no longer deemed recoverable and depreciation/amortization of long-lived assets, which is accelerated over their remaining economic lives.

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.

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 Company accrues for other tax contingencies when it is probable that a liability to a taxing authority has been incurred and the amount of the contingency can be reasonably estimated. The current portion of uncertain income tax positions is included in "Income taxes payable" and the long-term portion is included in "Other noncurrent obligations" in the Consolidated Balance Sheets.

NOTE 2 - RECENT ACCOUNTING GUIDANCE

Accounting Guidance Issued But Not Adopted at December 31, 2021

In October 2021, the FASB issued Accounting Standards Update No. 2021-08, "Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers" ("ASU 2021-08"), which requires contract assets and contract liabilities (i.e., unearned revenue) acquired in a business combination to be recognized and measured in accordance with ASC 606, *Revenue from Contracts with Customers*. Historically, the Company has recognized contract assets and contract liabilities at the acquisition date based on fair value estimates in accordance with ASC 805, *Business Combinations*. ASU 2021-08 is effective for interim and annual periods beginning after December 15, 2022 on a prospective basis, with early adoption permitted. The Company is currently evaluating the potential impact of ASU 2021-08 to its consolidated financial statements in connection with any business combinations.

NOTE 3 - ACQUISITIONS

Intended Rogers Corporation Acquisition

On November 2, 2021, the Company announced that it had entered into a definitive agreement to acquire all the outstanding shares of Rogers Corporation ("Rogers") for about $5.2 billion (the "Intended Rogers Acquisition"). The acquisition is expected to close by the end of the second quarter of 2022, pending receipt of regulatory approvals and satisfaction of customary closing conditions. When complete, the acquisition of Rogers is expected to broaden the Company's presence in the electronic materials market. Rogers is complementary to and aligned strategically with the Company's existing Electronics & Industrial business. The completion of the acquisition is subject to regulatory approvals and other customary closing conditions.

Laird Performance Materials Acquisition

On July 1, 2021, DuPont completed the acquisition (the "Laird PM Acquisition") of 100% of the ownership interest of Laird Performance Materials ("Laird PM") from Advent International for aggregate, adjusted cash consideration of approximately $2,404 million. The cash consideration paid included a net upward adjustment of approximately $100 million for acquired cash and net working capital, amongst other items. Laird PM is a leader in high-performance electromagnetic shielding and thermal management solutions. Laird PM is being integrated into the Interconnect Solutions business within the Electronics & Industrial segment, in order to enhance the Company's position in advanced electronics applications. The Company accounted for the acquisition in accordance with ASC 805, which requires the assets acquired and liabilities assumed to be recognized on the balance sheet at their fair values as of the acquisition date.

The table below presents the provisional fair values allocated to the assets acquired and liabilities assumed. The purchase accounting and purchase price allocation for Laird PM are substantially complete. However, the Company continues to refine the preliminary valuation of income tax related amounts which could impact the amount of residual goodwill recorded. The Company will finalize the amounts recognized as it obtains the information necessary to complete the analysis, but no later than one year from the date of the acquisition. Final determination of the fair values may result in further adjustments to the values presented in the following table:

Laird PM Assets Acquired and Liabilities Assumed on July 1, 2021 (in millions)	
Fair Value of Assets Acquired	
Cash and cash equivalents	$ 92
Accounts and notes receivable	99
Inventories	50
Property, plant, and equipment	104
Other current assets	10
Goodwill	1,213
Other intangible assets	1,160
Deferred income tax assets	3
Deferred charges and other assets	26
Total Assets	$ 2,757
Fair Value of Liabilities Assumed	
Accounts payable	$ 75
Income taxes payable	10
Accrued and other current liabilities	46
Deferred income tax liabilities	184
Pension & other post-employment benefits - noncurrent	10
Other noncurrent obligations	28
Total Liabilities	$ 353
Net Assets (Consideration for Laird PM)	$ 2,404

The significant fair value adjustments included in the provisional allocation of purchase price are discussed below.

Property, plant and equipment

Property, plant and equipment is comprised of machinery and equipment of $67 million, buildings and building improvements of $18 million, leasehold improvements of $10 million, construction in progress of $5 million and land and land improvements of $4 million. The estimated fair value was primarily determined using a market approach for land and certain types of equipment, and a replacement cost approach for the remaining depreciable property, plant and equipment. The market approach for certain types of equipment represents a sales comparison that measures the value of an asset through an analysis of sales and

offerings of comparable assets. The replacement cost approach used for all other depreciable property, plant and equipment measures the value of an asset by estimating the cost to acquire or construct comparable assets and adjusts for age and condition of the asset.

Goodwill
The excess of the consideration for Laird PM over the net fair value of assets acquired and liabilities assumed resulted in the provisional recognition of $1,213 million of goodwill, which has been assigned to the Electronics & Industrial segment. Goodwill is attributable to Laird PM's assembled workforce and expected cost synergies to be obtained through procurement efficiencies and the optimization of the combined the Electronics & Industrial segment and Laird PM businesses' global activities across sales, manufacturing, research & development, and administrative functions.

Other Intangible Assets
Other intangible assets with definite lives include acquired customer-related intangible assets of $840 million, developed technology of $290 million and trademark/tradename of $30 million. Acquired customer-related intangible assets, developed technology, and trademark/tradename have useful lives of 14 years, 8 years, and 3 years, respectively.

The customer-related intangible asset's fair value was determined using the excess earnings method while the developed technology and trademark/tradename fair values were determined utilizing the relief from royalty method. Both the excess earnings method and the relief from royalty method use a discounted cash flows valuation method, which is a form of the income approach. Under the excess earnings method, the estimated cash flows attributable to the customer-related intangible asset are adjusted to exclude the future cash flows that can be attributable to supporting assets, such as trademark/tradenames or fixed assets. Both the amount and the duration of the cash flows are considered from a market participant perspective. The Company's estimates of discounted market participant future cash flows include but are not limited to assumptions related to customer attrition rate, the discount rate, the royalty rates, the economic life, the EBITDA margin, the contributory asset charge, and the projected revenue for the customer-related intangible assets. Under the relief from royalty method, a royalty rate based on observed market royalties is applied to projected revenue supporting the developed technology and trademark/tradename and discounted to present value, using an appropriate discount rate that requires judgment by management. Both the amount and the duration of the cash flows are considered from a market participant perspective. The Company's estimates of discounted market participant future cash flows included assumptions related to the discount rate, the projected revenue, the royalty rate, the obsolescence rate, and the economic life for the developed technology, and the discount rate, the projected revenue, the royalty rate, and the economic life for the trademark/tradename. The customer-related intangible asset, developed technology, and trademark/tradename are being amortized on a straight line basis based on the pattern of economic benefits the Company expects to realize.

Total net sales included in the Consolidated Statements of Income for the year ended December 31, 2021 are $263 million. The Company evaluated the disclosure requirements under ASC 805 and determined Laird PM was not considered a material business combination for purposes of disclosing the earnings of Laird PM since the date of acquisition or supplemental pro forma information.

NOTE 4 - DIVESTITURES

Mobility & Materials Segment Intended Divestiture
On November 2, 2021 the Company announced that it has initiated a divestiture process related to a substantial portion of the Mobility & Materials segment, which predominantly includes the Engineering Polymers and Performance Resins lines of business (the "In-Scope M&M Businesses"). The outcome of which, including the entry into a definitive agreement, is subject to the approval of the DuPont Board of Directors. The scope of the intended divestiture excludes certain product lines including Auto Adhesives and Multibase™. The divestiture of the In-Scope M&M Businesses may include a full or partial separation of the businesses from the Company. The Mobility & Materials segment will remain in its current management and reporting structure while these strategic alternatives are considered.

N&B Transaction
On February 1, 2021, DuPont completed the separation and distribution of the N&B Business, and merger of N&B, a DuPont subsidiary formed to hold the N&B Business, with a subsidiary of IFF. The distribution was effected through an exchange offer (the "Exchange Offer") where, on the terms and subject to the conditions of the Exchange Offer, eligible participating DuPont stockholders had the option to tender all, some or none of their shares of common stock, par value $0.01 per share, of DuPont (the "DuPont Common Stock") for a number of shares of common stock, par value $0.01 per share, of N&B (the "N&B Common Stock") and which resulted in all shares of N&B Common Stock being distributed to DuPont stockholders that participated in the Exchange Offer. The consummation of the Exchange Offer was followed by the merger of N&B with a wholly owned subsidiary of IFF, with N&B surviving the merger as a wholly owned subsidiary of IFF (the "N&B Merger" and,

together with the Exchange Offer, the "N&B Transaction"). The N&B Transaction was subject to IFF shareholder approval, customary regulatory approvals, tax authority rulings including a favorable private letter ruling from the U.S. Internal Revenue Service which confirms the N&B Transaction to be free of U.S. federal income tax, and expiration of the public exchange offer. DuPont does not have an ownership interest in IFF as a result of the N&B Transaction.

In the Exchange Offer, DuPont accepted approximately 197.4 million shares of its common stock in exchange for about 141.7 million shares of N&B Common Stock. As a result, DuPont reduced its common stock outstanding by 197.4 million shares of DuPont Common Stock. In the N&B Merger, each share of N&B Common Stock was automatically converted into the right to receive one share of IFF common stock, par value $0.125 per share, based on the terms of the N&B Merger Agreement.

The results of operations of N&B are presented as discontinued operations as summarized below:

In millions	*2021*	*2020*	*2019*
Net sales	$ 507	$ 6,059	$ 6,076
Cost of sales	354	4,014	4,030
Research and development expenses	21	235	266
Selling, general and administrative expenses	47	534	606
Amortization of intangibles	38	1,423	349
Restructuring and asset related charges - net	1	4	162
Goodwill impairment charges	—	—	933
Integration and separation costs	172	417	85
Equity in earnings of nonconsolidated affiliates	—	4	(1)
Sundry income (expense) - net	8	8	9
Interest expense	13	95	1
Loss from discontinued operations before income taxes	(131)	(651)	(348)
(Benefit from) provision for income taxes on discontinued operations	(21)	(183)	142
Loss from discontinued operations, net of tax	(110)	(468)	(490)
Income from discontinued operations attributable to noncontrolling interests, net of tax	—	—	1
Non-taxable gain on split-off	4,920	—	—
Income (loss) from discontinued operations attributable to DuPont stockholders, net of tax	$ 4,810	$ (468)	$ (491)

The following table presents depreciation, amortization, and capital expenditures of the discontinued operations related to N&B:

In millions	*2021*	*2020*	*2019*
Depreciation and amortization	$ 63	$ 1,721	$ 664
Capital expenditures	$ 27	$ 234	$ 359

The carrying amount of major classes of assets and liabilities that were included in discontinued operations at December 31, 2020 related to N&B consist of the following:

In millions	*2020*
Assets	
Accounts and notes receivable - net	$ 1,130
Inventories	1,333
Other current assets	65
Investments and noncurrent receivables	36
Property, plant and equipment - net	3,118
Goodwill	11,542
Other intangible assets - net	3,072
Deferred income tax assets	44
Deferred charges and other assets	319
Total assets of discontinued operations	$ 20,659
Liabilities	
Short-term borrowings and finance lease obligations	$ 4
Accounts payable	742
Income taxes payable	36
Accrued and other current liabilities	301
Long-term debt	6,195
Deferred income tax liabilities	852
Pension and other post employment benefits - noncurrent	238
Other noncurrent liabilities	242
Total liabilities of discontinued operations	$ 8,610

In connection with and in accordance with the terms of the N&B Transaction, prior to consummation of the Exchange Offer and the N&B Merger, DuPont received a one-time cash payment of approximately $7.3 billion, (the "Special Cash Payment"). The special cash payment was partially funded by an offering of $6.25 billion of senior unsecured notes (the "N&B Notes Offering"). The net proceeds of approximately $6.2 billion from the N&B Notes Offering were deposited into an escrow account and at December 31, 2020 are reflected as restricted cash in the Company's Consolidated Balance Sheets. In order to fund the remainder of the Special Cash Payment, on February 1, 2021, N&B borrowed $1.25 billion under a senior unsecured term loan agreement (the "N&B Term Loan"). The obligations and liabilities associated with the N&B Notes Offering and N&B Term Loan were separated from the Company on February 1, 2021 upon consummation of the N&B Transaction. The obligations and liabilities of $6.2 billion associated with the N&B Notes Offering are classified as "Liabilities of discontinued operations" at December 31, 2020 in the Company's Consolidated Balance Sheets.

N&B Transaction Agreements

In connection with the N&B Transaction, effective December 15, 2019, the Company, as previously discussed, entered into the following agreements:

- A Separation and Distribution Agreement, subsequently amended and joined by Neptune Merger Sub II LLC, a subsidiary of IFF on January 22, 2021, and as amended further on February 1, 2021 (as amended, the "N&B Separation and Distribution Agreement") with N&B and IFF, which, among other things, governs the separation of the N&B Business from DuPont and certain other post-closing obligations between DuPont and N&B related thereto;

- An Agreement and Plan of Merger, (the "N&B Merger Agreement") with N&B, IFF and Neptune Merger Sub I Inc., governing the N&B Merger and related matters; and

- An Employee Matters Agreement, subsequently amended on January 22, 2021, (as amended, the "N&B Employee Matters Agreement Agreement"), with N&B and IFF, which, among other things, allocates among the parties the pre- and post-closing liabilities in respect of the current and former employees of the N&B Business (including liabilities in respect of employee compensation and benefit plans).

In connection with the closing of the N&B Transaction, and effective February 1, 2021, the Company entered into the following agreements:

- DuPont, N&B and IFF entered into a Tax Matters Agreement (the "N&B Tax Matters Agreement"), which governs the parties' 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, the preservation of the expected tax-free status of the transactions contemplated by the N&B Separation and Distribution Agreement, and other matters regarding taxes; and

- DuPont, N&B and certain of their subsidiaries entered into an Intellectual Property Cross-License Agreement (the "N&B IP Cross-License Agreement"). The IP Cross-License Agreement sets forth the terms and conditions under which the applicable parties may use in their respective businesses certain know-how (including trade secrets), copyrights, design rights, software, and patents, allocated to another party pursuant to the N&B Separation and Distribution Agreement, and pursuant to which N&B may use certain standards retained by DuPont. All licenses under the IP Cross-License Agreement are non-exclusive, worldwide, and royalty-free.

Other Discontinued Operations Activity

The Company recorded a loss from discontinued operations, net of tax of $76 million for the year ended December 31, 2021 related to the binding Memorandum of Understanding ("MOU") between Chemours, Corteva, EID and a settlement agreement between Chemours, Corteva and DuPont and Delaware's Attorney General. For additional information on these matters, refer to Note 16. The Company also recorded a loss from discontinued operations, net of tax of $23 million for the year ended December 31, 2021, a portion of which is related to certain charges associated with the amended and restated Tax Matters Agreement under the DWDP Distributions.

For the year ended December 31, 2020, the Company recorded a "Loss from discontinued operations, net of tax" in the Company's Consolidated Statements of Operations of $49 million. The loss primarily relates to litigation matters (refer to Note 16) partially offset by a gain related to the DWDP Tax Matters Agreement. For the year ended December 31, 2019, the Company recorded "Income from discontinued operations, net of tax" in the Company's Consolidated Statements of Operations of $86 million related to the adjustment of certain unrecognized tax benefits for positions taken on items from prior years from previously divested businesses and $80 million related to changes in accruals for certain prior year tax positions related to the divested crop protection business and research and development assets of EID.

Assets Held for Sale

In October 2020, the Company entered into a definitive agreement to sell its Biomaterials business unit, which includes the Company's equity method investment in DuPont Tate & Lyle Bio Products, for $240 million. The sale of the Biomaterials business unit is subject to customary closing conditions and is expected to close mid-year 2022. In January 2021, the Company entered into a definitive agreement to sell its Clean Technologies business, which closed on December 31, 2021. The results of operations of the Biomaterials and Clean Technologies businesses are reported in Corporate. The assets and liabilities associated with the Biomaterials business remain classified as held for sale at December 31, 2021.

The following table summarizes the carrying value of the major assets and liabilities of the Biomaterials business unit as of December 31, 2021 and the Biomaterials and Clean Technologies business units as of December 31, 2020 (collectively, the "Corporate Held for Sale Disposal Group"):

In millions	*December 31, 2021*	*December 31, 2020*
Assets		
Accounts and notes receivable - net	$ 27	$ 63
Inventories	48	75
Other current assets	—	35
Investments and noncurrent receivables	158	164
Property, plant and equipment - net	12	34
Goodwill	—	267
Other intangible assets	—	168
Deferred charges and other assets	—	4
Assets held for sale	$ 245	$ 810
Liabilities		
Accounts payable	$ 21	$ 40
Income taxes payable	—	1
Accrued and other current liabilities	3	50
Deferred income tax liabilities	—	30
Pension and other post-employment benefits - noncurrent	—	1
Other noncurrent obligations	1	18
Liabilities related to assets held for sale	$ 25	$ 140

In connection with the held for sale classification, the Corporate Held for Sale Disposal Groups were measured at fair value less estimated cost to sell. As a result, the Company recorded a $25 million pre-tax goodwill impairment charge during the third quarter of 2020 which is reflected in "Goodwill impairment charges" in the Company's Consolidated Statements of Operations for the year ended December 31, 2020. See Note 6 for further information on the asset impairments recorded related to the Corporate Held for Sale Disposal Groups.

Sale of Clean Technologies

On December 31, 2021, the Company completed the sale of its Clean Technologies business unit, which is part of Corporate. Total consideration related to the sale of the business is approximately $510 million, with cash proceeds of about $500 million reflecting adjustments for customary closing costs as defined within the purchase agreement. For the year ended December 31, 2021, a pre-tax loss of $3 million ($39 million loss net of tax, primarily driven by nondeductible goodwill) on the disposition was recorded in "Sundry income (expense) - net" in the Company's Consolidated Statements of Operations.

Sale of Solamet®

On June 30, 2021, the Company completed the sale of its Solamet® business unit, which is part of Corporate. Total consideration received related to the sale of the business is approximately $190 million. For the year ended December 31, 2021, a pre-tax gain of $140 million ($105 million net of tax) was recorded in "Sundry income (expense) - net" in the Company's Consolidated Statements of Operations.

Sale of TCS/HSC Disposal Group

In the third quarter of 2020, the Company completed the sale of its trichlorosilane business ("TCS Business") along with its equity ownership interest in DC HSC Holdings LLC and Hemlock Semiconductor L.L.C. (the "HSC Group," and together with the TCS Business, the "TCS/HSC Disposal Group" and the sale of the TCS/HSC Disposal Group, the "TCS/HSC Disposal") to the HSC Group, both of which were part of the businesses reflected in Corporate. In connection with the TCS/HSC Disposal, the Company received $550 million in cash at closing, subject to certain claw-back provisions. The Company also received approximately $58 million in the third quarter of 2021, which was recorded in "Cash and cash equivalents" in the Company's Consolidated Balance Sheets, and will receive an additional $117 million in equal installments over the course of the next two years associated with the settlement of an existing supply agreement dispute with the HSC Group. The TCS/HSC Disposal resulted in a net pre-tax benefit of $396 million ($236 million net of tax), including the settlement of the supply agreement dispute and after allocation of goodwill to the TCS Business. The net pre-tax benefit is recorded in "Sundry income (expense) – net" in the Company's Consolidated Statements of Operations for the year ended December 31, 2020.

