

Corteva Reports Third Quarter and Year-to-Date 2021 Results, Affirms Full-Year Guidance

WILMINGTON, Del., November 3, 2021 – Corteva, Inc. (NYSE: CTVA) (“Corteva” or the “Company”) today reported financial results for the third quarter and nine months ended September 30, 2021.

3Q 2021 Results Overview

	Net Sales	Income from Cont. Ops (After Tax)	EPS
GAAP vs. 3Q 2020	\$2.4B +27%	\$36M +109%	\$0.05 +110%
NON-GAAP vs. 3Q 2020	\$2.3B +24%	\$(51)M +72%	\$(0.14) +64%

YTD 2021 Results Overview

	Net Sales	Income from Cont. Ops (After Tax)	EPS
GAAP vs. YTD 2020	\$12.2B +11%	\$1.7B +154%	\$2.23 +162%
NON-GAAP vs. YTD 2020	\$12.0B +9%	\$2.31B +25%	\$2.06 +41%

Third Quarter 2021 Highlights

- Net Sales for the third quarter 2021 increased 27% versus prior year, led by Latin America and North America². Organic¹ sales rose 24% in the same period, with volume and price gains on continued penetration of new technology and strong execution globally.
- Crop Protection net sales grew 22% and organic¹ sales increased 19% for the third quarter. All regions delivered sales gains during the quarter in the segment. Sales of new products drove volume improvement, led by IsoclastTM insecticide. Price gains reflected strong execution.
- Seed net sales increased 41% and organic¹ sales grew 37% compared to the year-ago period. Volume increases were broad-based, led by North America. Price was up 19% globally, driven by continued strength in Latin America and fewer corn replant units in North America.
- GAAP income and earnings per share (EPS) from continuing operations were \$36 million and \$0.05 per share for the third quarter 2021, respectively.
- Volume gains and strong price execution in both segments drove Operating EBITDA¹ improvement of 72%, as compared to the same period last year.
- The Company’s continued productivity progress in the third quarter partially offset the impact of ongoing raw material cost inflation and other market-driven headwinds.
- The Company affirmed previously provided Operating EBITDA¹ guidance³ in the range of \$2.5 billion and \$2.6 billion. Corteva increased its net sales guidance to be in the range of \$15.5 billion and \$15.7 billion and increased Operating EPS¹ guidance to be in the range of \$2.05 and \$2.15 per share.

1. Organic Sales, Operating EPS and Operating EBITDA are non-GAAP measures. See page A-6 for further discussion. 2. North America is defined as U.S. and Canada. EMEA is defined as Europe, Middle East and Africa. 3. The Company does not provide the most comparable GAAP measure on a forward-looking basis. See page 6 for further discussion. 4. Enlist E3TM soybeans are jointly developed by Corteva Agriscience LLC and MS TechnologiesTM. 5. Launches pending all applicable regulatory reviews and approvals. 6. Shares of the Company’s common stock may be repurchased periodically in open-market or private transactions. The actual timing, number and value of shares repurchased under the Company’s authorized share repurchase program will be determined by management at its discretion and will depend on a variety of factors including the market price of Corteva common stock, general market and economic conditions, applicable legal requirements and other business considerations.



Chuck Magro Appointed Chief Executive Officer

Proven leader with extensive global agriculture experience

Chuck Magro was appointed the Company's new Chief Executive Officer, effective November 1, 2021. He also joins Corteva's Board of Directors. Mr. Magro most recently served as Chief Executive Officer of Nutrien. His background includes extensive experience leading diversified global agriculture companies and includes a proven track record of delivering solid profitable growth for shareholders through competitively advantaged and market-driven technology portfolios.

Mr. Magro succeeds James C. Collins Jr., who will work with Mr. Magro to assure a smooth transition.