Sale of Compound Semiconductor Solutions
In the first quarter of 2020, the Company completed the sale of its Compound Semiconductor Solutions business unit, a part of the Electronics & Industrial segment, to SK Siltron. The proceeds received in the first quarter of 2020 related to the sale of the business were approximately $420 million. The sale resulted in a pre-tax gain of $197 million ($102 million net of tax) recorded in "Sundry income (expense) - net" in the Company's Consolidated Statements of Operations for the year ended December 31, 2020.

Sale of DuPont Sustainable Solutions
In the third quarter of 2019, the Company completed the sale of its Sustainable Solutions business unit, a part of the businesses reflected in Corporate, to Gyrus Capital. The sale resulted in a pre-tax gain of $28 million ($22 million net of tax). The gain was recorded in "Sundry income (expense) - net" in the Company's Consolidated Statements of Operations for the year ended December 31, 2019.

DWDP Distributions
Separation Agreements
In connection with the Dow Distribution and the Corteva Distribution, the Company entered into certain agreements that, among other things, effected the separations, provides for the allocation of assets, employees, liabilities and obligations (including its investments, property and employee benefits and tax-related assets and liabilities) among DuPont, Dow, and Corteva (together, the "Parties" and each a "Party"), and provides a framework for DuPont's relationship with Dow and Corteva following the DWDP Distributions. Effective April 1, 2019, the Parties entered into the following agreements referred to herein as: the DWDP Separation and Distribution Agreement; the DWDP Tax Matters Agreement; the DWDP Employee Matters Agreement; and the Intellectual Property Cross-License Agreement (the "DuPont-Dow IP Cross-License Agreement"). In addition to the agreements above, DuPont has entered into certain various supply agreements with Dow. These agreements provide for different pricing than the historical intercompany and intracompany practices prior to the DWDP Distributions.

Effective June 1, 2019, in connection with the Corteva Distribution, DuPont and Corteva entered into the following agreements: the Intellectual Property Cross-License Agreement (the "DuPont-Corteva IP Cross-License Agreement"); the Letter Agreement; and the Amended and Restated DWDP Tax Matters Agreement.

Certain internal distributions and reorganizations, and the distributions of Dow on April 1, 2019, and of Corteva on June 1, 2019, qualified as tax-free transactions under the applicable sections of the Internal Revenue Code. If the completed distribution of Corteva or Dow, in each case, 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, under the DWDP Tax Matters Agreement, to significant tax and indemnification liability. To the extent that the Company is responsible for any liability under the Amended and Restated DWDP Tax Matters Agreement there could be a material adverse impact on the Company's business, financial condition, results of operations and cash flows in future reporting periods.

In connection with the DWDP Distributions, Dow and Corteva indemnify the Company against, and DuPont indemnifies Dow and Corteva against certain litigation, environmental, income taxes, and other liabilities that arose prior to the DWDP Distributions, as applicable. The term of this indemnification is generally indefinite and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. Refer to Note 16 for additional information regarding treatment of litigation and environmental related matters under the DWDP Separation and Distribution Agreement and the Letter Agreement.

Materials Science Division
On April 1, 2019, DowDuPont completed the separation of its Materials Science businesses, including the businesses and operations that comprised the Company's former Performance Materials & Coating, Industrial Intermediates & Infrastructure and the Packaging & Specialty Plastics segments, (the "Materials Science Division") through the consummation of the Dow Distribution.

On April 1, 2019, prior to the Dow Distribution, the Company contributed $2,024 million in cash to Dow.

The results of operations of the Materials Science Division are presented as discontinued operations as summarized below:

In millions	*2019*
Net sales	$ 10,867
Cost of sales	8,917
Research and development expenses	163
Selling, general and administrative expenses	329
Amortization of intangibles	116
Restructuring and asset related charges - net	157
Integration and separation costs	44
Equity in earnings of nonconsolidated affiliates	(13)
Sundry income (expense) - net	48
Interest expense	240
Income from discontinued operations before income taxes	936
Provision for income taxes on discontinued operations	207
Income from discontinued operations, net of tax	729
Income from discontinued operations attributable to noncontrolling interests, net of tax	37
Income from discontinued operations attributable to DuPont stockholders, net of tax	$ 692

The following table presents depreciation, amortization, and capital expenditures of the discontinued operations related to the Materials Science Division:

In millions	*2019*
Depreciation and amortization	$ 744
Capital expenditures	$ 597

Agriculture Division

On June 1, 2019, the Company completed the separation of its Agriculture business, including the businesses and operations that comprised the Company's former Agriculture segment (the "Agriculture Division"), through the consummation of the Corteva Distribution.

In 2019, prior to the distribution of Corteva, the Company contributed $7,139 million in cash to Corteva, a portion of which was used to retire indebtedness of EID.

The results of operations of the Agriculture Division are presented as discontinued operations as summarized below:

In millions	*2019*
Net sales	$ 7,144
Cost of sales	4,218
Research and development expenses	470
Selling, general and administrative expenses	1,294
Amortization of intangibles	176
Restructuring and asset related charges - net	117
Integration and separation costs	430
Equity in earnings of nonconsolidated affiliates	(4)
Sundry income (expense) - net	40
Interest expense	91
Income from discontinued operations before income taxes	384
Provision for income taxes on discontinued operations	62
Income from discontinued operations, net of tax	322
Income from discontinued operations attributable to noncontrolling interests, net of tax	35
Income from discontinued operations attributable to DuPont stockholders, net of tax	$ 287

The following table presents depreciation, amortization, and capital expenditures of the discontinued operations related to the Agriculture Division:

In millions	*2019*
Depreciation and amortization	$ 385
Capital expenditures	$ 383

Acquisition, Integration and Separation Costs

Acquisition, integration and separation costs primarily consist of financial advisory, information technology, legal, accounting, consulting, and other professional advisory fees. For the year ended December 31, 2021, these costs were primarily associated with the execution of activities related to strategic initiatives, including the acquisition of Laird PM, the planned divestiture of the In-Scope M&M Businesses, the Intended Rogers Acquisition, and the completed and planned divestitures of the held for sale businesses included within Corporate. For the years ended December 31, 2020 and December 31, 2019 these costs were primarily associated with the preparation and execution of activities related to the DWDP Merger, post-DWDP Merger integration, and the DWDP Distributions.

These costs are recorded within "Acquisition, integration and separation costs" within the Consolidated Statements of Operations.

In millions	*2021*	*2020*	*2019*
Acquisition, integration and separation costs	$ 133	$ 177	$ 1,257

NOTE 5 - REVENUE

Revenue Recognition

Products

Substantially all of DuPont's revenue is derived from product sales. Product sales consist of sales of DuPont's products to supply manufacturers and distributors. DuPont 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.

Revenue from product sales is recognized when the customer obtains control of the Company's product, which occurs at a point in time, usually upon shipment, with payment terms typically in the range of 30 to 60 days after invoicing depending on business and geographic region. The Company elected the practical expedient to not adjust the amount of consideration for the effects of a significant financing component for all instances in which the period between payment and transfer of the goods will be one year or less. When the Company performs shipping and handling activities after the transfer of control to the customer (e.g., when control transfers prior to shipment), these are considered fulfillment activities, and accordingly, the costs are accrued when the related revenue is recognized. Taxes collected from customers relating to product sales and remitted to governmental authorities are excluded from revenues. The Company elected to use the practical expedient to expense cash and non-cash sales incentives as the amortization period for the costs to obtain the contract would have been one year or less.

The transaction price includes estimates for reductions in revenue from customer rebates and rights of return on product sales. These amounts are estimated based upon the most likely amount of consideration to which the customer will be entitled. All estimates are based on historical experience, anticipated performance, and the Company's best judgment at the time to the extent it is probable, that a significant reversal of revenue recognized will not occur. All estimates for variable consideration are reassessed periodically.

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.

Disaggregation of Revenue

The Company disaggregates its revenue from contracts with customers by segment and business or major product line and geographic region, as the Company believes it best depicts the nature, amount, timing and uncertainty of its revenue and cash flows. Refer to Note 23 for the breakout of net sales by geographic region.

On February 1, 2021, the Company realigned and renamed certain businesses as part of a 2021 Segment Realignment resulting in changes to its management and reporting structure (the "2021 Segment Realignment"). The reporting changes have been retrospectively reflected for all periods presented.

Net Trade Revenue by Segment and Business or Major Product Line In millions	*2021*	*2020*	*2019*
Industrial Solutions	$ 1,890	$ 1,617	$ 1,646
Interconnect Solutions	1,617	1,280	1,187
Semiconductor Technologies	2,047	1,777	1,613
Electronics & Industrial	$ 5,554	$ 4,674	$ 4,446
Safety Solutions	$ 2,567	$ 2,291	$ 2,549
Shelter Solutions	1,615	1,426	1,535
Water Solutions	1,370	1,276	1,117
Water & Protection	$ 5,552	$ 4,993	$ 5,201
Advanced Solutions	$ 1,494	$ 1,184	$ 1,232
Engineering Polymers	2,272	1,853	2,320
Performance Resins	1,279	968	1,138
Mobility & Materials	$ 5,045	$ 4,005	$ 4,690
Corporate [1]	$ 502	$ 666	$ 1,099
Total	$ 16,653	$ 14,338	$ 15,436

1. Corporate net sales reflect activity of to be divested and previously divested businesses.

Contract Balances

From time to time, the Company enters into arrangements in which it receives payments from customers based upon contractual billing schedules. The Company records accounts receivables when the right to consideration becomes unconditional. Contract liabilities primarily reflect deferred revenue from advance payment for product that the Company has received from customers. The Company classifies deferred revenue as current or noncurrent based on the timing of when the Company expects to recognize revenue.

Revenue recognized for the years ended December 31, 2021 and 2020 from amounts included in contract liabilities at the beginning of the period was $33 million and $31 million, respectively. The amount of contract assets reclassified to receivables as a result of the right to the transaction consideration becoming unconditional was insignificant. The Company did not recognize any asset impairment charges related to contract assets during the period.

Contract Balances In millions	*December 31, 2021*	*December 31, 2020*
Accounts and notes receivable - trade [1]	$ 2,125	$ 1,911
Deferred revenue - current [2]	$ 25	$ 16
Deferred revenue - noncurrent [3]	$ —	$ 21

1. Included in "Accounts and notes receivable - net" in the Consolidated Balance Sheets.
2. Included in "Accrued and other current liabilities" in the Consolidated Balance Sheets.
3. Included in "Other noncurrent obligations" in the Consolidated Balance Sheets.

NOTE 6 - RESTRUCTURING AND ASSET RELATED CHARGES - NET

Charges for restructuring programs and asset related charges, which includes asset impairments, were $55 million, $845 million and $152 million for the years ended December 31, 2021, 2020, and 2019, respectively. These charges were recorded in "Restructuring and asset related charges - net" in the Consolidated Statements of Operations. The total liability related to restructuring programs was $48 million at December 31, 2021 and $96 million at December 31, 2020, recorded in "Accrued and other current liabilities" in the Consolidated Balance Sheets. Restructuring activity consists of the following programs:

2021 Restructuring Actions

In October 2021, the Company approved targeted restructuring actions to capture near term cost reductions (the "2021 Restructuring Actions"). For the year ended December 31, 2021, DuPont recorded a pre-tax charge related to the 2021 Restructuring Actions in the amount of $46 million, recognized in "Restructuring and asset related charges - net" in the Company's Consolidated Statements of Operations, comprised of $26 million of severance and related benefit costs and $20 million of asset related charges. At December 31, 2021, total liabilities related to the 2021 Restructuring Actions were $25 million for severance and related benefit costs, recognized in "Accrued and other current liabilities" in the Consolidated Balance Sheet.

The following table summarizes the charges incurred by segment related to the 2021 Restructuring Actions:

2021 Restructuring Actions Charges by Segment In millions	*2021*
Electronics & Industrial	$ 5
Water & Protection	32
Mobility & Materials	2
Corporate	7
Total	$ 46

The Company expects actions related to this program to be substantially complete by the first half of 2022.

2020 Restructuring Program

In the first quarter of 2020, the Company approved restructuring actions designed to capture near-term cost reductions and to further simplify certain organizational structures in anticipation of the N&B Transaction (the "2020 Restructuring Program").

The following tables summarize the charges related to the 2020 Restructuring Program:

In millions	*2021*	*2020*
Severance and related benefit costs	$ 10	$ 118
Asset related charges	2	50
Total restructuring and asset related charges - net	$ 12	$ 168

2020 Restructuring Program Charges by Segment In millions	*2021*	*2020*
Electronics & Industrial	$ 3	$ 10
Water & Protection	—	57
Mobility & Materials	4	18
Corporate	5	83
Total	$ 12	$ 168

The following table summarizes the activities related to the 2020 Restructuring Program:

2020 Restructuring Program In millions	*Severance and Related Benefit Costs*	*Asset Related Charges*	*Total*
Reserve balance at December 31, 2020	$ 62	$ —	$ 62
Year-to-date restructuring charges	10	2	12
Charges against the reserve	—	(2)	(2)
Cash payments	(57)	—	(57)
Reserve balance at December 31, 2021	$ 15	$ —	$ 15

At December 31, 2021, total liabilities related to the 2020 Restructuring Program were $15 million, recorded in "Accrued and other current liabilities" in the Consolidated Balance Sheets. Actions related to the 2020 Restructuring Program were substantially complete.

2019 Restructuring Program

During the second quarter of 2019 and in connection with the ongoing integration activities, DuPont approved restructuring actions to simplify and optimize certain organizational structures following the completion of the DWDP Distributions (the "2019 Restructuring Program").

The following tables summarize the charges incurred related to the 2019 Restructuring Program:

In millions	*2021*	*2020*	*2019*
Severance and related benefit costs	$ 1	$ 5	$ 92
Asset related charges	—	—	27
Total restructuring and asset related charges - net	$ 1	$ 5	$ 119

2019 Restructuring Program Charges (Credits) In millions	*2021*	*2020*	*2019*
Electronics & Industrial	$ —	$ (3)	$ 47
Water & Protection	—	(14)	25
Mobility & Materials	—	(7)	19
Corporate	1	29	28
Total	$ 1	$ 5	$ 119

Total liabilities related to the 2019 Restructuring Program were $2 million at December 31, 2021 and $14 million at December 31, 2020, respectively, and recorded in "Accrued and other current liabilities" in the Consolidated Balance Sheets. Actions related to the 2019 Restructuring Program were substantially complete.

DowDuPont Cost Synergy Program

In September and November 2017, the Company approved post-merger restructuring actions under the DowDuPont Cost Synergy Program (the "Synergy Program"), which was designed to integrate and optimize the organization following the DWDP Merger and in preparation for the DWDP Distributions. The Company has recorded pretax restructuring charges attributable to the continuing operations of DuPont of $342 million inception-to-date, consisting of severance and related benefit costs of $136 million, asset related charges of $159 million and contract termination charges and other charges of $47 million.

Total liabilities related to the DowDuPont Cost Synergy Program were $6 million at December 31, 2021 and $20 million in December 31, 2020, respectively, and recorded in "Accrued and other current liabilities" in the Consolidated Balance Sheets. Actions related to the Synergy Program were substantially complete.

Asset Impairments

In the third quarter of 2020, the TCS/HSC Disposal, as well as further softening conditions in the aerospace markets, gave rise to fair value indicators and, thus, served as triggering events requiring the Company to perform a recoverability assessment related to asset groups within its Photovoltaic and Advanced Materials ("PVAM") business unit. The Company first performed a long-lived asset impairment test and determined that, based on undiscounted cash flows, the carrying amount of certain long-

lived assets was not recoverable. Accordingly, the Company estimated the fair value of these assets using both an income approach and a market approach utilizing Level 3 unobservable inputs. As a result, the Company recognized a pre-tax impairment charge of $318 million ($242 million net of tax) in the Mobility & Materials segment recorded within "Restructuring and asset related charges - net" in the Consolidated Statements of Operations for the year ended December 31, 2020 with the charge impacting definite-lived intangible assets and property, plant, and equipment. See Note 14 for further discussion of goodwill impairment charges recorded during the third quarter of 2020 resulting from the above triggering events.

Additionally, the Company recorded a pre-tax asset impairment charge of $52 million ($39 million net of tax) in the third quarter of 2020 related to indefinite-lived intangible assets reflected in Corporate which were deemed no longer recoverable as a result of the Corporate Held for Sale Disposal Groups classification (refer to Note 4 for additional information). The charge was recorded within "Restructuring and asset related charges – net" in the Consolidated Statements of Operations for the year ended December 31, 2020.

In the second quarter of 2020, the Company recorded a pre-tax asset impairment charge of $21 million ($16 million net of tax) related to indefinite-lived intangible assets within the Mobility & Materials segment. This charge was recorded within "Restructuring and asset related charges - net" in the Consolidated Statements of Operations for the year ended December 31, 2020. See Note 14 for further discussion.

In the first quarter of 2020, expectations of proceeds related to certain potential divestitures related to businesses held within Corporate gave rise to fair value indicators and, thus, triggering events requiring the Company to perform a recoverability assessment related to its Biomaterials business unit. The Company performed a long-lived asset impairment test and determined that, based on undiscounted cash flows, the carrying amount of certain long-lived assets was not recoverable. Accordingly, the Company estimated the fair value of these assets using a market approach utilizing Level 3 unobservable inputs. As a result, the Company recognized a pre-tax impairment charge of $270 million ($206 million net of tax) recorded within "Restructuring and asset related charges - net" in the Consolidated Statements of Operations for the year ended December 31, 2020 with the charge impacting definite-lived intangible assets and property, plant, and equipment.

NOTE 7 - SUPPLEMENTARY INFORMATION

Sundry Income (Expense) - Net			
In millions	*2021*	*2020*	*2019*
Non-operating pension and other post-employment benefit costs	$ 52	$ 30	$ 72
Interest income	4	12	56
Net gain on divestiture and sales of other assets and investments [1, 2, 3]	171	632	144
Foreign exchange (losses) gains, net	(53)	(39)	(104)
Miscellaneous income (expenses) - net [4, 5, 6]	(11)	32	(24)
Sundry income (expense) - net	$ 163	$ 667	$ 144

1. The year ended December 31, 2021 primarily reflects income of $140 million related to the gain on sale of the Solamet® business unit and $28 million related to the gain on sale of assets within the Electronics & Industrial segment.
2. The year ended December 31, 2020 includes a net benefit of $396 million related to the TCS/HSC Disposal, including the settlement of a supply agreement dispute, within Corporate. It also includes income of $197 million related to the gain on sale of the Compound Semiconductor Solutions business unit within the Electronics & Industrial segment and $30 million of income related to milestone achievement of a prior year sale of assets within the Electronics & Industrial segment. Refer to Note 4 for further information.
3. The year ended December 31, 2019 includes income of $92 million, related to a sale of assets within the Electronics & Industrial segment and as well as a gain of $28 million related to the sale of the Sustainable Solutions business unit within Corporate.
4. The year ended December 31, 2021 includes an impairment charge of approximately $15 million, recorded in the first quarter of 2021, related to an asset sale, whose book value was adjusted to fair value when it was classified as held for sale.
5. The year ended December 31, 2020 includes $17 million related to income from a tax indemnification.
6. The year ended December 31, 2019 includes a $48 million charge reflecting a reduction in gross proceeds from lower withholding taxes related to a prior year legal settlement and a $74 million charge related to tax indemnifications, primarily associated with an adjustment to a one-time transition tax liability required by the Tax Cuts and Jobs Act of 2017, which were recorded in accordance with the Amended and Restated DWDP Tax Matters Agreement. These charges were offset by various indemnification and lease income amounts. The year ended December 31, 2019 also includes $26 million related to licensing income within the Water & Protection segment.

Cash, Cash Equivalents and Restricted Cash

In connection with the cost sharing arrangement entered into as part of the MOU, the Company is contractually obligated to make deposits into an escrow account to address potential future PFAS costs. At December 31, 2021, the Company had restricted cash of $53 million included within non-current "Restricted cash and cash equivalents" in the Consolidated Balance Sheets, the majority of which is attributable to the cost sharing arrangement. Additional information regarding the MOU and the escrow account can be found in Note 16.

At December 31, 2020, the Company had approximately $6.2 billion in net proceeds from the N&B Notes Offering recorded within non-current "Restricted cash and cash equivalents" in the Consolidated Balance Sheets. The restricted cash relates to net proceeds received from an offering of $6.25 billion of senior unsecured notes (the "N&B Notes Offering") associated with the N&B Transaction. On February 1, 2021 this amount was released from escrow as part of the N&B Transaction and is no longer restricted. The liability from the N&B Notes Offering was classified as "Liabilities of discontinued operations" in the Company's Consolidated Balance Sheets as of December 31, 2020. See Note 4 for further discussion of the Company's divestiture of the N&B business.

Accrued and Other Current Liabilities

"Accrued and other current liabilities" in the Consolidated Balance Sheets were $1.2 billion at December 31, 2021 and $1.1 billion at December 31, 2020. Accrued payroll, which is a component of "Accrued and other current liabilities" was $498 million at December 31, 2021. No other component of "Accrued and other current liabilities" was more than five percent of total current liabilities at December 31, 2021 and no component was more than five percent of total current liabilities at December 31, 2020.

NOTE 8 - INCOME TAXES

For periods between the DWDP Merger and the DWDP Distributions, DuPont's consolidated federal income tax group and consolidated tax return included the Dow and Corteva entities. Generally, the consolidated tax liability of the DuPont U.S. tax group for each year was apportioned among the members of the consolidated group in accordance with the terms of the Amended and Restated DWDP Tax Matters Agreement. DuPont, Corteva 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 the Amended and Restated DWDP Tax Matters Agreement.

Geographic Allocation of Income (Loss) and Provision for (Benefit from) Income Taxes (In millions)	*2021*	*2020*	*2019*
Income (loss) from continuing operations before income taxes			
Domestic	$ (188)	$ (2,536)	$ (1,818)
Foreign	2,384	290	1,692
Income (loss) from continuing operations before income taxes	$ 2,196	$ (2,246)	$ (126)
Current tax expense			
Federal	$ 149	$ 116	$ 22
State and local	26	9	7
Foreign	507	341	436
Total current tax expense	$ 682	$ 466	$ 465
Deferred tax (benefit) expense			
Federal	$ (131)	$ (229)	$ (499)
State and local	(84)	(51)	160
Foreign	(75)	(26)	(128)
Total deferred tax benefit	$ (290)	$ (306)	$ (467)
Provision for (benefit from) income taxes on continuing operations	392	160	(2)
Net income (loss) from continuing operations	$ 1,804	$ (2,406)	$ (124)

Pre-tax income from continuing operations for the year ended December 31, 2021 includes non-deductible goodwill of $114 million in connection with the sale of the Clean Technologies business.

Pre-tax loss from continuing operations for the year ended December 31, 2020 includes non-deductible, non-cash goodwill impairment charges of $3,214 million impacting the businesses held in Corporate and the Mobility & Materials and Electronic & Industrials segments and a non-deductible goodwill allocation of $247 million in connection with the TCS/HSC Disposal. Of these amounts, $2,381 million related to the U.S and the remaining $1,080 million related to foreign operations. See Note 14 for additional information.

Pre-tax loss from continuing operations for the year ended December 31, 2019 includes a non-deductible $242 million non-cash goodwill impairment charge associated with Corporate, related to U.S. operations.

Reconciliation to U.S. Statutory Rate	*2021*	*2020*	*2019*
Statutory U.S. federal income tax rate	21.0 %	21.0 %	21.0 %
Equity earning effect	(0.4)	0.3	4.8
Foreign income taxed at rates other than the statutory U.S. federal income tax rate	(5.1)	2.1	15.0
U.S. tax effect of foreign earnings and dividends	3.4	(3.3)	(13.1)
Unrecognized tax benefits	0.4	(1.4)	(38.0)
Acquisitions, divestitures and ownership restructuring activities [1, 2]	4.3	1.4	113.1
Exchange gains/losses [3]	(1.5)	—	(13.9)
Impact of Enactment of U.S. Tax Reform [4]	—	—	41.1
State and local income taxes	(1.9)	1.6	(119.6)
Change in valuation allowance	(0.2)	—	(25.9)
Goodwill impairments	—	(29.3)	(40.8)
Stock-based compensation	0.1	(0.4)	0.8
Other - net [5, 6]	(2.2)	0.9	57.1
Effective tax rate	17.9 %	(7.1)%	1.6 %

1. See Note 4 for additional information.
2. Includes a net tax expense of $25 million, and net tax benefits of $148 million and $102 million related to internal entity restructuring for the years ended December 31, 2021, 2020, and 2019, respectively.
3. Principally reflects the impact of foreign exchange gains and losses on net monetary assets for which no corresponding tax impact is realized.
4. Includes a net tax benefit of $65 million related to the Company's change in estimate with respect to a one time transition tax for the taxable year ended December 31, 2018 for TDCC.
5. Includes a net tax benefit of $41 million in the year ended December 31, 2019 related to certain unrecognized tax benefits for positions taken on items from prior years.
6. Includes a tax benefit of $50 million, $13 million, and $17 million related to the foreign derived intangible income deduction for the years ended December 31, 2021, 2020, and 2019 respectively.

Deferred Tax Balances at December 31, (In millions)	*2021*	*2020*
Deferred tax assets:		
Tax loss and credit carryforwards [1]	$ 987	$ 812
Lease Liability	110	97
Pension and postretirement benefit obligations	84	218
Unrealized exchange gains (losses), net	17	5
Other accruals and reserves	134	131
Other – net	218	156
Gross deferred tax assets	$ 1,550	$ 1,419
Valuation allowances [1]	(779)	(677)
Total deferred tax assets	$ 771	$ 742
Deferred tax liabilities:		
Inventory	5	(14)
Investments	(291)	(254)
Operating lease asset	(110)	(97)
Property	(400)	(426)
Intangibles	(1,806)	(1,814)
Total deferred tax liabilities	$ (2,602)	$ (2,605)
Total net deferred tax liability	$ (1,831)	$ (1,863)

1. Primarily related to recorded tax benefits and the non-realizability of tax loss and carryforwards from operations in the United States, Luxembourg and Asia Pacific.

Included in the 2021 and 2020 deferred tax asset and liability amounts above is $676 million and $778 million, respectively, of a net deferred tax liability related to the Company's investment in DuPont Specialty Products USA, LLC, which is a partnership for U.S. federal income tax purposes. The Company and its subsidiaries own in aggregate 100% of DuPont Specialty Products USA, LLC and the assets and liabilities of DuPont Specialty Products USA, LLC are included in the Consolidated Financial Statements of the Company.

Operating Loss and Tax Credit Carryforwards (In millions)	*Deferred Tax Asset*	
	2021	*2020*
Operating loss carryforwards		
Expire within 5 years	$ 96	$ 12
Expire after 5 years or indefinite expiration	694	660
Total operating loss carryforwards	$ 790	$ 672
Tax credit carryforwards		
Expire within 5 years	$ 59	$ 3
Expire after 5 years or indefinite expiration	138	137
Total tax credit carryforwards	$ 197	$ 140
Total Operating Loss and Tax Credit Carryforwards	$ 987	$ 812

Total Gross Unrecognized Tax Benefits (In millions)	*2021*	*2020*	*2019*
Total unrecognized tax benefits at January 1,	$ 432	$ 368	$ 1,062
Decreases related to positions taken on items from prior years	(18)	(1)	(149)
Increases related to positions taken on items from prior years	5	5	53
Increases related to positions taken in the current year	11	39	57
Settlement of uncertain tax positions with tax authorities	(1)	(3)	—
Exchange (gain) loss	(14)	24	(3)
Spin-offs of Dow and Corteva	—	—	(652)
Divestiture of N&B	$ (64)	$ —	$ —
Total unrecognized tax benefits at December 31,[1]	$ 351	$ 432	$ 368
Total unrecognized tax benefits that, if recognized, would impact the effective tax rate of continuing operations	$ 303	$ 314	$ 260
Total amount of interest and penalties (benefit) recognized in "Provision for (benefit from) income taxes on continuing operations"	$ (4)	$ 5	$ 9
Total accrual for interest and penalties associated with unrecognized tax benefits	$ 13	$ 17	$ 12

1. Total unrecognized tax benefits includes $46 million, $56 million, and $48 million of benefits related to discontinued operations at December 31, 2021, 2020 and 2019.

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. The ultimate resolution of such uncertainties is not expected to have a material impact on the Company's results of operations.

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, 2021 *Jurisdiction*	*Earliest Open Year*
Brazil	2017
Canada	2015
China	2011
Denmark	2015
Germany	2015
Japan	2013
The Netherlands	2017
Switzerland	2015
United States:	
Federal income tax[1]	2012
State and local income tax	2011

1. The U.S. Federal income tax jurisdiction is open back to 2012 with respect to EID pursuant to the DWDP Tax Matters Agreement.

Undistributed earnings of foreign subsidiaries and related companies that are deemed to be permanently invested amounted to $7,897 million at December 31, 2021. In addition to the U.S. federal tax imposed by The Act on all accumulated unrepatriated earnings through December 31, 2017, the Act introduced additional U.S. federal tax on foreign earnings, effective as of January 1, 2018. The undistributed foreign earnings at December 31, 2021 may still be subject to certain taxes upon repatriation, primarily where foreign withholding taxes apply. It is not practicable to calculate the unrecognized deferred tax liability on undistributed foreign earnings due to the complexity of the hypothetical calculation.

Laird PM Acquisition

In connection with the integration of Laird PM, the Company completed certain internal restructurings that were determined to be tax free under the applicable sections of the Internal Revenue Code. If the aforementioned 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 liability.

N&B Transaction

Certain internal distributions and reorganizations that occurred during 2021 and 2020 in preparation for the N&B Transaction and the external distribution in 2021 qualified as tax-free transactions under the applicable sections of the Internal Revenue Code. If the aforementioned 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 liability. Under the N&B Tax Matters Agreement, the Company would generally be allocated such liability and not be indemnified, unless certain non qualifying actions are undertaken by N&B or IFF. To the extent that the Company is responsible for any such liability, there could be a material adverse impact on the Company's business, financial condition, results of operations and cash flows in future reporting periods.

In-Scope M&M Divestiture Process

In anticipation of the intended divestiture of the In-Scope M&M Businesses, the Company completed various internal restructurings, some of which were determined to be taxable and some of which were determined to be tax-free for U.S. federal income tax purposes and local country tax purposes.

NOTE 9 - EARNINGS PER SHARE CALCULATIONS

The following tables provide earnings per share calculations for the years ended December 31, 2021, 2020 and 2019:

Net Income for Earnings Per Share Calculations - Basic & Diluted In millions	*2021*	*2020*	*2019*
Income (loss) from continuing operations, net of tax	$ 1,804	$ (2,406)	$ (124)
Net income from continuing operations attributable to noncontrolling interests	48	28	29
Net income from continuing operations attributable to participating securities [1]	—	—	1
Income (loss) from continuing operations attributable to common stockholders	$ 1,756	$ (2,434)	$ (154)
Income (loss) from discontinued operations, net of tax	4,711	(517)	724
Net income from discontinued operations attributable to noncontrolling interests	—	—	73
Income (loss) from discontinued operations attributable to common stockholders	4,711	(517)	651
Net income (loss) available to common stockholders	$ 6,467	$ (2,951)	$ 497

Earnings Per Share Calculations - Basic Dollars per share	*2021*	*2020*	*2019*
Earnings (loss) from continuing operations attributable to common stockholders	$ 3.24	$ (3.31)	$ (0.21)
Earnings (loss) from discontinued operations, net of tax	8.68	(0.70)	0.87
Earnings (loss) available to common stockholders [2]	$ 11.92	$ (4.01)	$ 0.67

Earnings Per Share Calculations - Diluted Dollars per share	*2021*	*2020*	*2019*
Earnings (loss) from continuing operations attributable to common stockholders	$ 3.23	$ (3.31)	$ (0.21)
Earnings (loss) from discontinued operations, net of tax	8.66	(0.70)	0.87
Earnings (loss) available to common stockholders [2]	$ 11.89	$ (4.01)	$ 0.67

Share Count Information Shares in Millions	*2021*	*2020*	*2019*
Weighted-average common shares - basic	542.7	735.5	746.3
Plus dilutive effect of equity compensation plans	1.5	—	—
Weighted-average common shares - diluted	544.2	735.5	746.3
Stock options, restricted stock units, and performance-based restricted stock units excluded from EPS calculations [3]	2.8	5.7	3.3

1. TDCC restricted stock units are considered participating securities due to TDCC's practice of paying dividend equivalents on unvested shares.
2. Earnings per share amounts are computed independently for income from continuing operations, income from discontinued operations and net income attributable to common stockholders. As a result, the per share amounts from continuing operations and discontinued operations may not equal the total per share amounts for net income attributable to common stockholders.
3. These outstanding options to purchase shares of common stock, 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 antidilutive.

NOTE 10 - ACCOUNTS AND NOTES RECEIVABLE - NET

In millions	*December 31, 2021*	*December 31, 2020*
Accounts receivable – trade [1]	$ 2,062	$ 1,850
Notes receivable – trade	63	61
Other [2]	586	510
Total accounts and notes receivable - net	$ 2,711	$ 2,421

1. Accounts receivable – trade is net of allowances of $32 million at December 31, 2021 and $32 million at December 31, 2020. Allowances are equal to the estimated uncollectible amounts and current expected credit loss. That estimate is based on historical collection experience, current economic and market conditions, and review of the current status of customers' accounts.
2. Other includes receivables in relation to value added tax, indemnification assets, and general sales tax and other taxes. No individual group represents more than ten percent of total receivables.

Accounts and notes receivable are carried at amounts that approximate fair value.

NOTE 11 - INVENTORIES

In millions	*December 31, 2021*	*December 31, 2020*
Finished goods [1]	$ 1,706	$ 1,447
Work in process [1]	533	454
Raw materials [1]	466	368
Supplies	157	124
Total inventories	$ 2,862	$ 2,393

1. The prior year amounts have been recast for a reclassification between inventory captions, consistent with current year presentation.

NOTE 12 - PROPERTY, PLANT, AND EQUIPMENT

In millions	*Estimated Useful Lives (Years)*	*December 31, 2021*	*December 31, 2020*
Land and land improvements	1 - 25	$ 608	$ 682
Buildings	1 - 50	2,199	2,031
Machinery, equipment, and other	1 - 25	7,757	7,182
Construction in progress		1,137	1,228
Total property, plant and equipment		$ 11,701	$ 11,123
Total accumulated depreciation		$ 4,735	$ 4,256
Total property, plant and equipment - net		$ 6,966	$ 6,867

In millions	*2021*	*2020*	*2019*
Depreciation expense	$ 670	$ 677	$ 701

NOTE 13 - NONCONSOLIDATED AFFILIATES

The Company's investments in companies accounted for using the equity method ("nonconsolidated affiliates") are recorded in "Investments and other noncurrent receivables" in the Consolidated Balance Sheets.

The Company's net investment in and dividends received from nonconsolidated affiliates are shown in the following tables:

Investments in Nonconsolidated Affiliates at December 31, In millions	*2021*	*2020*
Investments and other noncurrent receivables	$ 879	$ 889
Accrued and other current liabilities	(67)	(71)
Net investment in nonconsolidated affiliates	$ 812	$ 818

Dividends Received from Nonconsolidated Affiliates In millions	*2021*	*2020*	*2019*
Dividends from nonconsolidated affiliates	$ 103	$ 95	$ 189

The Company had an ownership interest in 14 nonconsolidated affiliates, with ownership interest (direct and indirect) ranging from 49 percent to 50 percent at December 31, 2021.

Sales to nonconsolidated affiliates represented less than 2 percent of total net sales for the year ended December 31, 2021 and less than 3 percent and approximately 4 percent of total net sales for the years ended December 31, 2020 and 2019, respectively. Sales to nonconsolidated affiliates in 2020 and 2019 were primarily related to the sale of trichlorosilane, a raw material used in the production of polycrystalline silicon, to the HSC Group, prior to the TCS/Hemlock Disposal in the third quarter of 2020. Sales of this raw material to the HSC Group are reflected in Corporate. Purchases from nonconsolidated affiliates represented approximately 3 percent of "Cost of sales" for the year ended December 31, 2021 and less than 3 percent and approximately 2 percent for the years ended December 31, 2020 and 2019, respectively.

HSC Group

In the third quarter of 2020, the Company sold its equity interest in the HSC group. See Note 4 for further discussion. The Company's equity earnings from the HSC Group is shown in the table below:

Equity Earnings in the HSC Group In millions	*2020*	*2019*
Equity in earnings	$ 108	$ 29

NOTE 14 - GOODWILL AND OTHER INTANGIBLE ASSETS

The following table summarizes changes in the carrying amount of goodwill for the years ended December 31, 2021 and 2020.

In millions	*Electronics & Industrial*	*Water & Protection*	*Mobility & Materials*	*Corporate*	*Total*
Balance at December 31, 2019	$ 9,403	$ 6,711	$ 4,795	$ 1,230	$ 22,139
Acquisitions	—	53	—	—	53
Divestitures [1]	(199)	—	—	(514)	(713)
Impairments [2]	(834)	—	(1,664)	(716)	(3,214)
Currency Translation Adjustment	88	195	144	—	427
Measurement Period Adjustment	—	10	—	—	10
Balance at December 31, 2020	$ 8,458	$ 6,969	$ 3,275	$ —	$ 18,702
Acquisitions [3]	1,213	—	—	—	1,213
Currency Translation Adjustment	(88)	(168)	(89)	—	(345)
Other	—	—	8	—	8
Balance at December 31, 2021	$ 9,583	$ 6,801	$ 3,194	$ —	$ 19,578

1. Includes $267 million of goodwill related to Corporate reclassified as held for sale in connection with the Corporate Held for Sale Disposal Groups. Refer to Note 4 for further information.
2. The $834 million impairment related to Electronics & Industrial and $1,664 million impairment related to Mobility & Materials were allocated to align with the new segment structure. The $716 million impairment related to Corporate relates to businesses divested in 2020 and 2021 or to be divested in 2022.
3. On July 1, 2021, DuPont completed the acquisition of Laird PM, which is included in the Electronics & Industrial segment. Final determination of the goodwill value assigned may result in adjustments to the preliminary value recorded. See Note 3 for additional information.