Company Update

Enlist™ Weed Control System Further Bolstered by Conkesta E3™⁴ Approval

- Launched Enlist E3™⁴ soybeans in Brazil, Uruguay and Argentina and launched Conkesta E3™⁴ in Brazil – initiated customer trials in the region, with technology expected to strengthen Latin America soybeans position
- Anticipate strong product performance for Enlist E3™⁴ soybeans in the U.S. markets for the 2021 season based on initial reports, with higher expected demand going into 2022
- Expect Enlist™ weed control system to deliver greater than \$800 million in revenue for the full year 2021 – on track to nearly double 2020 performance

Continued Ramp-up of New Crop Protection Products Reinforces Portfolio Strength

- Delivered sales increases on new Crop Protection products – up \$335 million versus 2020 YTD, reflecting increases in all regions and indications
- Continued to drive progress on new Crop Protection launches⁵, with first registration of Adavelt™ fungicide achieved ahead of expectations
- Strengthened position in high-value sectors, such as nutrient management and biologicals – expect 17 biological technologies to launch⁵ in 2021 and 2022, spanning every region

Pricing, Productivity and Supply Chain Execution Enable Margin Expansion

- Actively managing market-driven cost headwinds on key raw materials through strong price execution and productivity actions to deliver margin improvement
- Multi-industry freight and logistics challenges resulted in increased lead times and costs, as demand remained elevated and services remain contracted
- Mitigating impact of sustained external-driven supply challenges and maximizing operational agility via flexible sourcing strategy in Crop Protection, together with integrated global Seed production network

Reinforcing Commitment to Deliver Shareholder Value

- Reaffirmed mid-term targets on early 2022 expectations for continued technology ramp-up and geographic advantages, reflecting market strength and Corteva execution
- Returned approximately \$1 billion to shareholders during the first three quarters via dividends and share repurchases
- Company now expects to deliver at least \$1.3 billion to shareholders for the full year, including at least \$900 million in share repurchases⁶

Summary of Year-to-Date 2021

For the nine months ending September 30, 2021, net sales increased 11% versus the same period last year. Organic¹ sales rose 9%. Sales increased in all regions on a reported and organic¹ basis, with double-digit organic¹ gains in Latin America.

Volume grew 6% versus the prior-year period, with gains in both segments led by ongoing penetration of new technology. Sales of new and differentiated Crop Protection products drove double-digit net sales gains for the segment, with an organic¹ sales increase of 13%.

Seed net sales rose 8% for the year-to-date period, primarily driven by increased North America² planted area and share gains in the Brazil Safrinha season.

Price increased 3% versus prior year, with gains in both segments and all regions. Higher prices reflect ongoing execution on a price-for-value strategy globally and pricing for higher raw material and logistical costs.

GAAP income from continuing operations after income taxes was \$1.7 billion year-to-date in 2021. Operating EBITDA¹ for the period was \$2.31 billion, up 25% compared to prior year.

(\$ in millions, except where noted)	3Q 2021	3Q 2020	% Change	% Organic ¹ Change
Net Sales	\$2,371	\$1,863	27%	24%
North America	\$590	\$487	21%	20%
EMEA	\$390	\$315	24%	19%
Latin America	\$1,097	\$805	36%	31%
Asia Pacific	\$294	\$256	15%	16%

(\$ in millions, except where noted)	YTD 2021	YTD 2020	% Change	% Organic ¹ Change
Net Sales	\$12,176	\$11,010	11%	9%
North America	\$6,175	\$5,818	6%	5%
EMEA	\$2,702	\$2,425	11%	7%
Latin America	\$2,203	\$1,754	26%	27%
Asia Pacific	\$1,096	\$1,013	8%	7%

Crop Protection Summary

Crop Protection net sales were approximately \$1.6 billion in the third quarter of 2021 compared to approximately \$1.3 billion in the third quarter of 2020. The sales increase was driven by a 16% increase in volume, a 3% increase in price and a 3% favorable impact from currency.

Volume growth was driven by continued penetration of new products, including Isoclast™ insecticide and Arylex™ herbicide, coupled with strong customer demand and an accelerated start to the season in Latin America, which shifted an estimated \$100 million in sales from the fourth

quarter. Gains were partially offset by an approximate \$70 million impact from the decision to phase out select low-margin products.

The increase in price was driven by gains in Latin America. Favorable currency impacts were primarily from the Brazilian Real.

Segment Operating EBITDA was \$206 million in the third quarter of 2021, up 58% from the third quarter of 2020. Volume gains from new products, favorable mix, productivity actions, and continued pricing execution more than offset higher costs, including raw materials and SG&A.

(\$ in millions, except where noted)	3Q 2021	3Q 2020	% Change	% Organic ¹ Change
North America	\$422	\$390	8%	8%
EMEA	\$237	\$198	20%	17%
Latin America	\$763	\$559	36%	31%
Asia Pacific	\$211	\$193	9%	10%
Total 3Q Crop Protection Net Sales	\$1,633	\$1,340	22%	19%

Crop Protection net sales were approximately \$5.2 billion for the first nine months of 2021 compared to approximately \$4.5 billion in the first nine months of 2020. The increase was due to a 9% increase in volume, a 4% increase in price and a 3% favorable impact from currency, partially offset by a 1% unfavorable portfolio impact.

Volume growth was led by continued penetration of new products, including Arylex™ herbicide and Isoclast™ insecticide. These volume gains were partially offset by an approximate \$200 million impact from our decision to phase out select low-margin products.

The increase in price was largely driven by gains in Latin

America and North America, including pricing for higher raw material and logistical costs. Favorable currency impacts were primarily from the Euro. The portfolio impact was driven by prior-year divestitures in Asia Pacific.

Segment Operating EBITDA was \$897 million for the first nine months of 2021, up 32% from the first nine months of 2020. Continued penetration of new products, favorable mix, ongoing cost and productivity actions, and a favorable impact from currency more than offset higher input costs, including raw material and logistics costs. Segment Operating EBITDA margin improved by more than 230 basis points versus the prior-year period.

(\$ in millions, except where noted)	YTD 2021	YTD 2020	% Change	% Organic ¹ Change
North America	\$1,693	\$1,528	11%	10%
EMEA	\$1,304	\$1,163	12%	6%
Latin America	\$1,361	\$1,086	25%	25%
Asia Pacific	\$808	\$717	13%	11%
Total YTD Crop Protection Net Sales	\$5,166	\$4,494	15%	13%

Seed Summary

Seed net sales were \$738 million in the third quarter of 2021, up from \$523 million in the third quarter of 2020. The increase was due to a 19% increase in price, an 18% increase in volume and a 4% favorable impact from currency.

The increase in price was led by strong execution in Latin America coupled with fewer corn replant units in North America. Higher volumes were driven by lower corn and cotton returns in North America, coupled with higher other seed sales in India. These volume gains were partially offset by robust early demand for corn in Latin America and an early

settlement of the canola season in Canada, which shifted approximately \$80 million of sales into the second quarter.

Favorable currency impacts were primarily driven by the South African Rand and the Brazilian Real.

Segment Operating EBITDA was \$(217) million in the third quarter of 2021, an improvement of 23% compared to prior year. Continued price execution, higher volumes, lower royalties, and ongoing cost and productivity actions more than offset higher costs including commodity costs and SG&A.

(\$ in millions, except where noted)	3Q 2021	3Q 2020	% Change	% Organic ¹ Change
North America	\$168	\$97	73%	71%
EMEA	\$153	\$117	31%	22%
Latin America	\$334	\$246	36%	32%
Asia Pacific	\$83	\$63	32%	32%
Total 3Q Seed Net Sales	\$738	\$523	41%	37%

Seed net sales were approximately \$7.0 billion for the first nine months of 2021, up from approximately \$6.5 billion in the year-ago period. The increase was due to a 4% increase in volume, a 3% increase in price and a 1% favorable impact from currency.