The Company tests goodwill for impairment annually during the fourth quarter, or more frequently when events or changes in circumstances indicate that the fair value is below carrying value. As a result of the related acquisition method of accounting in connection with the DWDP Merger, EID'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.

In the fourth quarter of 2021, the Company performed qualitative testing on all six of its reporting units that have goodwill and determined that it is not more likely than not that the fair values of the reporting units were less than their carrying values. The qualitative evaluation is an assessment of factors, including reporting unit or asset specific operating results and cost factors, as well as industry, market and macroeconomic conditions, to determine whether it is more likely than not (more than 50%) that the fair value of a reporting unit or asset is less than the respective carrying amount, including goodwill.

During the first quarter of 2021, the 2021 Segment Realignment served as a triggering event requiring the Company to perform an impairment analysis related to goodwill carried by certain reporting units as of February 1, 2021, prior to the realignment. As part of the 2021 Segment Realignment, the Company assessed and re-defined certain reporting units effective February 1, 2021, including reallocation of goodwill on a relative fair value basis, as applicable, to reporting units impacted. Goodwill impairment analyses were then performed for reporting units impacted in the Electronics and Industrial and Mobility and Materials segments, and no impairments were identified. The fair value of each reporting unit tested was estimated using a combination of a discounted cash flow model and market approach. The Company's assumptions in estimating fair value include, but are not limited to, projected revenue, gross margins, EBITDA margins, the weighted average costs of capital, the terminal growth rates, and derived multiples from comparable market transactions

In the third quarter of 2020, the TCS/HSC Disposal within Corporate, as well as further softening conditions in aerospace markets, served as triggering events requiring the Company to perform recoverability assessments related to asset groups within its PVAM business unit. These assessments resulted in the Company recording asset impairment charges related to certain long-lived assets whose carrying values were deemed not recoverable (refer to Note 6 for additional information). The Company then performed a series of impairment analyses related to goodwill associated with the PVAM business unit. The goodwill impairment analyses included an assessment of the preceding PVAM reporting unit as well as assessments of re-defined reporting units within the PVAM business unit resulting from the TCS/HSC Disposal along with recent progress in the sales processes for other business units aligned to Corporate, including reallocation of goodwill on a relative fair value basis. As a result of these analyses, the Company determined that the fair value of certain reporting units was below carrying value resulting in impairment charges of goodwill. In connection with the foregoing and as a result of the Corporate Held For Sale Disposal Groups classification (see Note 4 for additional information), the Company recorded aggregate, pre-tax, non-cash impairment charges of $183 million in the third quarter of 2020 impacting Corporate and reflected in "Goodwill impairment charges" in the Consolidated Statements of Operations. As a result of the above impairment charges and previous impairment

charges recorded impacting Corporate as discussed below, the carrying value of the reporting units within business units aligned to Corporate are indicative of fair value. As a result, future changes in fair value could impact the carrying value of these business units which have been and continue to be at risk for impairment charges in future periods.

The Company's analyses above used a combination of the discounted cash flow models (a form of the income approach) utilizing Level 3 unobservable inputs and the market approach. 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. 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 also uses the Guideline Public Company Method, a form of the market approach (utilizing 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. When applicable, third party purchase offers may be utilized to measure fair value. The Company applies a weighting to the market approach and income approach to determine the fair value. As such, the Company believes the current assumptions and estimates utilized are both reasonable and appropriate.

In the second quarter of 2020, continued near-term demand weakness in global automotive production resulting from the COVID-19 pandemic, along with revised views of recovery based on third party market information, served as a triggering event requiring the Company to perform an impairment analysis of the goodwill associated with its Mobility & Materials and Industrial Solutions reporting units as of June 30, 2020. The carrying value of the Mobility & Materials and Industrial Solutions reporting units is comprised substantially of EID's assets and liabilities which were measured at fair value in connection with the DWDP Merger, and thus inherently considered at risk for impairment. The Company performed quantitative testing on its Mobility & Materials and Industrial Solutions reporting units as of June 30, 2020, using a combination of the discounted cash flow model (a form of the income approach) utilizing Level 3 unobservable inputs and the Guideline Public Company Method (a form of the market approach). Based on the analysis performed, during the second quarter of 2020, the Company concluded that the carrying amount of the reporting units exceeded the fair value resulting in a pre-tax, non-cash goodwill impairment charge of $2,498 million, reflected in "Goodwill impairment charges" in the Consolidated Statements of Operations for the year ended December 31, 2020.

The Company's goodwill analysis referenced above used the discounted cash flow model (a form of the income approach) utilizing Level 3 unobservable inputs. The Company's significant assumptions in this analysis included, but were 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. 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 also used the Guideline Public Company Method (a form of the market approach). The significant assumptions used in this analysis include, but are not limited to, the derived multiples from comparable market transactions and other market data. The selection of comparable businesses is based on the markets in which the reporting unit operates giving consideration to risk profiles, size, geography, and diversity of products and services.

The Company probability-weighted scenarios for both the income and market approaches and also applied an overall probability-weighting to the income and market approaches to determine the concluded fair value of the reporting unit given the uncertainty in the current economic environment to determine the concluded fair value of the reporting unit. The Company believes the current assumptions and estimates utilized in the income and market approaches are both reasonable and appropriate.

In the first quarter of 2020, expectations of proceeds related to certain potential divestitures related to the businesses held in Corporate gave rise to fair value indicators and, thus, served as triggering events requiring the Company to perform impairment analyses related to goodwill as of March 31, 2020. As part of the analysis, the Company determined that the fair value of its PVAM reporting unit was below its carrying value resulting in an impairment charge to goodwill. Valuations of the PVAM reporting unit under a combination of the market approach and income approach reflected softening conditions in photovoltaics markets as compared to prior estimates. In connection with this analysis, the Company recorded a pre-tax, non-cash goodwill

impairment charge of $533 million in the first quarter of 2020 impacting Corporate. This charge is reflected in "Goodwill impairment charges" in the Consolidated Statements of Operations for the year ended December 31, 2020.

The Company's analysis used the discounted cash flow model (a form of the income approach) utilizing Level 3 unobservable inputs. The Company's significant assumptions in this analysis 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. 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. As referenced, the Company also uses a form of the market approach. As such, the Company believes the current assumptions and estimates utilized are both reasonable and appropriate.

In preparation for the Corteva Distribution, EID completed the separation of the assets and liabilities related to its specialty products businesses into separate legal entities (the "SP Legal Entities") and on May 1, 2019, EID completed the Internal SP Distribution. The Internal SP Distribution served as a triggering event requiring the Company to perform an impairment analysis related to goodwill carried by its EID existing reporting units as of May 1, 2019. Subsequent to the Corteva Distribution, on June 1, 2019, the Company realigned certain businesses resulting in changes to its management and reporting structure. As part of the Second Quarter Segment Realignment, the Company assessed and re-defined certain reporting units effective June 1, 2019, including reallocation of goodwill on a relative fair value basis as applicable to new reporting units identified. Goodwill impairment analyses were then performed for reporting units impacted by the Second Quarter Segment Realignment.

In the second quarter of 2019, in connection with the analysis described above, the Company recorded pre-tax, non-cash goodwill impairment charges of $242 million impacting Corporate which are reflected in "Goodwill impairment charges" in the Consolidated Statements of Operations for the year ended December 31, 2019.

Other Intangible Assets

The gross carrying amounts and accumulated amortization of other intangible assets by major class are as follows:

In millions	*December 31, 2021*			*December 31, 2020*		
	Gross Carrying Amount	*Accum Amort*	*Net*	*Gross Carrying Amount*	*Accum Amort*	*Net*
Intangible assets with finite lives:						
Developed technology [1]	$ 3,074	$ (1,346)	$ 1,728	$ 2,752	$ (1,128)	$ 1,624
Trademarks/tradenames	1,125	(500)	625	1,095	(440)	655
Customer-related	7,748	(2,736)	5,012	7,075	(2,361)	4,714
Other	131	(83)	48	131	(81)	50
Total other intangible assets with finite lives	$ 12,078	$ (4,665)	$ 7,413	$ 11,053	$ (4,010)	$ 7,043
Intangible assets with indefinite lives:						
Trademarks/tradenames	1,029	—	1,029	1,029	—	1,029
Total other intangible assets with indefinite lives	$ 1,029	$ —	$ 1,029	$ 1,029	$ —	$ 1,029
Total	$ 13,107	$ (4,665)	$ 8,442	$ 12,082	$ (4,010)	$ 8,072

1. The prior year amounts have been adjusted to reflect current year presentation.

As part of the 2021 Segment Realignment, the Company reallocated its intangible assets with indefinite lives to align with the new segment structure. This served as a triggering event requiring the Company to perform an impairment analysis related to intangible assets with indefinite lives carried by its existing Electronics & Imaging and Transportation & Industrial segments as of February 1, 2021, prior to the realignment. Subsequent to the realignment, the Company realigned intangible assets with indefinite lives, as applicable, to align the intangible assets with indefinite lives with the new segment structure. Impairment analyses were then performed for the intangible assets with indefinite lives carried by the Electronics & Industrial and Mobility & Materials segments. No impairments were identified as a result of the analyses described above.

In the third quarter of 2020, the Company recorded a pre-tax asset impairment charge of $52 million ($39 million net of tax) related to indefinite-lived intangible assets within Corporate which were deemed no longer recoverable as a result of an impairment test performed related to the Corporate Held For Sale Disposal Groups classification (see Note 4 for additional

information). The charge was recorded within "Restructuring and asset related charges – net" in the Consolidated Statements of Operations for the year ended December 31, 2020.

In the first quarter and third quarter of 2020, the Company recorded non-cash impairment charges related to definite-lived intangible assets impacting Corporate reflected within "Restructuring and asset related charges - net" in the Consolidated Statements of Operations for the year ended December 31, 2020. See Note 6 for further discussion.

In the second quarter of 2020, the Company performed quantitative testing on indefinite-lived intangible assets attributable to the Mobility & Materials segment, for which the Company determined that the fair value of certain tradenames had declined related to the factors described above. 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 of the testing, the Company recorded a pre-tax, non-cash indefinite-lived intangible asset impairment charge of $21 million ($16 million net of tax), which is reflected in "Restructuring and asset related charges - net," in the Consolidated Statements of Operations for the year ended December 31, 2020. The remaining net book value of the tradenames attributable to the Mobility & Materials segment at December 31, 2020 was approximately $289 million, which represents fair value.

The following table provides the net carrying value of other intangible assets by segment:

Net Intangibles by Segment In millions	*December 31, 2021*	*December 31, 2020*
Electronics & Industrial	$ 3,429	$ 2,611
Water & Protection	2,686	2,920
Mobility & Materials	2,327	2,541
Total	$ 8,442	$ 8,072

Total estimated amortization expense for the next five fiscal years is as follows:

Estimated Amortization Expense In millions	
2022	$ 763
2023	$ 734
2024	$ 708
2025	$ 663
2026	$ 637

NOTE 15 - SHORT-TERM BORROWINGS, LONG-TERM DEBT AND AVAILABLE CREDIT FACILITIES

The following tables summarize the Company's short-term borrowings and finance lease obligations and long-term debt:

Short-term borrowings and finance lease obligations In millions	*December 31, 2021*	*December 31, 2020*
Commercial paper [1]	$ 150	$ —
Long-term debt due within one year	—	1
Total short-term borrowings and finance lease obligations	$ 150	$ 1

1. The weighted-average interest rate on commercial paper at December 31, 2021 was 0.34 percent.

Long-Term Debt	*December 31, 2021*		*December 31, 2020*	
In millions	*Amount*	*Weighted Average Rate*	*Amount*	*Weighted Average Rate*
Promissory notes and debentures [1]:				
Final maturity 2023 [2]	$ 2,800	3.89 %	$ 4,800	3.18 %
Final maturity 2025	1,850	4.49 %	1,850	4.49 %
Final maturity 2027 and thereafter	6,050	5.13 %	6,050	5.13 %
Other facilities:				
Term loan due 2022	—	— %	3,000	1.25 %
Finance lease obligations	2		2	
Less: Unamortized debt discount and issuance costs	70		90	
Less: Long-term debt due within one year [3]	—		1	
Total	$ 10,632		$ 15,611	

1. Represents senior unsecured notes (the "2018 Senior Notes"), which are senior unsecured obligations of the Company.
2. The year ended December 31, 2020 includes $2 billion related to the May 2020 Notes.
3. The year ended December 31, 2020 includes finance lease obligations of $1 million due within one year.

Principal payments of long-term debt for the five succeeding fiscal years is as follows:

Maturities of Long-Term Debt for Next Five Years at December 31, 2021 In millions	*Total*
2022	$ 1
2023	$ 2,800
2024	$ —
2025	$ 1,850
2026	$ —

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 22. 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 $12,595 million and $18,336 million at December 31, 2021 and December 31, 2020, respectively.

Available Committed Credit Facilities

The following table summarizes the Company's credit facilities:

Committed and Available Credit Facilities at December 31, 2021					
In millions	*Effective Date*	*Committed Credit*	*Credit Available*	*Maturity Date*	*Interest*
Revolving Credit Facility, Five-year	May 2019	$ 3,000	$ 2,977	May 2024	Floating Rate
364-day Revolving Credit Facility	April 2021	1,000	1,000	April 2022	Floating Rate
Total Committed and Available Credit Facilities		$ 4,000	$ 3,977		

Intended Rogers Acquisition

On November 22, 2021, the Company entered into a two-year senior unsecured committed term loan agreement in the amount of $5.2 billion (the "2021 Term Loan Facility"). The 2021 Term Loan Facility is intended to fund the Intended Rogers Acquisition. The debt covenants and default provisions in the 2021 Term Loan Facility are consistent with those of the Five-Year Revolver and the $1 billion Revolving Credit Facility.

N&B Transaction
As part of the N&B Transaction, the Company received a Special Cash Payment of approximately $7.3 billion. The Special Cash Payment was funded in part by the N&B Notes Offering, which was completed on September 16, 2020. See Note 4 for more information.

May 2020 Debt Offering
On May 1, 2020, the Company completed an underwritten public offering of senior unsecured notes (the "May 2020 Notes") in the aggregate principal amount of $2 billion of 2.169 percent fixed rate Notes due May 1, 2023 (the "May 2020 Debt Offering"). The consummation of the N&B Transaction triggered the special mandatory redemption feature of the May 2020 Debt Offering. The Company redeemed the May 2020 Notes on May 13, 2021 and funded the redemption with proceeds from the Special Cash Payment.

Term Loan and Revolving Credit Facilities
In May 2019, the Company fully drew the two term loan facilities it entered into in the fourth quarter of 2018 (the "Term Loan Facilities") in the aggregate principal amount of $3 billion. In May 2019, the Company amended its $3 billion five-year revolving credit facility (the "Five-Year Revolver") entered into in the fourth quarter of 2018 to become effective and available as of the amendment.

On February 1, 2021, the Company terminated its fully drawn $3 billion Term Loan Facilities. The termination triggered the repayment of the aggregate outstanding principal amount of $3 billion, plus accrued and unpaid interest through and including January 31, 2021. The Company funded the repayment with proceeds from the Special Cash Payment.

On April 15, 2021, the Company entered into an updated $1 billion 364-day revolving credit facility (the "2021 $1B Revolving Credit Facility") as the 1.0 billion 364-day revolving credit facility entered in April 2020 (the "2020 $1B Revolving Credit Facility") expired mid-April 2021. As of the effectiveness of the 2021 $1B Revolving Credit Facility, the 2020 $1B Revolving Credit Facility was terminated.

Uncommitted Credit Facilities and Outstanding Letters of Credit
Unused bank credit lines on uncommitted credit facilities were approximately $786 million at December 31, 2021. These lines are available to support short-term liquidity needs and general corporate purposes including letters of credit. Outstanding letters of credit were approximately $158 million at December 31, 2021. These letters of credit support commitments made in the ordinary course of business.

Debt Covenants and Default Provisions
The Company's indenture covenants include customary limitations on liens, sale and leaseback transactions, and mergers and consolidations, subject to certain limitations. The 2018 Senior Notes also contain customary default provisions. The 2021 Term Loan Facility, the Five-Year Revolving Credit Facility and the 2021 $1B Revolving Credit Facility contain a financial covenant requiring that the ratio of Total Indebtedness to Total Capitalization for the Company and its consolidated subsidiaries not exceed 0.60. At December 31, 2021, the Company was in compliance with this financial covenant. There were no material changes to the debt covenants and default provisions at December 31, 2021.

NOTE 16 - COMMITMENTS AND CONTINGENT LIABILITIES

Litigation, Environmental Matters, and Indemnifications

The Company and certain subsidiaries are involved in various lawsuits, claims and environmental actions that have arisen in the normal course of business with respect to product liability, patent infringement, governmental regulation, contract and commercial litigation, as well as possible obligations to investigate and mitigate the effects on the environment of the disposal or release of certain substances at various sites. In addition, in connection with divestitures and the related transactions, the Company from time to time has indemnified and has been indemnified by third parties against certain liabilities that may arise in connection with, among other things, business activities prior to the completion of the respective transactions. The term of these indemnifications, which typically pertain to environmental, tax and product liabilities, is generally indefinite. The Company records liabilities for ongoing and indemnification matters when the information available indicates that it is probable that a liability will be incurred and the amount of the loss can be reasonably estimated.

As of December 31, 2021, the Company has recorded indemnification assets of $47 million within "Accounts and notes receivable - net" and $234 million within "Deferred charges and other assets" and indemnified liabilities of $153 million within "Accrued and other current liabilities" and $192 million within "Other noncurrent obligations" within the Consolidated Balance Sheets. At December 31, 2020, the Company has recorded indemnified assets of $90 million within "Accounts and notes receivable - net" and $124 million within "Deferred charges and other assets" and indemnified liabilities of $157 million within "Accrued and other current liabilities" and $132 million within "Other noncurrent obligations" within the Consolidated Balance Sheets.

The Company's accruals discussed below for indemnification liabilities related to the binding Memorandum of Understanding ("MOU") between Chemours, Corteva, EID and the Company and to the DWDP Separation and Distribution Agreement and the Letter Agreement between the Company and Corteva (together the "Agreements"), are included in the balances above.

PFAS Stray Liabilities: Future Eligible PFAS Costs

On July 1, 2015, EID, a Corteva subsidiary since June 1, 2019, completed the separation of EID's Performance Chemicals segment through the spin-off of Chemours to holders of EID common stock (the "Chemours Separation").

On January 22, 2021, the Company, Corteva, EID and Chemours entered into the MOU pursuant to which the parties have agreed to release certain claims that had been raised by Chemours including any claims arising out of or resulting from the process and manner in which EID structured or conducted the Chemours Separation, and any other claims that challenge the Chemours Separation or the assumption of Chemours Liabilities (as defined in the Chemours Separation Agreement) by Chemours and the allocation thereof, subject in each case to certain exceptions set forth in the MOU. In connection with the MOU, the confidential arbitration process regarding certain claims by Chemours was terminated in February 2021. The parties have further agreed not to bring any future, additional claims regarding the Chemours Separation Agreement or the MOU outside of arbitration.