The increase in volume was driven by higher soybean and corn sales in North America, market share gains in Brazil Safrinha, and canola growth in Canada. Price gains were driven by strong adoption of new Seed technology, including price execution in Latin America and EMEA, with corn price up 4% globally. These gains were partially offset by

competitive pricing pressure in North America soybeans, where price was down 3%. Favorable currency impacts primarily from the Canadian Dollar and the Euro more than offset unfavorable impacts from the Brazilian Real.

Segment Operating EBITDA was \$1.5 billion for the first nine months of 2021, up 21% from the prior year. Continued price execution, volume gains, lower royalties, ongoing cost and productivity actions, and lower bad debt expense more than offset higher input costs and higher freight and warehousing costs. Segment Operating EBITDA margin improved by more than 240 basis points versus the prior-year period.

(\$ in millions, except where noted)	YTD 2021	YTD 2020	% Change	% Organic ¹ Change
North America	\$4,482	\$4,290	4%	3%
EMEA	\$1,398	\$1,262	11%	8%
Latin America	\$842	\$668	26%	30%
Asia Pacific	\$288	\$296	(3)%	(4)%
Total YTD Seed Net Sales	\$7,010	\$6,516	8%	7%

Updated 2021 Outlook

The Company increased its previously provided net sales guidance³ for the full year 2021 and now expects net sales in the range of \$15.5 billion to \$15.7 billion, which at the mid-point represents expected net sales growth of approximately 10% for the year. Operating EBITDA¹ guidance was affirmed in the range of \$2.5 billion to \$2.6 billion – representing growth of 22% for the year at the midpoint. Operating EPS¹ guidance was increased to \$2.05 to \$2.15 per share, which represents 40% growth at the midpoint. The Company is not able to reconcile its forward-looking non-GAAP financial measures to its most comparable U.S. GAAP financial measures, as it is unable to predict with reasonable certainty items outside of its control, such as Significant Items, without unreasonable effort.

Third Quarter Conference Call

The Company will host a live webcast of its third quarter 2021 earnings conference call with investors to discuss its results and outlook tomorrow, November 4, 2021, at 9:00 a.m. ET. The slide presentation that accompanies the conference call is posted on the Company's Investor Events and Presentations page. A replay of the webcast will also be available on the [Investor Events and Presentations page](#).

About Corteva

Corteva, Inc. (NYSE: CTVA) is a publicly traded, global pure-play agriculture company that provides farmers around the world with the most complete portfolio in the industry – including a balanced and diverse mix of seed, crop protection and digital solutions focused on maximizing productivity to enhance yield and profitability. With some of the most recognized brands in agriculture and an industry-leading product and technology pipeline well positioned to drive growth, the company is committed to working with stakeholders throughout the food system as it fulfills its promise to enrich the lives of those who produce and those who consume, ensuring progress for generations to come. Corteva became an independent public company on June 1, 2019 and was previously the Agriculture Division of DowDuPont. More information can be found at www.corteva.com.

Follow Corteva on Facebook, Instagram, LinkedIn, Twitter and YouTube.

Cautionary Statement About Forward-Looking Statements

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

Forward-looking statements are based on certain assumptions and expectations of future events which may not be accurate or realized. Forward-looking statements also involve risks and uncertainties, many of which are beyond Corteva's control. While the list of factors presented below is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Corteva's business, results of operations and financial condition. Some of the important factors that could cause Corteva's actual results to differ materially from those projected in any such forward-looking statements include: (i) failure to obtain or maintain the necessary regulatory approvals for some Corteva's products; (ii) failure to successfully develop and commercialize Corteva's pipeline; (iii) effect of the degree of public understanding and acceptance or perceived public acceptance of Corteva's biotechnology and other agricultural products; (iv) effect of changes in agricultural and related policies of governments and international organizations; (v) effect of competition and consolidation in Corteva's industry; (vi) effect of competition from manufacturers of generic products; (vii) costs of complying with evolving regulatory requirements and the effect of actual or alleged violations of environmental laws or permit requirements; (viii) effect of climate change and unpredictable seasonal and weather factors; (ix) risks related to oil and commodity markets; (x) competitor's establishment of an intermediary platform for distribution of Corteva's products; (xi) impact of Corteva's dependence on third parties with respect to certain of its raw materials or licenses and commercialization; (xii) effect of industrial espionage and other disruptions to Corteva's supply chain, information technology or network systems; (xiii) effect of volatility in Corteva's input costs; (xiv) failure to realize the anticipated benefits of the internal reorganizations taken by DowDuPont in connection with the spin-off of Corteva and other cost savings initiatives; (xv) failure to raise capital through the capital markets or short-term borrowings on terms acceptable to Corteva; (xvi) failure of Corteva's customers to pay their debts to Corteva, including customer financing programs; (xvii) increases in pension and other post-employment benefit plan funding obligations; (xviii) risks related to the indemnification obligations of legacy EID liabilities in connection with the separation of Corteva; (xix) effect of compliance with laws and requirements and adverse judgments on litigation; (xx) risks related to Corteva's global operations; (xxi) failure to effectively manage acquisitions, divestitures, alliances and other portfolio actions; (xxii) risks related to COVID-19; (xxiii) risks related to activist stockholders; (xxiv) Corteva's intellectual property rights or defend against intellectual property claims asserted by others; (xxv) effect of counterfeit products; (xxvi) Corteva's dependence on intellectual property cross-license agreements; (xxvii) other risks related to the Separation from DowDuPont; (xxviii) risks related to the Biden executive order Promoting Competition in the American Economy; and (xxix) risks associated with our CEO transition. Where, in any forward-looking statement, an expectation or belief as to future results or events is expressed, such expectation or belief is based on the current plans and expectations of Corteva's management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. Corteva disclaims and does not undertake any obligation to update or revise any forward-looking statement or other estimate, except as required by applicable law. A detailed discussion of some of the significant risks and uncertainties which may cause results and events to differ materially from such forward-looking statements or other estimates is included in the “Risk Factors” section of Corteva's Annual Report on Form 10-K, as modified by subsequent Quarterly Reports on Forms 10-Q and Current Reports on Form 8-K.

Regulation G (Non-GAAP Financial Measures)

This earnings release includes information that does not conform to U.S. GAAP and are considered non-GAAP measures. These measures may include organic sales, organic growth (including by segment and region), operating EBITDA, operating earnings per share, and base tax rate. Management uses these measures internally for planning and forecasting, including allocating resources and evaluating incentive compensation. Management believes that these non-GAAP measures best reflect the ongoing performance of the Company during the periods presented and provide additional, useful information to investors as they provide insight with respect to ongoing operating results of the Company and a useful comparison of year over year results. These non-GAAP measures supplement the Company's U.S. GAAP disclosures and should not be viewed as an alternative to U.S. GAAP measures of performance. Furthermore, such non-GAAP measures may not be consistent with similar measures provided or used by other companies. Reconciliations for these non-GAAP measures to U.S. GAAP are provided in the Selected Financial Information and Non-GAAP Measures starting on page A-5 of the Financial Statement Schedules.

Corteva is not able to reconcile its forward-looking non-GAAP financial measures to their most comparable U.S. GAAP financial measures, as it is unable to predict with reasonable certainty items outside of the Company's control, such as Significant Items, without unreasonable effort. For Significant items reported in the periods presented, refer to page A-10 of the Financial Statement Schedules. Beginning January 1, 2020, the Company presents accelerated prepaid royalty amortization expense as a significant item. Accelerated prepaid royalty amortization represents the noncash charge associated with the recognition of upfront payments made to Monsanto in connection with the Company's non-exclusive license in the United States and Canada for Monsanto's Genuity® Roundup Ready 2 Yield® Roundup Ready 2 Xtend® herbicide tolerance traits. During the five-year ramp-up period of Enlist E3™, Corteva is expected to significantly reduce the volume of products with the Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits beginning in 2021, with expected minimal use of the trait platform after the completion of the ramp-up. Additionally, on February 1, 2021, Corteva approved restructuring actions designed to right-size and optimize footprint and organizational structure according to the business needs in each region with the focus on driving continued cost improvement and productivity. The restructuring actions are expected to be substantially complete in 2021. Organic sales is defined as price and volume and excludes currency and portfolio impacts. Operating EBITDA is defined as earnings (i.e., income from continuing operations before income taxes) before interest, depreciation, amortization, non-operating benefits, net and foreign exchange gains (losses) net, and net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting, excluding the impact of significant items (including goodwill impairment charges). Non-operating benefits, net consists of non-operating pension and other post-employment benefit (OPEB) credits, tax indemnification adjustments, environmental remediation and legal costs associated with legacy businesses and sites of Historical DuPont. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the Company as pre-tax income or expense.