Pursuant to the MOU, the parties have agreed to share certain costs associated with potential future liabilities related to alleged historical releases of certain PFAS out of pre-July 1, 2015 conduct ("eligible PFAS costs") until the earlier to occur of (i) December 31, 2040, (ii) the day on which the aggregate amount of Qualified Spend, as defined in the MOU, is equal to $4 billion or (iii) a termination in accordance with the terms of the MOU. PFAS refers to per- or polyfluoroalkyl substances, which include perfluorooctanoic acids and its ammonium salts ("PFOA").

The parties have agreed that, during the term of this sharing arrangement, Qualified Spend up to $4 billion will be borne 50 percent by Chemours and 50 percent, up to a cap of $2 billion, by the Company and Corteva. The Company and Corteva will split their 50 percent of Qualified Spend in accordance with the Agreements. After the term of this arrangement, Chemours' indemnification obligations under the Chemours Separation Agreement would continue unchanged, subject in each case to certain exceptions set forth in the MOU.

In order to support and manage any potential future eligible PFAS costs, the parties 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 beginning and including 2022. Additionally, if on December 31, 2028, the balance of the escrow account (including interest) is less than $700 million, Chemours will make 50 percent of the deposits and DuPont and Corteva together will make 50 percent 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. As of September 30, 2021, the initial escrow deposit was completed by all parties in accordance with the MOU. At December 31, 2021, DuPont's $50 million deposit and the accrued interest in the escrow account are reflected in "Restricted cash and cash equivalents" on the Condensed Consolidated Balance Sheet.

Under the Agreements, Divested Operations and Businesses ("DDOB") liabilities of EID not allocated to or retained by Corteva or the Company are categorized as relating to either (i) PFAS Stray Liabilities, if they arise out of actions related to or resulting from the development, testing, manufacture or sale of PFAS; or (ii) Non-PFAS Stray Liabilities, (and together with PFAS Stray Liabilities, the "EID Stray Liabilities").

The Agreements provide that the Company and Corteva will each bear specified amounts plus an additional $200 million of Indemnifiable Losses, described below, in relation to certain EID Stray Liabilities. The Agreements further provide that the Company and Corteva will each bear 50 percent, $150 million each, of the first $300 million of total Indemnifiable Losses related to PFAS Stray Liabilities. When the companies meet their respective $150 million threshold, Indemnifiable Losses related to PFAS Stray Liabilities will be borne 71 percent by DuPont and 29 percent by Corteva. Indemnifiable Losses up to $150 million incurred for PFAS Stray Liabilities are credited against each company's $200 million threshold.

Whenever Corteva or DuPont meets its $200 million threshold, the other would generally bear all Non-PFAS Stray Liabilities until meeting its $200 million threshold. Thereafter, DuPont will bear 71 percent and Corteva will bear 29 percent of Indemnifiable Losses related to Non-PFAS Stray Liabilities.

Indemnifiable Losses, as defined in the DWDP Separation and Distribution Agreement, include, among other things, attorneys', accountants', consultants' and other professionals' fees and expenses incurred in the investigation or defense of EID Stray Liabilities.

In connection with the MOU and the Agreements, the Company has recognized the following indemnification liabilities related to eligible PFAS costs:

Indemnified Liabilities Related to the MOU			
In millions	*December 31, 2021*	*December 31, 2020*	*Balance Sheet Classification*
Current indemnified liabilities	$ 37	$ 12	Accrued and other current liabilities
Long-term indemnified liabilities	$ 89	$ 46	Other noncurrent obligations
Total indemnified liabilities accrued under the MOU [1, 2]	$ 126	$ 58	

1. As of December 31, 2021, total indemnified liabilities accrued include $112 million related to Chemours environmental remediation activities at their site in Fayetteville, North Carolina under the Consent Order between Chemours and the North Carolina Department of Environmental Quality (the "NC DEQ").
2. Excludes liabilities of $27 million recognized by the Company as of December 31, 2020 related to the settlement of the Ohio MDL, discussed below.

In addition to the above, as of December 31, 2021, the Company retains a liability of $12.5 million related to the settlement agreement between Chemours, Corteva and DuPont and Delaware's Attorney General, discussed below.

Future charges associated with the MOU would be recognized over the term of the agreement as a component of income from discontinued operations to the extent liabilities become probable and estimable.

In 2004, EID settled a West Virginia state court class action, Leach v. E. I. du Pont de Nemours and Company, which alleged that PFOA from EID's former Washington Works facility had contaminated area drinking water supplies and affected the health of area residents. Members of the Leach class have standing to pursue personal injury claims for just six health conditions that an expert panel appointed under the Leach 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. In 2017, Chemours and EID each paid $335 million to settle the 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. The 2017 settlement did not resolve claims of Leach class members who did not have claims in the Ohio MDL or whose claims are based on diseases first diagnosed after February 11, 2017. Since the 2017 settlement about 100 additional cases alleging personal injury, including kidney and testicular cancer claims, had been filed or noticed and were pending in the Ohio MDL.

On January 21, 2021, EID and Chemours entered into settlement agreements with plaintiffs' counsel representing the Ohio MDL plaintiffs providing for a settlement of cases and claims in the Ohio MDL, except as noted below (the "Settlement"). The total settlement amount is $83 million in cash with each of the Company and EID contributing $27 million and Chemours contributing $29 million. At June 30, 2021 the Company had paid in full its $27 million contribution. The Settlement was entered into solely by way of compromise and settlement and is not in any way an admission of liability or fault by the Company, Corteva, EID or Chemours. In connection with the Settlement, in April 2021 the plaintiffs filed a motion to terminate the Ohio MDL. The case captioned "Abbott v. E. I. du Pont de Nemours and Company" is a personal injury action that is not included in the Settlement of the Ohio MDL. DuPont was not a named party in the Leach case or the Ohio MDL and is not a named party in the Abbott case.

There are several cases alleging damages to natural resources, the environment, water, and/or property as well as various other allegations. DuPont and Corteva are named in most of the actions discussed below. Such actions include additional claims based on allegations that the transfer by EID of certain PFAS liabilities to Chemours prior to the Chemours Separation resulted in a fraudulent conveyance or voidable transaction. With the exception of the fraudulent conveyance claims, which are excluded from the MOU, legal fees, expenses, costs, and any potential liabilities for eligible PFAS costs presented by the following matters will be shared as defined in the MOU between Chemours, EID, Corteva and DuPont.

Since May 2017, a number of state attorneys general have filed lawsuits against DuPont, and others, claiming environmental contamination by certain PFAS compounds. Such actions are currently pending in New Hampshire, New Jersey, North Carolina, Ohio and Vermont. In the second quarter 2021, the Michigan action was transferred to the SC MDL, discussed below. Generally, the states raise common law tort claims and seek economic impact damages for alleged harm to natural resources, punitive damages, present and future costs to cleanup contamination from certain PFAS compounds, and to abate the alleged nuisance. Most of these actions include fraudulent transfer claims related to the Chemours Separation and the DowDuPont separations.

In July 2021, Chemours, Corteva (for itself and EID) and DuPont reached a resolution with the State of Delaware that avoids litigation and addresses potential Natural Resources Damages ("NRD") from known historical and current releases by the companies in or affecting Delaware. The resolution releases potential state NRD claims arising from the environmental impacts of various chemicals, including PFAS, across all current and historical locations. Consistent with the MOU, Chemours will bear 50 percent or $25 million of the $50 million settlement and Corteva and DuPont will each bear $12.5 million. The Company paid its portion of the settlement in January 2022. The settlement also calls for a potential Supplemental Payment to Delaware up to a total of $25 million funded 50 percent by Chemours and 50 percent by Corteva and DuPont, jointly, under certain circumstances which are not deemed probable.

In April 2021, Chemours, Corteva and DuPont and certain of their respective Dutch entities, received a civil summons filed before the Court of Rotterdam, the Netherlands, on behalf of four municipalities neighboring the Chemours Dordrecht facility. The municipalities are seeking liability declarations relating to the Dordrecht site's current and historical PFAS operations and emissions.

Beginning in April 2019, several dozen lawsuits involving water contamination arising from the use of PFAS-containing aqueous firefighting foams ("AFFF") were filed against EID, Chemours, 3M and other AFFF manufacturers and in different parts of the country. Most were consolidated in multi-district litigation docket in federal district court in South Carolina (the "SC MDL"). Those actions largely seek remediation of the alleged PFAS contamination in and around military bases and airports as well as medical monitoring of affected residents. As of December 31, 2021, the SC MDL includes approximately 1,860 personal injury cases which assert claims on behalf of individual firefighters and others who allege that exposure to PFAS in firefighting foam caused them to develop cancer, including kidney and testicular cancer, or other injuries. Many of these cases also name DuPont as a defendant due to claims that the 2015 Separation of Chemours constituted a fraudulent conveyance. Three bellwether cases have been selected by the court, all of which are water district contamination cases. DuPont is seeking the dismissal of DowDuPont and DuPont from these actions. The Company has never made or sold AFFF, perfluorooctanesulfonic acid ("PFOS") or PFOS containing products.

In addition the Company is a named party in various other legal matters that make claims related to PFAS, for which the costs of litigation and future liabilities, if any, are eligible PFAS costs under the MOU and Indemnification Losses under the Agreements. These matters include various lawsuits filed by local water districts and private water companies in New Jersey and California generally alleging contamination of water systems.

There are various other legal matters against Chemours and EID in which the Company is not a named party that make claims related to PFAS. The costs of litigation and future liabilities, if any, related to these matters are eligible PFAS costs under the MOU and Indemnification Losses under the Agreements. These matters include various lawsuits filed by local water districts, private water companies, and individuals in New York, New Jersey, Ohio, North Carolina, Georgia, Alabama and California generally alleging contamination of water systems.

While Management believes it has appropriately estimated the liability associated with eligible PFAS costs and Indemnifiable Losses as of the date of this report, it is reasonably possible that the Company could incur additional eligible PFAS costs and Indemnifiable Losses in excess of the amounts accrued. These additional costs could have a significant effect on the Company's financial condition and/or cash flows in the period in which they occur; however, costs qualifying as Qualified Spend are limited by the terms of the MOU.

Other Litigation Matters

In addition to the matters described above, the Company is party to claims and lawsuits arising out of the normal course of business with respect to product liability, patent infringement, governmental regulation, contract and commercial litigation, and other actions. Certain of these actions may purport to be class actions and seek damages in very large amounts. As of December 31, 2021, the Company has liabilities of $20 million associated with these other litigation matters. It is the opinion of the Company's management that the possibility is remote that the aggregate of all such other claims and lawsuits will have a material adverse impact on the results of operations, financial condition and cash flows of the Company. In accordance with its accounting policy for litigation matters, the Company will expense litigation defense costs as incurred, which could be significant to the Company's financial condition and/or cash flows in the period.

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 based on current law and existing technologies. At December 31, 2021, the Company had accrued obligations of $205 million for probable environmental remediation and restoration costs. These obligations are included in "Accrued and other current liabilities" and "Other noncurrent obligations" in the Consolidated Balance Sheets. 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.

The accrued environmental obligations includes the following:

Environmental Accrued Obligations			
In millions	*December 31, 2021*	*December 31, 2020*	*Potential exposure above the amount accrued* [1]
Environmental remediation liabilities not subject to indemnity	$ 43	$ 36	$ 100
Environmental remediation indemnified liabilities:			
Indemnifications related to Dow and Corteva [2]	46	44	66
MOU related obligations (discussed above) [3]	116	56	64
Total environmental related liabilities	$ 205	$ 136	$ 230

1. The environmental accrual as of December 31, 2021 represents management's best estimate of the costs for remediation and restoration with respect to environmental matters, although it is reasonably possible that the ultimate cost with respect to these particular matters could range above the amount accrued.
2. Pursuant to the DWDP Separation and Distribution Agreement, the Company is required to indemnify Dow and Corteva for certain Non-PFAS clean-up responsibilities and associated remediation costs.
3. The MOU related obligations are included in the Indemnified Liabilities Related to the MOU presented above. In November 2021, Chemours received additional notices from the NC DEQ related to potential PFAS contamination of groundwater. The Company is unable to reasonably estimate the potential impact on its indemnification liability due to the inherent uncertainties given the early stage of the process.

Guarantees

Obligations for Equity Affiliates

The Company has directly guaranteed various debt obligations under agreements with third parties related to equity affiliates. At December 31, 2021 and December 31, 2020, the Company had directly guaranteed $170 million and $167 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. The Company would be required to perform on these guarantees in the event of default by the guaranteed party.

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.

In certain cases, the Company has recourse to assets held as collateral. At December 31, 2021, no collateral was held by the Company. The following table provides a summary of the final expiration year and maximum future payments:

Guarantees at December 31, 2021 In millions	*Final Expiration Year*	*Maximum Future Payments*
Obligations for non-consolidated affiliates [1]:		
Bank borrowings	2022	170
Total guarantees		$ 170

1. Existing guarantees for non-consolidated affiliates' liquidity needs in normal operations.

NOTE 17 - LEASES

The Company has operating leases for real estate, an airplane, railcars, fleet, certain machinery and equipment, and information technology assets. The Company's leases have remaining lease terms of approximately 1 year to 35 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.

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 is included in the related lease liability in the Consolidated Balance Sheet. At December 31, 2021, the Company has future maximum payments for residual value guarantees in operating leases of $17 million with final expirations through 2026. The Company's lease agreements do not contain any material restrictive covenants.

The components of lease cost for operating leases for the years ended December 31, 2021, 2020, and 2019 were as follows:

In millions	*2021*	*2020*	*2019*
Operating lease cost	$ 116	$ 147	$ 139
Short-term lease cost	6	3	4
Variable lease cost	38	45	21
Less: Sublease income	48	22	22
Total lease cost	$ 112	$ 173	$ 142

Supplemental cash flow information related to leases was as follows:

In millions	*December 31, 2021*	*December 31, 2020*	*December 31, 2019*
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	$ 115	$ 145	$ 142
Gain on sale-leaseback transactions, net	$ —	$ —	$ 17

New operating lease assets and liabilities entered into during the year ended December 31, 2021 and 2020 were $162 million and $125 million, respectively. Supplemental balance sheet information related to leases was as follows:

In millions	*December 31, 2021*	*December 31, 2020*
Operating Leases		
Operating lease right-of-use assets [1]	$ 468	$ 423
Current operating lease liabilities [2]	101	117
Noncurrent operating lease liabilities [3]	374	308
Total operating lease liabilities	$ 475	$ 425

1. Included in "Deferred charges and 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.

Operating lease ROU assets and lease 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 Term and Discount Rate for Operating Leases	*December 31, 2021*	*December 31, 2020*
Weighted-average remaining lease term (years)	8.66	5.83
Weighted average discount rate	2.02 %	2.26 %

Maturities of lease liabilities were as follows:

Maturity of Lease Liabilities at December 31, 2021 In millions	*Operating Leases*
2022	$ 110
2023	90
2024	74
2025	52
2026	37
2027 and thereafter	164
Total lease payments	$ 527
Less: Interest	52
Present value of lease liabilities	$ 475

The Company has leases in which it is the lessor, with the largest being a result of the N&B transaction. In connection with the N&B Transaction, DuPont entered into leasing arrangements with IFF, whereby DuPont is leasing certain properties, including office spaces and R&D laboratories to IFF. These leases are classified as operating leases and lessor revenue and related expenses are not significant to the Company's Consolidated Balance Sheet or Consolidated Statement of Operations. Lease agreements where the Company is the lessor have final expirations through 2036.

As disclosed above, total lease revenue was $48 million for which the net profits recognized from these leases were approximately $8 million, both recorded in "Selling, general, and administrative expenses" and "Research and development expenses" for the year-ended December 31, 2021. Contractual lease revenue for 2022 through 2026 are materially consistent with that of 2021.

NOTE 18 - STOCKHOLDERS' EQUITY

Share Repurchase Program

On June 1, 2019, the Company's Board of Directors approved a $2 billion share buyback program ("2019 Share Buyback Program"), which expired on June 1, 2021. At the expiry of the 2019 Share Buyback Program, the Company had repurchased and retired a total of 29.9 million shares at a cost of $2 billion.

In the first quarter of 2021, the Company's Board of Directors authorized a $1.5 billion share buyback program, which expires on June 30, 2022 ("2021 Share Buyback Program"). As of December 31, 2021, the Company had repurchased and retired a total of 14.5 million shares for $1.1 billion under the 2021 Share Buyback Program.

In February 2022, the Company's Board of Directors authorized an additional $1.0 billion share buyback program which expires on March 31, 2023, (the "2022 Share Buyback Program").

Common Stock

The following table provides a reconciliation of DuPont Common Stock activity for the years ended December 31, 2021, 2020 and 2019:

Shares of DuPont Common Stock In thousands	*Issued*	*Held in Treasury*
Balance at January 1, 2019	784,143	27,818
Issued	2,656	—
Repurchased	—	20,416
Retired [1]	(48,234)	(48,234)
Balance at December 31, 2019	738,565	—
Issued	1,719	—
Repurchased	—	6,080
Retired	(6,080)	(6,080)
Balance at December 31, 2020	734,204	—
Issued	2,584	—
Repurchased [2]	—	224,995
Retired [2]	(224,995)	(224,995)
Balance at December 31, 2021	511,793	—

1. Includes 37 million shares of common stock held in treasury that were retired in June 2019 which were returned to the status of authorized but unissued shares.
2. Includes 197 million shares of common stock that were exchanged and retired as part of the N&B Transaction.

Retained Earnings

There are no significant restrictions limiting the Company's ability to pay dividends. Dividends declared and paid to common stockholders during the years ended December 31, 2021, 2020, and 2019 are summarized in the following table:

Dividends Declared and Paid In millions	*2021*	*2020*	*2019*
Dividends declared to common stockholders [1]	$ 630	$ 882	$ 1,611
Dividends paid to common stockholders [1]	$ 630	$ 882	$ 1,611

1. The 2019 dividends declared and paid include dividends declared and paid to DowDuPont common stockholders prior to the DWDP Distributions.

Undistributed earnings of nonconsolidated affiliates included in retained earnings were $912 million at December 31, 2021 and $950 million at December 31, 2020.