Operating earnings per share are defined as "Earnings per common share from continuing operations - diluted" excluding the after-tax impact of significant items (including goodwill impairment charges), the after tax impact of non-operating benefits, net, and the after-tax impact of amortization expense associated with intangible assets existing as of the Separation from DowDuPont, and the after-tax impact of net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting. Although amortization of the Company's intangible assets is excluded from these non-GAAP measures, management believes it is important for investors to understand that such intangible assets contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in amortization of additional intangible assets. Net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting represents the non-cash net gain (loss) from changes in fair value of certain undesignated foreign currency derivative contracts. Upon settlement, which is within the same calendar year of execution of the contract, the net gain (loss) from the changes in fair value of the non-qualified foreign currency derivative contracts will be reported in relevant non-GAAP financial measures, allowing quarterly results to reflect the economic effects of the foreign currency derivative contracts without the resulting unrealized mark to fair value volatility. Base tax rate is defined as the effective tax rate excluding the impacts of foreign exchange gains (losses) net, non-operating benefits, net, amortization of intangibles as of the Separation from DowDuPont, and significant items (including goodwill impairment charges).

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A-1
Corteva, Inc.
Consolidated Statements of Operations
(Dollars in millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net sales	\$ 2,371	\$ 1,863	\$ 12,176	\$ 11,010
Cost of goods sold	1,558	1,297	6,988	6,395
Research and development expense	297	284	871	837
Selling, general and administrative expenses	672	597	2,403	2,319
Amortization of intangibles	180	162	543	501
Restructuring and asset related charges - net	26	49	261	298
Other income — net	378	30	1,013	120
Interest expense	8	11	22	35
Income (loss) from continuing operations before income taxes	8	(507)	2,101	745
(Benefit from) provision for income taxes on continuing operations	(28)	(117)	434	88
Income (loss) from continuing operations after income taxes	36	(390)	1,667	657
(Loss) income from discontinued operations after income taxes	(4)	—	(59)	1
Net income (loss)	32	(390)	1,608	658
Net income attributable to noncontrolling interests	2	2	8	18
Net income (loss) attributable to Corteva	\$ 30	\$ (392)	\$ 1,600	\$ 640
Basic earnings (loss) per share of common stock:				
Basic earnings (loss) per share of common stock from continuing operations	\$ 0.05	\$ (0.52)	\$ 2.25	\$ 0.85
Basic loss per share of common stock from discontinued operations	(0.01)	—	(0.08)	—
Basic earnings (loss) per share of common stock	\$ 0.04	\$ (0.52)	\$ 2.17	\$ 0.85
Diluted earnings (loss) per share of common stock:				
Diluted earnings (loss) per share of common stock from continuing operations	\$ 0.05	\$ (0.52)	\$ 2.23	\$ 0.85
Diluted loss per share of common stock from discontinued operations	(0.01)	—	(0.08)	—
Diluted earnings (loss) per share of common stock	\$ 0.04	\$ (0.52)	\$ 2.15	\$ 0.85
Average number of shares outstanding used in earnings (loss) per share (EPS) calculation (in millions)				
Basic	733.8	749.5	738.1	749.5
Diluted	739.5	749.5	744.0	752.0

A-2
Corteva, Inc.
Consolidated Balance Sheets
(Dollars in millions, except share amounts)