Accumulated Other Comprehensive Loss

The following table summarizes the activity related to each component of accumulated other comprehensive loss ("AOCL") for the years ended December 31, 2021, 2020, and 2019:

Accumulated Other Comprehensive Loss In millions	*Unrealized Gains (Losses) on Investments*	*Cumulative Translation Adj*	*Pension and OPEB*	*Derivative Instruments*	*Total*
2019					
Balance at January 1, 2019	$ (51)	$ (3,785)	$ (8,476)	$ (82)	$ (12,394)
Other comprehensive income (loss) before reclassifications	68	(446)	(206)	(43)	(627)
Amounts reclassified from accumulated other comprehensive income	(1)	(18)	141	(15)	107
Net other comprehensive income (loss)	$ 67	(464)	(65)	(58)	$ (520)
Spin-offs of Dow and Corteva	$ (16)	3,179	8,196	139	$ 11,498
Balance at December 31, 2019	$ —	$ (1,070)	$ (345)	$ (1)	$ (1,416)
2020					
Other comprehensive income (loss) before reclassifications	—	1,540	(102)	—	1,438
Amounts reclassified from accumulated other comprehensive income	—	—	22	—	22
Net other comprehensive income (loss)	$ —	$ 1,540	$ (80)	$ —	$ 1,460
Balance at December 31, 2020	$ —	$ 470	$ (425)	$ (1)	$ 44
2021					
Other comprehensive (loss) income before reclassifications	—	(742)	422	56	(264)
Amounts reclassified from accumulated other comprehensive income	—	—	3	—	3
Split-off of N&B reclassification adjustment	—	184	73	1	258
Net other comprehensive (loss) income	$ —	$ (558)	$ 498	$ 57	$ (3)
Balance at December 31, 2021	$ —	$ (88)	$ 73	$ 56	$ 41

The tax effects on the net activity related to each component of other comprehensive income (loss) for the years ended December 31, 2021, 2020, and 2019 were as follows:

Tax Benefit (Expense) In millions	*2021*	*2020*	*2019*
Unrealized gains (losses) on investments	$ —	$ —	$ (18)
Cumulative translation adjustments	—	—	(1)
Pension and other post-employment benefit plans	(122)	37	31
Derivative instruments	(18)	—	16
Tax expense from income taxes related to other comprehensive income (loss) items	$ (140)	$ 37	$ 28

A summary of the reclassifications out of AOCL for the years ended December 31, 2021, 2020, and 2019 is provided as follows:

Reclassifications Out of Accumulated Other Comprehensive Loss In millions	*2021*	*2020*	*2019*	*Income Classification*
Unrealized gains on investments	$ —	$ —	$ (1)	See (1) below
Unrealized (gains) losses on investments, after tax	$ —	$ —	$ (1)	
Cumulative translation adjustments	$ 184	$ —	$ (18)	See (1) below
Pension and other post-employment benefit plans	$ 111	$ 19	$ 174	See (1) below
Tax (benefit) expense	(35)	3	(33)	See (1) below
Pension and other post-employment benefit plans, after tax	$ 76	$ 22	$ 141	
Derivative Instruments	$ 1	$ —	$ (18)	See (1) below
Tax expense	—	—	3	See (1) below
Derivative Instruments, after tax	$ 1	$ —	$ (15)	
Total reclassifications for the period, after tax	$ 261	$ 22	$ 107	

1. The activity for the year ended December 31, 2021 is classified almost entirely within "Income (loss) from discontinued operations, net of tax" as part of the N&B Transaction, with a portion classified within and "Sundry income (expense) - net" as part of continuing operations. The activity for the years ended December 31, 2020 and 2019 is classified within the "Income (loss) from discontinued operations, net of tax", "Sundry income (expense) - net", "Net sales", "Cost of sales", and "Provision for income taxes on continuing operations" lines.

NOTE 19 - PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS

In connection with the DWDP Distributions, the TDCC U.S. qualified defined benefit plan and the EID U.S. principal qualified defined benefit plan were separated from the Company to Dow and Corteva, respectively. The defined benefit pension plans that were related to TDCC that were not separated with Dow or Corteva were not merged with any EID plans. The Company retained a portion of pension liabilities relating to foreign benefit plans for both EID and TDCC. The Company retained select OPEB liabilities relating to foreign EID benefit plans but did not retain any TDCC OPEB plans. The Company also retained an immaterial portion of the non-qualified US pension liabilities and other post-employment benefit plans relating to EID US benefit plans. The significant defined benefit pension and OPEB plans of TDCC and EID are summarized below. Unless otherwise noted, all values within this footnote are inclusive of balances and activity associated with discontinued operations.

Defined Benefit Pension Plans

TDCC

TDCC had both funded and unfunded defined benefit pension plans that covered employees in the United States and a number of other countries. The U.S. qualified plan covering the parent company was the largest plan. Benefits for employees hired before January 1, 2008, were based on length of service and the employee's three highest consecutive years of compensation. Employees hired after January 1, 2008, earned benefits based on a set percentage of annual pay, plus interest.

The Employee Matters Agreement with Dow provides that employees of Dow no longer participate in benefit plans sponsored or maintained by the Company, and that employees of the Company no longer participate in benefit plans sponsored or maintained by Dow, as of the effective time of the Dow Distribution. The U.S. qualified plan is no longer an obligation of the Company, the fundings, maintenance and ultimate payout of the plan is the sole responsibility of Dow. TDCC's funding policy was to contribute to the plans when pension laws and/or economics either require or encourage funding.

The Company has both funded and unfunded defined benefit pension plans that cover employees in a number of non-US countries.

EID

EID had both funded and unfunded noncontributory defined benefit pension plans covering a majority of the U.S. employees. The U.S. qualified plan was the largest pension plan held by EID. Most employees hired on or after January 1, 2007, were not eligible to participate in the U.S. defined benefit pension plans. The benefits under these plans were based primarily on years of service and employees' pay near retirement. EID froze the pay and service amounts used to calculate pension benefits for employees who participated in the U.S. pension plans as of November 30, 2018. Therefore, as of November 30, 2018, employees that participated in the U.S. pension plans no longer accrued additional benefits for future service and eligible compensation received.

The Employee Matters Agreement with Corteva provides that employees of Corteva no longer participate in benefit plans sponsored or maintained by the Company, and that employees of the Company no longer participate in benefit plans sponsored or maintained by Corteva, as of the effective time of the Corteva Distribution. The U.S. qualified plan is no longer an obligation of the Company; the fundings, maintenance and ultimate payout of the plan is the sole responsibility of Corteva Inc. The Company has both funded and unfunded defined benefit pension plans that cover executives in the United States and employees in a number of non-US countries.

EID's funding policy was consistent with the funding requirements of federal laws and regulations. Pension coverage for employees of EID's non-U.S. consolidated subsidiaries was 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. Total 2019 contributions also includes contributions to fund benefit payments for EID's pension plans where funding is not customary.

DuPont

DuPont has both funded and unfunded defined benefit pension plans covering employees in a number of non-US countries that formerly relate to both TDCC and EID. The United Kingdom qualified plan is the largest pension plan held by DuPont.

DuPont's funding policy is consistent with the funding requirements of each country's laws and regulations. Pension coverage for employees of DuPont'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. During 2021, the Company contributed $88 million to its benefit plans. DuPont expects to contribute approximately $90 million to its benefit plans in 2022.

The weighted-average assumptions used to determine pension plan obligations and net periodic benefit costs for all plans are summarized in the table below:

Weighted-Average Assumptions for Pension Plans	*Benefit Obligations at December 31,*		*Net Periodic Costs for the Years Ended*		
	2021	*2020*	*2021*	*2020*	*2019* [1]
Discount rate	1.32 %	0.84 %	0.87 %	1.21 %	3.80 %
Interest crediting rate for applicable benefits	1.25 %	1.25 %	1.25 %	1.25 %	3.72 %
Rate of compensation increase	3.15 %	3.09 %	3.15 %	3.11 %	3.42 %
Expected return on plan assets [2]	N/A	N/A	2.73 %	2.98 %	6.46 %

1. Includes three months of Dow activity (January - March), five months of Corteva activity (January - May) and twelve months of DuPont activity, all based on dates of the DWDP Distributions.
2. The decrease in expected return on assets between 2020 and 2019 is due to de-risking of DuPont's two largest country plans within the United Kingdom and Switzerland. For the United Kingdom this process involved purchasing two buy-in insurance contracts for some current beneficiaries. For Switzerland this process involved changing the pension plan to a defined contribution plan (cash balance plan under US GAAP) at an insurance company for the current employees and adopting a low-risk fixed income strategy for the current beneficiaries of the plan.

Other Post-employment Benefit Plans

The Company retained U.S. and foreign other post-employment benefit obligations with the Canadian plan and the U.S. long-term disabilities plan being the two largest and accounting for the majority of the Company's total other post-employment benefit obligations. In comparison to the Company's defined benefit pension plans, the Company's other post-employment benefit plans are not significant. The total other post-employment benefits projected benefit obligation was $37 million as of December 31, 2021 and $40 million as of December 31, 2020.

Assumptions

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.

Service cost and interest cost for all other plans are determined on the basis of the discount rates derived in determining those plan obligations. The discount rates utilized to measure the majority of pension and other postretirement obligations are based on the Aon AA corporate bond yield curves applicable to each country at the measurement date. DuPont utilizes the mortality tables and generational mortality improvement scales, where available, developed in each of the respective countries in which the Company holds plans.

Summarized information on the Company's pension and other postretirement benefit plans is as follows:

Change in Projected Benefit Obligations of All Plans In millions	*2021*	*2020*
Change in projected benefit obligations:		
Benefit obligations at beginning of year	$ 5,335	$ 4,806
Service cost	53	72
Interest cost	42	58
Plan participants' contributions	9	11
Actuarial changes in assumptions and experience	(411)	316
Benefits paid	(243)	(271)
Plan amendments	(8)	—
Acquisitions/divestitures/other [1]	(342)	—
Effect of foreign exchange rates	(149)	347
Termination benefits/curtailment cost/settlements	—	(4)
Benefit obligations at end of year	$ 4,286	$ 5,335

1. Primarily related to the N&B Transaction, partially offset by the Laird PM Acquisition.

Change in Plan Assets and Funded Status of All Plans In millions	*2021*	*2020*
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 4,158	$ 3,757
Actual return on plan assets	222	309
Employer contributions	88	101
Plan participants' contributions	9	11
Benefits paid	(243)	(271)
Acquisitions/divestitures/other [1]	(116)	—
Effect of foreign exchange rates	(82)	251
Fair value of plan assets at end of year	$ 4,036	$ 4,158
Funded status:		
Plans with plan assets	$ 438	$ (341)
All other plans	(688)	(836)
Funded status at end of year	$ (250)	$ (1,177)

1. Primarily related to the N&B Transaction, partially offset by the Laird PM Acquisition.

The following tables summarize the amounts recognized in the consolidated balance sheets for all significant plans:

Amounts Recognized in the Consolidated Balance Sheets for All Significant Plans In millions	*December 31, 2021*	*December 31, 2020*
Amounts recognized in the consolidated balance sheets:		
Deferred charges and other assets	$ 653	$ 225
Assets of discontinued operations	—	5
Accrued and other current liabilities	(51)	(59)
Pension and other postretirement benefits - noncurrent	(852)	(1,110)
Liabilities of discontinued operations	—	(238)
Net amount recognized	$ (250)	$ (1,177)
Pretax amounts recognized in accumulated other comprehensive loss (income):		
Net (gain) loss	$ (60)	$ 603
Prior service credit	(40)	(47)
Pretax balance in accumulated other comprehensive loss at end of year	$ (100)	$ 556

The increase in the Company's actuarial gains for the year ended December 31, 2021 was primarily due to the changes in weighted-average discount rates, which increased from 0.84 percent at December 31, 2020 to 1.32 percent at December 31, 2021 in addition to gains on assets in excess of what was expected.

The accumulated benefit obligation for all pension plans was $4.0 billion and $5.0 billion at December 31, 2021 and 2020, respectively.

Pension Plans with Accumulated Benefit Obligations in Excess of Plan Assets In millions	*December 31, 2021*	*December 31, 2020*
Accumulated benefit obligations	$ 1,007	$ 1,896
Fair value of plan assets	$ 216	$ 735

Pension Plans with Projected Benefit Obligations in Excess of Plan Assets In millions	*December 31, 2021*	*December 31, 2020*
Projected benefit obligations	$ 1,187	$ 2,605
Fair value of plan assets	$ 322	$ 1,238

Net Periodic Benefit Costs for All Significant Plans for the Year Ended December 31, In millions	*2021*	*2020*	*2019*
Net Periodic Benefit Costs:			
Service cost [1]	$ 53	$ 72	$ 189
Interest cost [2]	42	58	683
Expected return on plan assets [3]	(105)	(110)	(988)
Amortization of prior service credit [4]	(5)	(5)	(9)
Amortization of unrecognized loss [5]	12	16	122
Curtailment/settlement/other [6]	3	9	—
Net periodic benefit costs (credits) - Total	$ —	$ 40	$ (3)
Less: Net periodic benefit costs (credits) - discontinued operations	1	13	15
Net periodic benefit costs - Continuing operations	$ (1)	$ 27	$ (18)
Changes in plan assets and benefit obligations recognized in other comprehensive loss (income):			
Net (gain) loss	$ (528)	$ 117	$ 352
Prior service credit	(8)	—	(65)
Amortization of prior service credit	5	5	3
Amortization of unrecognized loss	(12)	(16)	(7)
Curtailment loss	—	(4)	(2)
Settlement loss	(3)	(9)	(2)
Effect of foreign exchange rates	(11)	21	(2)
Total recognized in other comprehensive (income) loss	$ (557)	$ 114	$ 277
Noncontrolling interest	$ —	$ 2	$ —
Total recognized in net periodic benefit (credits) costs and other comprehensive (income) loss	$ (558)	$ 139	$ 259

1. The service cost from continuing operations was $51 million, $56 million, and $54 million for the years ended December 31, 2021, 2020, and 2019, respectively, for significant plans.
2. The interest cost from continuing operations was $42 million, $54 million and $75 million for the years ended December 31, 2021, 2020, and 2019, respectively, for significant plans.
3. The expected return on plan assets from continuing operations was $104 million, $100 million and $140 million for the years ended December 31, 2021, 2020 and 2019, respectively, for significant plans.
4. The amortization of prior year service credits from continuing operations was $5 million , $4 million, and $3 million for the years ended December 31, 2021, 2020, and 2019, respectively, for significant plans.
5. The amortization of unrecognized gain/loss from continuing operations was losses of $12 million for the years ended December 31, 2021 and 2020, and gains of $4 million for the year ended December 31, 2019 for significant plans.
6. The curtailment and settlement loss from continuing operations was $3 million and $9 million for the years ended December 31, 2021 and 2020, respectively, and immaterial for the year ended December 31, 2019 for significant plans.

Estimated Future Benefit Payments

The estimated future benefit payments of continuing operations, reflecting expected future service, as appropriate, are presented in the following table:

Estimated Future Benefit Payments at December 31, 2021 In millions	
2022	$ 198
2023	192
2024	194
2025	198
2026	207
Years 2027-2031	1,054
Total	$ 2,043

Plan Assets

TDCC

Plan assets consist primarily of equity and fixed income securities of U.S. and foreign issuers, and include alternative investments such as real estate, private market securities and absolute return strategies. TDCC's investment strategy for the plan assets was to manage the assets in relation to the liability in order to pay retirement benefits to plan participants over the life of the plans. This was accomplished by identifying and managing the exposure to various market risks, diversifying investments across various asset classes and earning an acceptable long-term rate of return consistent with an acceptable amount of risk, while considering the liquidity needs of the plans.

The plans were permitted to use derivative instruments for investment purposes, as well as for hedging the underlying asset and liability exposure and rebalancing the asset allocation. The plans used value-at-risk, stress testing, scenario analysis and Monte Carlo simulations to monitor and manage both the risk within the portfolios and the surplus risk of the plans.

Equity securities primarily included investments in large- and small-cap companies located in both developed and emerging markets around the world. Fixed income securities included investment and non-investment grade corporate bonds of companies diversified across industries, U.S. treasuries, non-U.S. developed market securities, U.S. agency mortgage-backed securities, emerging market securities and fixed income related funds. Alternative investments primarily included investments in real estate, private equity limited partnerships and absolute return strategies. Other significant investment types included various insurance contracts and interest rate, equity, commodity and foreign exchange derivative investments and hedges.

TDCC mitigated the credit risk of investments by establishing guidelines with investment managers that limit investment in any single issue or issuer to an amount that was not material to the portfolio being managed. These guidelines were monitored for compliance both by TDCC and external managers. Credit risk related to derivative activity was mitigated by utilizing multiple counterparties, collateral support agreements and centralized clearing, where appropriate.

EID

Plan assets consisted primarily of equity and fixed income securities of U.S. and foreign issuers, and included alternative investments such as real estate and private market securities. EID established 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 were selected in accordance with the laws and practices of those countries. Where appropriate, asset liability studies were utilized in this process. U.S. plan assets and a portion of non-U.S. plan assets are managed by investment professionals employed by EID. The remaining assets are managed by professional investment firms unrelated to EID. EID's pension investment professionals had discretion to manage the assets within established asset allocation ranges approved by management. Additionally, pension trust funds were permitted to enter into certain contractual arrangements generally described as derivative instruments. Derivatives were primarily used to reduce specific market risks, hedge currency and adjust portfolio duration and asset allocation in a cost-effective manner.

Global equity securities include varying market capitalization levels. U.S. equity investments are primarily large-cap companies. 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.

DuPont
Plan assets consist primarily of equity and fixed income securities of U.S. and foreign issuers, and alternative investments such as insurance contracts, pooled investment vehicles and private market securities. At December 31, 2021, plan assets totaled $4 billion.

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 utilized in this process. The assets are managed by professional investment firms unrelated to the Company. Pension trust funds are permitted to enter into certain contractual arrangements generally described as derivative instruments. Derivatives are primarily used to reduce specific market risks, hedge currency and adjust portfolio duration and asset allocation in a cost-effective manner.

Equity securities primarily included investments in large- and small-cap companies located in both developed and emerging markets around the world. Global equity securities include varying market capitalization levels. U.S. equity investments are primarily large-cap companies. Fixed income securities included investment and non-investment grade corporate bonds of companies diversified across industries, U.S. treasuries, non-U.S. developed market securities, U.S. agency mortgage-backed securities, emerging market securities and fixed income related funds. 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. Alternative investments primarily included investments in real estate, various insurance contracts and interest rate, equity, commodity and foreign exchange derivative investments and hedges. Other investments include cash and cash equivalents, pooled investment vehicles, hedge funds and private market securities such as interests in private equity and venture capital partnerships.

The weighted-average target allocation for plan assets of DuPont's pension plans is summarized as follows:

Target Allocation for Plan Assets at December 31, 2021 *Asset Category*	*DuPont*
Equity securities	9 %
Fixed income securities	17
Alternative investments	23
Hedge funds	28
Pooled investment vehicles	15
Other investments	8
Total	100 %

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. For other pension plan assets 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.

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. Valuations of the investments are provided by investment managers or fund managers. These valuations are reviewed for reasonableness based on applicable sector, benchmark and company performance. Valuations of insurance contracts are contractually determined and are based on exit price valuations or contract value. Adjustments to valuations are made where appropriate.

Certain pension plan assets are held in funds where fair value is based on an estimated net asset value per share (or its equivalent) as of the most recently available fund financial statements which are received 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 to arrive at an estimated net asset value per share at the measurement date. Where available, audited annual financial statements are obtained and reviewed for the investments as support for the manager's investment valuation. These funds are not classified within the fair value hierarchy.

The following table summarizes the bases used to measure the Company's pension plan assets at fair value for the years ended December 31, 2021 and 2020:

Basis of Fair Value Measurements	*December 31, 2021*				*December 31, 2020*			
In millions	*Total*	*Level 1*	*Level 2*	*Level 3*	*Total*	*Level 1*	*Level 2*	*Level 3*
Cash and cash equivalents	$ 175	$ 175	$ —	$ —	$ 97	$ 97	$ —	$ —
Equity securities:								
U.S. equity securities	$ 119	$ 119	$ —	$ —	$ 336	$ 336	$ —	$ —
Non - U.S. equity securities	241	241	—	—	480	473	7	—
Total equity securities	$ 360	$ 360	$ —	$ —	$ 816	$ 809	$ 7	$ —
Fixed income securities:								
Debt - government-issued	$ 235	$ —	$ 235	$ —	$ 308	$ 20	$ 288	$ —
Debt - corporate-issued	45	—	45	—	106	16	90	—
Debt - asset-backed	1	—	1	—	—	—	—	—
Total fixed income securities	$ 281	$ —	$ 281	$ —	$ 414	$ 36	$ 378	$ —
Alternative investments:								
Real estate	$ 75	—	—	75	$ 84	7	—	$ 77
Insurance contracts	855	—	30	825	788	—	30	758
Derivatives - asset position	—	—	—	—	4	—	4	—
Derivatives - liability position	—	—	—	—	(1)	—	(1)	—
Total alternative investments	$ 930	$ —	$ 30	$ 900	$ 875	$ 7	$ 33	$ 835
Other Investments:								
Pooled Investment Vehicles	$ 593	$ 593	$ —	$ —	$ 627	$ 627	$ —	$ —
Private market securities	—	—	—	—	—	—	—	—
Other investments	—	—	$ —	$ —	—	—	—	—
Total other investments	$ 593	$ 593	$ —	$ —	$ 627	$ 627	$ —	$ —
Subtotal	$ 2,339	$ 1,128	$ 311	$ 900	$ 2,829	$ 1,576	$ 418	$ 835
Investments measured at net asset value:								
Debt - government-issued	$ 406				$ 273			
Hedge funds	1,128				933			
Private market securities	163				122			
Total investments measured at net asset value	$ 1,697				$ 1,328			
Items to reconcile to fair value of plan assets:								
Pension trust receivables [1]	$ —				$ 3			
Pension trust payables [2]	—				(2)			
Total	$ 4,036				$ 4,158			

1. Primarily receivables for investment securities sold.
2. Primarily payables for investment securities purchased.

The following table summarizes the changes in the fair value of Level 3 pension plan assets for the years ended December 31, 2021 and 2020:

Fair Value Measurement of Level 3 Pension Plan Assets In millions	*Real Estate*	*Insurance Contracts*	*Total*
Balance at Jan 1, 2020	$ 66	$ 304	$ 370
Actual return on assets:			
Relating to assets sold during 2020	—	—	—
Relating to assets held at Dec 31, 2020	9	64	73
Purchases, sales and settlements, net	2	390	392
Balance at Dec 31, 2020	$ 77	$ 758	$ 835
Actual return on assets:			
Relating to assets sold during 2021	—	—	—
Relating to assets held at Dec 31, 2021	(1)	(12)	(13)
Purchases, sales and settlements, net	2	(35)	(33)
Transfers into Level 3 [1]	—	141	141
Transfers out of Level 3 [2]	(3)	(27)	(30)
Balance at Dec 31, 2021	$ 75	$ 825	$ 900

1. Related to the Laird PM Acquisition.
2. Related to the N&B Transaction.

Defined Contribution Plans

The Company provides defined contribution benefits to its employees. The most significant is the U.S. Retirement Savings Plan ("the Plan"), which covers all 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 the Company may participate. Currently, the Company 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. The Company's matching contributions vest immediately upon contribution. The 3 percent nonmatching employer contribution vests after employees complete three years of service. The Company's contributions to the Plan were $71 million in 2021 and $78 million in 2020. Both periods are inclusive of N&B activity related to discontinued operations.

In addition, the Company made contributions to other defined contribution plans in 2021 in the amount of $35 million and $38 million in 2020. Both periods are inclusive of N&B activity related to discontinued operations.

NOTE 20 - STOCK-BASED COMPENSATION

Effective with the DWDP Merger, on August 31, 2017, DowDuPont assumed all TDCC and EID equity incentive compensation awards outstanding immediately prior to the DWDP Merger. The TDCC and EID stock-based compensation plans were assumed by DowDuPont and remained in place with the ability to grant and issue DowDuPont common stock until the DWDP Distributions.

Immediately following the Corteva Distribution, DuPont adopted the DuPont Omnibus Incentive Plan ("DuPont OIP") which provides for equity-based and cash incentive awards to certain employees, directors, independent contractors and consultants. Upon adoption of the DuPont OIP, the TDCC and EID plans were rolled into the DuPont OIP as separate subplans and no longer grant new awards. All previously granted equity awards under these subplans have the same terms and conditions that were applicable to the awards under the TDCC and EID plans immediately prior to the DWDP Distributions. Under the DuPont OIP, a maximum of 1 million shares of common stock are available for award as of December 31, 2021.

During the second quarter of 2020, the stockholders of DuPont approved the DuPont 2020 Equity and Incentive Plan (the "2020 EIP"), which allows the Company to grant options, share appreciation rights, restricted shares, restricted stock units ("RSUs"), share bonuses, other share-based awards, cash awards, each as defined in the 2020 EIP, or any combination of the foregoing. Under the EIP, a maximum of 18 million shares of common stock are available for award as of December 31, 2021. The approval of the 2020 Plan had no effect on the Company's ability to make future grants under the DuPont OIP in accordance with its terms, and awards that are outstanding under the DuPont OIP remain outstanding in accordance with their terms.

A description of the Company's stock-based compensation is discussed below followed by a description of TDCC and EID stock-based compensation.

Accounting for Stock-Based Compensation

The Company grants stock-based compensation awards that vest over a specified period or upon employees meeting certain performance and/or retirement eligibility criteria. The fair value of equity instruments issued to employees is measured on the grant date. The fair value of liability instruments issued to employees is measured at the end of each quarter. The fair value of equity and liability instruments is expensed over the vesting period or, in the case of retirement, from the grant date to the date on which retirement eligibility provisions have been met and additional service is no longer required. The Company estimates expected forfeitures.

DuPont recognized share-based compensation expense in continuing operations of $76 million, $97 million, and $87 million during the years ended December 31, 2021, 2020 and 2019, respectively. The income tax benefits related to stock-based compensation arrangements were $15 million, $19 million, and $18 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Total unrecognized pretax compensation cost in continuing operations related to nonvested stock option awards of $5 million at December 31, 2021, is expected to be recognized over a weighted-average period of 1.7 years. Total unrecognized pretax compensation cost in continuing operations related to RSUs and performance based stock units ("PSUs") of $74 million at December 31, 2021, is expected to be recognized over a weighted average period of 1.9 years. The total fair value of RSUs and PSUs vested in the year ended December 31, 2021 was $86 million. The weighted average grant-date fair value of RSUs and PSUs granted during 2021 was $74.04.

At the time of the N&B separation, outstanding, unvested share-based compensation awards that were denominated in DuPont common stock and held by N&B Employees were terminated and reissued as equity awards issued under the IFF stock plan.

DuPont 2020 Equity Incentive Plan

EIP 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. Stock option awards expire 10 years after the grant date. The plan allows retirement-eligible employees of the Company to retain any granted awards upon retirement provided the employee has rendered at least 12 months of service following the grant date.

The Company uses the Black-Scholes option pricing model to determine the fair value of stock option awards and the assumptions set forth in the table below. The weighted-average assumptions used to calculate total stock-based compensation are included in the following table:

EIP Weighted-Average Assumptions	*2021*
Dividend yield	1.6 %
Expected volatility	28.4 %
Risk-free interest rate	0.9 %
Expected life of stock options granted during period (years)	6.0

The Company determines the dividend yield by dividing the annualized dividend on DuPont'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. 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 DuPont's historical experience, adjusted for expected exercise patterns of in-the-money options.

The following table summarizes stock option activity for 2021 under the EIP:

EIP Stock Options	*2021*			
	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, 2021	—	$ —		
Granted	239	$ 72.98		
Exercised	(1)	$ 72.98		
Forfeited/Expired	(11)	$ 72.98		
Outstanding at December 31, 2021	227	$ 72.98	9.02	$ 1,770
Exercisable at December 31, 2021	5	$ 72.98	2.91	$ 42

Additional Information about EIP Stock Options In millions, except per share amounts	*2021*
Weighted-average fair value per share of options granted	$ 16.92
Total compensation expense for stock options plans	$ 2
Related tax benefit	$ —

The aggregate intrinsic values in the table above represent the total pretax intrinsic value (the difference between the closing stock price on the last trading day of 2021 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 year end.

EIP Restricted Stock Units and Performance Based Stock Units

The Company grants RSUs to certain employees that generally vest over a three-year period and, upon vesting, convert one-for-one to DuPont common stock. A retirement eligible employee retains any granted awards upon retirement provided the employee has rendered at least 12 months of service following the grant date. 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 under the DuPont EIP. Vesting for PSUs granted is based upon achieving certain return on invested capital ("ROIC") targets and certain adjusted corporate net income annual growth targets, weighted evenly between the metrics and modified by a relative total shareholder return ("TSR") percentile ranking goal as compared to the S&P 500. The actual award, delivered as DuPont common stock, can range from zero percent to 200 percent of the original grant. The weighted-average grant-date fair value of the PSUs, subject to the TSR metric, is based upon the market price of the underlying common stock as of the grant date and estimated using a Monte Carlo simulation.

Nonvested awards of RSUs and PSUs are shown below:

EIP RSUs and PSUs	*2021*	
	Number of Shares (in thousands)	*Weighted Average Grant Date Fair Value (per share)*
Nonvested at January 1, 2021	—	$ —
Granted	641	$ 73.97
Vested	(22)	$ 72.98
Forfeited	(27)	$ 73.97
Nonvested at December 31, 2021	592	$ 74.01

DuPont Omnibus Incentive Plan

The DuPont OIP has two subplans that have the same terms and conditions of the TDCC and EID plans immediately prior to the DWDP Distributions. Awards previously granted under those plans that were nonvested will now vest in each subplan. All new awards will be granted by the OIP.

OIP 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. Stock option awards expire 10 years after the grant date. The plan allows retirement-eligible employees of the Company to retain any granted awards upon retirement provided the employee has rendered at least six months of service following the grant date.

The Company uses the Black-Scholes option pricing model to determine the fair value of stock option awards and the assumptions set forth in the table below. The weighted-average assumptions used to calculate total stock-based compensation are included in the following table:

OIP Weighted-Average Assumptions	*2021*	*2020*	2019
Dividend yield	1.6 %	2.3 %	1.8 %
Expected volatility	28.3 %	23.0 %	21.1 %
Risk-free interest rate	0.9 %	1.2 %	1.6 %
Expected life of stock options granted during period (years)	6.0	6.0	6.1

The Company determines the dividend yield by dividing the annualized dividend on DuPont's common stock by the option exercise price. A historical daily measurement of volatility (using DowDuPont stock information after the DWDP Merger date and a weighted average of TDCC and EID prior to DWDP Merger date) is determined based on the expected life of the option granted. 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 DuPont's historical experience, adjusted for expected exercise patterns of in-the-money options.

The following table summarizes stock option activity for 2021 under the OIP:

OIP Stock Options	*2021*			
	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, 2021	2,272	$ 60.40		
Granted	377	$ 73.00		
Exercised	(56)	$ 53.50		
Forfeited/Expired	(433)	$ 62.38		
Outstanding at December 31, 2021	2,160	$ 62.39	7.86	$ 39,748
Exercisable at December 31, 2021	1,275	$ 63.56	7.43	$ 21,958

Additional Information about OIP Stock Options [1] In millions, except per share amounts	*2021*	*2020*	2019
Weighted-average fair value per share of options granted	$ 16.83	$ 9.18	$ 11.85
Total compensation expense for stock options plans	$ 24	$ 16	$ 5
Related tax benefit	$ 5	$ 3	$ 1

1. No awards have vested under the OIP as of December 31, 2021.

The aggregate intrinsic values in the table above represent the total pretax intrinsic value (the difference between the closing stock price on the last trading day of 2021 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 year end.

OIP Restricted Stock Units and Performance Based Stock Units

The Company grants RSUs to certain employees that serially vested over a three-year period and, upon vesting, convert one-for-one to DuPont 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. 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 under a subplan of the DuPont OIP. Vesting for PSUs granted is based upon achieving certain return on invested capital ("ROIC") targets and certain adjusted corporate net income annual growth targets, weighted evenly between the metrics and modified by a relative total shareholder return ("TSR") percentile ranking goal as compared to the S&P 500. The actual award, delivered as DuPont common stock, can range from zero percent to 200 percent of the original grant. The weighted-average grant-date fair value of the PSUs, subject to the TSR metric, is based upon the market price of the underlying common stock as of the grant date and estimated using a Monte Carlo simulation.

Nonvested awards of RSUs and PSUs are shown below.

OIP RSUs and PSUs	*2021*	
	Number of Shares (in thousands)	*Weighted Average Grant Date Fair Value (per share)*
Nonvested at January 1, 2021	1,899	$ 56.31
Granted	673	$ 74.25
Vested	(670)	$ 60.62
Forfeited	(402)	$ 58.08
Nonvested at December 31, 2021	1,500	$ 50.77

TDCC Stock Incentive Plan

In connection with the DWDP Merger, on August 31, 2017 all outstanding TDCC stock options under the TDCC 2012 Stock Incentive Plan (the "2012 Plan") were converted into stock options with respect to DowDuPont Common Stock.

TDCC Stock Options

TDCC granted stock options to certain employees, subject to certain annual and individual limits, with terms of the grants fixed at the grant date. The exercise price of each stock option equals the market price of TDCC's stock on the grant date. Options vest from one year to three years, and had a maximum term of 10 years. To measure the fair value of the awards on the date of grant, TDCC used the Black-Scholes option pricing model. No awards were granted by the Company out of the TDCC plan during 2021, 2020, and 2019.

The following table summarizes stock option activity for 2021:

TDCC Stock Options	*2021*			
	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, 2021	595	$ 59.45		
Exercised	(143)	$ 50.81		
Forfeited/Expired	(29)	$ 51.76		
Outstanding at December 31, 2021	423	$ 62.91	3.57	$ 6,602
Exercisable at December 31, 2021	417	$ 63.05	3.61	$ 6,428

EID Equity Incentive Plan

EID Stock Options

The exercise price of shares subject to option is equal to the market price of EID's stock on the date of grant. All options vest serially over a three-year period. Stock option awards granted between 2010 and 2015 expire seven years after the grant date and options granted between 2016 and 2018 expire ten years after the grant date. The plan allowed retirement-eligible employees of EID to retain any granted awards upon retirement provided the employee has rendered at least six months of service following the grant date.

EID used the Black-Scholes option pricing model to determine the fair value of stock option awards and the assumptions set forth in the table below. The weighted-average grant-date fair value of options granted for the year ended December 31, 2019 was $15.69. There were no options granted out of the EID EIP in 2021 and 2020. The weighted-average assumptions used to calculate total stock-based compensation are included in the following table:

EID Weighted-Average Assumptions	*2019*
Dividend yield	1.6 %
Expected volatility	19.8 %
Risk-free interest rate	2.4 %
Expected life of stock options granted during period (years)	6.1

EID 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 (using DowDuPont stock information after the DWDP Merger date and a weighted average of TDCC and EID prior to DWDP Merger date) is determined based on the expected life of the option granted. 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 EID's historical experience, adjusted for expected exercise patterns of in-the-money options.

The following table summarizes stock option activity for 2021 under EID's EIP:

EID Stock Options	*2021*			
	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, 2021	5,024	$ 69.71		
Exercised	(1,160)	$ 56.12		
Forfeited/Expired	(638)	$ 82.79		
Outstanding at December 31, 2021	3,226	$ 72.01	5.53	$ 97,557
Exercisable at December 31, 2021	3,068	$ 71.94	5.22	$ 79,260

EID Restricted Stock Units

EID issued RSUs that serially vested over a three-year period and, upon vesting, convert one-for-one to DowDuPont 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 were also granted periodically to key senior management employees. These RSUs generally vested over periods ranging from three years to five 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 awards have the same terms and conditions as were applicable to such equity awards immediately prior to the DWDP Merger closing date.

EID granted PSUs to senior leadership. Upon a change in control, EID's EIP provisions required PSUs to be converted into RSUs based on the number of PSUs that would vest by assuming that target levels of performance are achieved. Service requirements for vesting in the RSUs replicate those inherent in the exchanged PSUs. In accordance with the DWDP Merger Agreement, PSUs converted to RSU awards based on an assessment of the underlying market conditions in the PSUs at the greater of target or actual performance levels as of the closing date. As the actual performance levels were not in excess of target as of the closing date, all PSUs converted to RSUs based on target and there was no incremental benefit from the DWDP Merger Agreement when compared with EID's EIP.

Nonvested awards of RSUs are shown below.

EID RSUs Shares in thousands	*2021*	
	Shares	*Grant Date Fair Value* [1]
Nonvested at January 1, 2021	900	$ 71.44
Vested	(439)	$ 74.87
Forfeited	(140)	$ 79.92
Nonvested at December 31, 2021	321	$ 68.45

1. Weighted-average per share.

The weighted average grant-date fair value of stock units granted during 2019 was $70.69. There were no RSUs granted out of the EID EIP in 2021 and 2020.

NOTE 21 - FINANCIAL INSTRUMENTS

The following table summarizes the fair value of financial instruments at December 31, 2021 and December 31, 2020:

Fair Value of Financial Instruments In millions	*December 31, 2021*				*December 31, 2020*			
	Cost	*Gain*	*Loss*	*Fair Value*	*Cost*	*Gain*	*Loss*	*Fair Value*
Cash equivalents	$ 853	$ —	$ —	$ 853	$ 1,105	$ —	$ —	$ 1,105
Restricted cash equivalents [1]	$ 65	$ —	$ —	$ 65	$ 6,223	$ —	$ —	$ 6,223
Total cash and restricted cash equivalents	$ 918	$ —	$ —	$ 918	$ 7,328	$ —	$ —	$ 7,328
Long-term debt including debt due within one year	$ (10,632)	$ —	$ (1,963)	$ (12,595)	$ (15,612)	$ —	$ (2,725)	$ (18,337)
Derivatives relating to:								
Net investment hedge [2]	—	74	—	74	—	—	—	—
Foreign currency [3, 4]	—	5	(10)	(5)	—	4	(13)	(9)
Total derivatives	$ —	$ 79	$ (10)	$ 69	$ —	$ 4	$ (13)	$ (9)

1. At December 31, 2021 there was $12 million of restricted cash classified as "Other current assets" and $53 million classified as "Restricted cash and cash equivalents" in the Consolidated Balance Sheets. At December 31, 2020 there was $17 million of restricted cash classified as "Other current assets" and $6.2 billion classified as "Restricted cash and cash equivalents" in the Consolidated Balance Sheets. See Note 7 for more information on restricted cash.
2. Classified as "Deferred charges and other assets" in the Consolidated Balance Sheets.
3. Classified as "Other current assets" and "Accrued and other current liabilities" in the Consolidated Balance Sheets.
4. Presented net of cash collateral where master netting arrangements allow.

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, interest rate 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'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. 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, 2021*	*December 31, 2020*
Derivatives designated as hedging instruments:		
Net investment hedge	$ 1,000	$ —
Derivatives not designated as hedging instruments:		
Foreign currency contracts [1]	$ (625)	$ (304)

1. Presented net of contracts bought and sold.

Derivatives Designated in Hedging Relationships

Net Foreign Investment Hedge

In the second quarter of 2021, the Company entered into a fixed-for-fixed cross currency swaps with an aggregate notional amount totaling $1 billion to hedge the variability of exchange rate impacts between the U.S. Dollar and Euro. Under the terms of the cross-currency swap agreement, the Company notionally exchanged $1 billion at an interest rate of 4.73% for €819 million at a weighted average interest rate of 3.26%. The cross-currency swap is designated as a net investment hedge and expires on November 15, 2028.

The Company has made an accounting policy election to account for the net investment hedge using the spot method. The Company has also elected to amortize the excluded components in interest expense in the related quarterly accounting period that such interest is accrued. The cross-currency swap is marked to market at each reporting date and any unrealized gains or losses are included in unrealized currency translation adjustments within AOCL, net of amounts associated with excluded components which are recognized in interest expense in the Consolidated Statements of Operations.

Derivatives not Designated in Hedging Relationships

Foreign Currency Contracts

The Company routinely uses forward 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 certain foreign currency-denominated revenues so that gains and losses on the contracts offset changes in the USD value of the related foreign currency-denominated revenues.

Effect of Derivative Instruments

Foreign currency derivatives not designated as hedges are used to offset foreign exchange gains or losses resulting from the underlying exposures of foreign currency-denominated assets and liabilities. The amount charged on a pretax basis related to foreign currency derivatives not designated as a hedge, which was included in "Sundry income (expense) - net" in the Consolidated Statements of Operations, was a loss of $40 million for the year ended December 31, 2021 ($1 million loss for the year ended December 31, 2020 and $62 million loss for the year ended December 31, 2019). The income statement effects of other derivatives were immaterial.

NOTE 22 - FAIR VALUE MEASUREMENTS

Fair Value Measurements on a Recurring Basis

The following tables summarize the basis used to measure certain assets and liabilities at fair value on a recurring basis:

Basis of Fair Value Measurements on a Recurring Basis at December 31, 2021 In millions	*Significant Other Observable Inputs (Level 2)*
Assets at fair value:	
Cash equivalents and restricted cash equivalents [1]	$ 918
Derivatives relating to: [2]	
Net investment hedge	74
Foreign currency contracts [3]	11
Total assets at fair value	$ 1,003
Liabilities at fair value:	
Long-term debt including debt due within one year [4]	$ 12,595
Derivatives relating to: [2]	
Foreign currency contracts [3]	16
Total liabilities at fair value	$ 12,611

1. Treasury bills, time deposits, and money market funds included in "Cash and cash equivalents" and money market funds included in "Other current assets" in the Consolidated Balance Sheets and held at amortized cost, which approximates fair value.
2. See Note 21 for the classification of derivatives in the Consolidated Balance Sheets.
3. Assets 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 offsetting counterparty and cash collateral amounts were $6 million for both assets and liabilities as of December 31, 2021.
4. Fair value is 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 and terms.

Basis of Fair Value Measurements on a Recurring Basis at December 31, 2020 In millions	*Significant Other Observable Inputs (Level 2)*
Assets at fair value:	
Cash equivalents and restricted cash equivalents [1]	$ 7,328
Derivatives relating to: [2]	
Foreign currency contracts [3]	13
Total assets at fair value	$ 7,341
Liabilities at fair value:	
Long-term debt including debt due within one year [4]	$ 18,337
Derivatives relating to: [2]	
Foreign currency contracts [3]	22
Total liabilities at fair value	$ 18,359

1. Treasury bills, time deposits, and money market funds included in "Cash and cash equivalents" and money market funds included in "Other current assets" in the Consolidated Balance Sheets and held at amortized cost, which approximates fair value.
2. See Note 21 for the classification of derivatives in the Consolidated Balance Sheets.
3. Assets 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 offsetting counterparty and cash collateral amounts were $9 million for both assets and liabilities as of December 31, 2020.
4. Fair value is 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 and terms.

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, interest 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.

There were no transfers between Levels 1 and 2 during the year ended December 31, 2021 and December 31, 2020.

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	*Significant Other Unobservable Inputs (Level 3)*	*Total Losses*
2020		
Assets at fair value:		
Long-lived assets, intangible assets, and other assets	$ 447	$ (661)

2020 Fair Value Measurements on a Nonrecurring Basis

During the third quarter of 2020, the Company recorded impairment charges related to indefinite-lived intangible assets and long-lived assets within Corporate and the Mobility & Materials segment. These impairment analyses were performed using Level 3 inputs within the fair value hierarchy. See Notes 4, 6, and 14 for further discussion.

During the second quarter of 2020, the Company recorded impairment charges related to indefinite-lived intangible assets within the Mobility & Materials segment. See Notes 6 and 14 for further discussion of these fair value measurements.

During the first quarter of 2020, the Company recorded impairment charges related to long-lived assets within Corporate. See Notes 6 for further discussion of these fair value measurements.

NOTE 23 - SEGMENTS AND GEOGRAPHIC REGIONS

The Company's segments are aligned with the market verticals they serve, while maintaining integration and innovation strengths within strategic value chains. DuPont is comprised of three operating segments: Electronics & Industrial; Water & Protection; and Mobility & Materials. Corporate reflect activity of to be divested and previously divested businesses, as well as, the reconciliation between the totals for the reportable segments and the Company's totals.

Major products by segment include: Electronics & Industrial (printing and packaging materials, photopolymers, electronic materials, specialty silicones and lubricants); Water & Protection (nonwovens, aramids, construction materials, water filtration and purification resins, elements and membranes); and Mobility & Materials (engineering resins, adhesives, metallization pastes, polyvinyl fluoromaterials, silicone encapsulants and adhesives, polyester films). The Company operates globally in substantially all of its product lines. Transfers of products between operating segments are generally valued at cost.

The Company's measure of profit/loss for segment reporting purposes is Operating EBITDA as this is the manner in which the Company's chief operating decision maker ("CODM") assesses performance and allocates resources. The Company defines Operating EBITDA as earnings (i.e., "Income from continuing operations before income taxes") before interest, depreciation, amortization, non-operating pension / OPEB benefits / charges, and foreign exchange gains / losses, adjusted for significant items. Reconciliations of these measures are provided on the following pages. Prior to April 1, 2019, the Company's measure of profit / loss for segment reporting purposes is pro forma Operating EBITDA as this is the manner in which the Company's CODM assessed performance and allocates resources. The Company defines pro forma Operating EBITDA as pro forma earnings (i.e. pro forma "Income (loss) from continuing operations before income taxes") before interest, depreciation, amortization, non-operating pension / OPEB / charges, and foreign exchange gains/losses, excluding the impact of costs historically allocated to the materials science and agriculture businesses that did not meet the criteria to be recorded as discontinued operations and adjusted for significant items.

Pro forma adjustments were determined in accordance with Article 11 of Regulation S-X. Pro forma financial information is based on the Consolidated Financial Statements of DuPont, adjusted to give effect to the impact of certain items directly attributable to the DWDP Distributions, and the Term Loan Facilities, the 2018 Senior Notes and the Funding CP Issuance (together, the "DWDP Financings"), including the use of proceeds from such DWDP Financings (collectively the "DWDP Transactions"). The historical consolidated financial information has been adjusted to give effect to pro forma events that are (1) directly attributable to the DWDP Transactions, (2) factually supportable and (3) with respect to the statements of operations, expected to have a continuing impact on the results. Events that are not expected to have a continuing impact on the combined results are excluded from the pro forma adjustments. Those pro forma adjustments include the impact of various supply agreements entered into in connection with the Dow Distribution ("supply agreements") and are adjustments to "Cost of sales." The impact of these supply agreements is reflected in pro forma Operating EBITDA for the periods noted above as they are included in the measure of profit/loss reviewed by the CODM in order to show meaningful comparability among periods while assessing performance and making resource allocation decisions.

Effective February 1, 2021, in conjunction with the closing of the N&B Transaction, the Company completed the 2021 Segment Realignment resulting in a change to its management and reporting structure. The reporting changes have been retrospectively reflected in the segment results for all periods presented.

Sales are attributed to geographic regions based on customer location; long-lived assets are attributed to geographic regions based on asset location.

Net Trade Revenue by Geographic Region In millions	*2021*	*2020*	*2019*
United States	$ 4,321	$ 3,960	$ 4,564
Canada	311	271	296
EMEA [1]	3,322	2,755	3,213
Asia Pacific [2]	8,097	6,838	6,733
Latin America	602	514	630
Total	$ 16,653	$ 14,338	$ 15,436

1. Europe, Middle East and Africa.
2. Net sales attributed to China/Hong Kong, for the years ended December 31, 2021, 2020, and 2019 were $3,962 million, $3,194 million, and $3,036 million, respectively.

Long-lived Assets by Geographic Region	*December 31,*		
In millions	*2021*	*2020*	*2019*
United States	$ 3,948	$ 3,795	$ 4,148
Canada	73	72	68
EMEA [1]	1,673	1,770	1,628
Asia Pacific	1,224	1,184	1,207
Latin America	48	46	49
Total	$ 6,966	$ 6,867	$ 7,100

1. Europe, Middle East and Africa.

Segment Information In millions	*Electronics & Industrial*	*Water & Protection*	*Mobility & Materials*	*Corporate*	*Total*
For the Year Ended December 31, 2021					
Net sales	$ 5,554	$ 5,552	$ 5,045	$ 502	$ 16,653
Operating EBITDA [1]	1,758	1,385	1,082	(55)	4,170
Equity in earnings of nonconsolidated affiliates	41	36	9	8	94
Restructuring and asset related charges - net [2]	8	30	7	10	55
Depreciation and amortization	518	511	363	3	1,395
Assets of continuing operations	17,701	15,003	9,072	3,686	45,462
Investment in nonconsolidated affiliates	502	310	61	6	879
Capital expenditures	337	391	156	7	891
For the Year Ended December 31, 2020					
Net sales	$ 4,674	$ 4,993	$ 4,005	$ 666	$ 14,338
Operating EBITDA [1]	1,468	1,313	588	70	3,439
Equity in earnings of nonconsolidated affiliates	34	26	19	108	187
Restructuring and asset related charges - net [2]	7	48	351	439	845
Depreciation and amortization [4]	449	502	370	52	1,373
Assets of continuing operations	15,065	15,142	9,204	10,024	49,435
Investment in nonconsolidated affiliates	505	315	67	2	889
Capital expenditures	345	328	152	8	833
For the Year Ended December 31, 2019					
Net sales	$ 4,446	$ 5,201	$ 4,690	$ 1,099	$ 15,436
Pro forma operating EBITDA [1]	1,454	1,370	954	366	4,144
Equity in earnings (losses) of nonconsolidated affiliates [3]	24	27	4	258	313
Restructuring asset related charges - net [2]	47	32	15	58	152
Depreciation and amortization [4]	447	507	387	61	1,402
Assets of continuing operations	16,000	15,060	11,497	5,514	48,071
Investment in nonconsolidated affiliates	510	326	76	259	1,171
Capital expenditures	363	459	284	10	1,116

1. A reconciliation of "Income (loss) from continuing operations, net of tax" to Operating EBITDA and pro forma Operating EBITDA, as applicable, is provided in the table on the following page.
2. See Note 6 for information regarding the Company's restructuring programs and asset related charges.
3. Represents equity in earnings (losses) of nonconsolidated affiliates included in pro forma Operating EBITDA, the Company's measure of profit/loss for segment reporting purposes, which excludes significant items. Accordingly, Corporate presented above excludes a net charge of $224 million related to a joint venture and the Mobility & Materials segment reflects a restructuring charge of $4 million which are presented in "Equity in earnings of nonconsolidated affiliates" in the Company's Consolidated Statement of Operations.
4. The prior year amounts for Electronics & Industrial and Mobility & Materials have been adjusted to reflect current year presentation.

Segment Information Reconciliation to Consolidated Financial Statements In millions	*Segment Totals*	*N&B Separation*	*Corteva Distribution*	*Dow Distribution*	*Other [1]*	*Total*
For the Year Ended December 31, 2021						
Capital expenditures	$ 891	$ 14	$ —	$ —	$ (14)	$ 891
Depreciation and amortization	$ 1,395	$ 63	$ —	$ —	$ —	$ 1,458
For the Year Ended December 31, 2020						
Capital expenditures	$ 833	$ 213	$ —	$ —	$ 148	$ 1,194
Depreciation and amortization	$ 1,373	$ 1,721	$ —	$ —	$ —	$ 3,094
For the Year Ended December 31, 2019						
Capital expenditures	$ 1,116	$ 304	$ 252	$ 426	$ 374	$ 2,472
Depreciation and amortization	$ 1,402	$ 664	$ 385	$ 744	$ —	$ 3,195

1. Reflects the incremental cash spent or unpaid on capital expenditures; total capital expenditures are presented on a cash basis.

Total Asset Reconciliation at December 31, In millions	*2021*	*2020*	*2019*
Assets of continuing operations	$ 45,462	$ 49,435	$ 48,071
Assets held for sale	245	810	—
Assets of discontinued operations	—	20,659	21,278
Total assets	$ 45,707	$ 70,904	$ 69,349

Reconciliation of "Income (Loss) from continuing operations, net of tax" to Operating EBITDA In millions	*2021*	*2020*	*2019*
Income (Loss) from continuing operations, net of tax	$ 1,804	$ (2,406)	$ (124)
+ Provision for (Benefit from) income taxes on continuing operations	392	160	(2)
Income (Loss) from continuing operations before income taxes	$ 2,196	$ (2,246)	$ (126)
+ Pro forma adjustments [1]	—	—	128
+ Depreciation and amortization	1,395	1,373	1,402
- Interest income [2]	4	12	56
+ Interest expense [3, 4]	503	672	696
- Non-operating pension/OPEB benefit [2]	52	30	72
- Foreign exchange losses, net [2]	(53)	(39)	(104)
+ Costs historically allocated to the materials science and agriculture businesses [5]	—	—	256
- Significant items [6]	(79)	(3,643)	(1,812)
Operating EBITDA	$ 4,170	$ 3,439	$ 4,144

1. For the year ended December 31, 2019, operating EBITDA is on a pro forma basis. The pro forma adjustment reflects the net pro forma impact of items directly attributable to the DWDP Transactions, as applicable.
2. Included in "Sundry income (expense) - net."
3. The year ended December 31, 2021 excludes significant items, refer to details below.
4. The year ended December 31, 2019 is presented on a pro forma basis giving effect to the DWDP Financings.
5. Costs previously allocated to the materials science and agriculture businesses that did not meet the definition of expenses related to discontinued operations in accordance with ASC 205.
6. The significant items for the years ended December 31, 2021 and 2020 are presented on an as reported basis. The significant items for the year ended December 31, 2019 is presented on a pro forma basis.

The significant items for the years ended December 31, 2021 and 2020 are presented on an as reported basis. The significant items for the year ended December 31, 2019 are presented on a pro forma basis. The following tables summarize the pre-tax impact of significant items by segment that are excluded from Operating EBITDA and pro forma Operating EBITDA above:

Significant Items by Segment for the Year Ended December 31, 2021 In millions	*Electronics & Industrial*	*Water & Protection*	*Mobility & Materials*	*Corporate*	*Total*
Acquisition, integration and separation costs [1]	$ —	$ —	$ —	$ (133)	$ (133)
Restructuring and asset related charges - net [2]	(8)	(30)	(7)	(10)	(55)
Merger-related inventory step-up amortization [3]	(12)	—	—	—	(12)
Gain on divestiture [4]	2	—	—	141	143
Intended Rogers Acquisition financing fees [5]	—	—	—	(22)	(22)
Total	$ (18)	$ (30)	$ (7)	$ (24)	$ (79)

1. Acquisition, integration and separation costs related to strategic initiatives including the acquisition of Laird PM, the planned divestiture of the In-Scope M&M Businesses, the Intended Rogers Acquisition, and the completed and planned divestitures of the held for sale businesses included within Corporate.
2. Includes Board approved restructuring plans and asset related charges. See Note 6 for additional information.
3. Includes the amortization of the fair value step-up in Laird PM's inventories as a result of the acquisition.
4. Reflected in "Sundry income (expense) - net." Refer to Note 4 for additional information.
5. Includes acquisition costs associated with the Intended Rogers Acquisition related to the financing agreements, specifically the structuring fees and the amortization of the commitment fees reflected in "Interest Expense".

Significant Items by Segment for the Year Ended December 31, 2020 In millions	*Electronics & Industrial*	*Water & Protection*	*Mobility & Materials*	*Corporate*	*Total*
Acquisition, integration and separation costs [1]	$ —	$ —	$ —	$ (177)	$ (177)
Restructuring and asset related charges - net [2]	(7)	(48)	(12)	(117)	(184)
Goodwill impairment charges [3]	(834)	—	(1,664)	(716)	(3,214)
Asset impairment charges [3, 4]	—	—	(339)	(322)	(661)
Gain on divestiture [5]	197	—	—	396	593
Total	$ (644)	$ (48)	$ (2,015)	$ (936)	$ (3,643)

1. Acquisition, integration and separation costs related to strategic initiatives including the divestiture of the held for sale businesses and post-DWDP Merger integration.
2. Includes Board approved restructuring plans and asset related charges. See Note 6 for additional information.
3. See Note 14 for additional information.
4. See Note 6 for additional information.
5. Refer to Note 4 for additional information.

Significant Items by Segment for the Year Ended December 31, 2019 (Pro Forma) In millions	*Electronics & Industrial*	*Water & Protection*	*Mobility & Materials*	*Corporate*	*Total*
Acquisition, integration and separation costs [1]	$ —	$ —	$ —	$ (1,084)	$ (1,084)
Restructuring and asset related charges - net [2]	(47)	(32)	(19)	(58)	(156)
Goodwill impairment charges [3]	—	—	—	(242)	(242)
Net charge related to a joint venture [4]	—	—	—	(208)	(208)
Income tax related items [5]	—	(48)	—	(74)	(122)
Total	$ (47)	$ (80)	$ (19)	$ (1,666)	$ (1,812)

1. Acquisition, integration and separation costs related to the DWDP Merger, post-DWDP Merger integration, the DWDP Distributions and business separation activities.
2. Includes Board approved restructuring plans and asset related charges, which include other asset impairments. See Note 6 for additional information.
3. See Note 14 for additional information.
4. Reflects the Company's share of net charges related to its investment in the HSC Group, consisting of $456 million in asset impairment charges, primarily fixed assets, partially offset by benefits associated with certain customer contract settlements of $248 million deemed non-recurring in nature.
5. Includes a $48 million charge which reflects a reduction in gross proceeds from lower withholding taxes related to a prior year legal settlement and a $74 million charge related to tax indemnifications, primarily associated with an adjustment to a one-time transition tax liability required by the Tax Cuts and Jobs Act of 2017, which were recorded in accordance with the Amended and Restated Tax Matters Agreement. Both charges were recorded in "Sundry income (expense) - net" in the Consolidated Statements of Operations.