Assets	September 30, 2021	December 31, 2020	September 30, 2020
Current assets			
Cash and cash equivalents	\$ 2,779	\$ 3,526	\$ 2,768
Marketable securities	103	269	152
Accounts and notes receivable, net	5,818	4,926	5,627
Inventories	4,417	4,882	4,374
Other current assets	1,029	1,165	1,167
Total current assets	14,146	14,768	14,088
Investment in nonconsolidated affiliates	67	66	62
Property, plant and equipment	8,270	8,253	7,985
Less: Accumulated depreciation	3,960	3,857	3,712
Net property, plant and equipment	4,310	4,396	4,273
Goodwill	10,130	10,269	10,110
Other intangible assets	10,225	10,747	10,914
Deferred income taxes	448	464	289
Other assets	1,796	1,939	1,954
Total Assets	\$ 41,122	\$ 42,649	\$ 41,690
Liabilities and Equity			
Current liabilities			
Short-term borrowings and finance lease obligations	\$ 1,372	\$ 3	\$ 2,142
Accounts payable	3,512	3,615	2,994
Income taxes payable	95	123	168
Deferred revenue	692	2,662	402
Accrued and other current liabilities	2,134	2,145	2,028
Total current liabilities	7,805	8,548	7,734
Long-Term Debt	1,101	1,102	1,102
Other Noncurrent Liabilities			
Deferred income tax liabilities	930	893	740
Pension and other post employment benefits - noncurrent	4,583	5,176	5,904
Other noncurrent obligations	1,724	1,867	1,864
Total noncurrent liabilities	8,338	9,038	9,610
Commitments and contingent liabilities			
Stockholders' equity			
Common stock, \$0.01 par value; 1,666,667,000 shares authorized; issued at September 30, 2021 - 730,267,000; December 31, 2020 - 743,458,000; and September 30, 2020 - 747,492,000	7	7	7
Additional paid-in capital	27,712	27,707	27,895
Retained earnings	666	—	—
Accumulated other comprehensive loss	(3,645)	(2,890)	(3,796)
Total Corteva stockholders' equity	24,740	24,824	24,106
Noncontrolling interests	239	239	240
Total equity	24,979	25,063	24,346
Total Liabilities and Equity	\$ 41,122	\$ 42,649	\$ 41,690

A-3
Corteva, Inc.
Consolidated Statement of Cash Flows
(Dollars in millions, except per share amounts)

	Nine Months Ended September 30,	
	2021	2020
Operating activities		
Net income	\$ 1,608	\$ 658
Adjustments to reconcile net income to cash used for operating activities:		
Depreciation and amortization	926	868
Provision for (benefit from) deferred income tax	151	(153)
Net periodic pension and OPEB benefit, net	(959)	(255)
Pension and OPEB contributions	(202)	(222)
Net (gain) loss on sales of property, businesses, consolidated companies, and investments	(1)	29
Restructuring and asset related charges - net	261	298
Other net loss	117	240
Changes in assets and liabilities - net		
Accounts and notes receivable	(1,116)	(619)
Inventories	375	481
Accounts Payable	(41)	(629)
Deferred revenue	(1,945)	(2,169)
Other assets and liabilities	7	236
Cash used for operating activities	(819)	(1,237)
Investing activities		
Capital expenditures	(413)	(301)
Proceeds from sales of property, businesses, and consolidated companies - net of cash divested	53	22
Investments in and loans to nonconsolidated affiliates	(3)	(1)
Purchases of investments	(147)	(656)
Proceeds from sales and maturities of investments	310	498
Other investing activities - net	(1)	(7)
Cash used for investing activities	(201)	(445)
Financing activities		
Net change in borrowings (less than 90 days)	949	1,582
Proceeds from debt	419	2,434
Payments on debt	(1)	(879)
Repurchase of common stock	(750)	(83)
Proceeds from exercise of stock options	71	19
Dividends paid to stockholders	(295)	(291)
Payments for acquisition of subsidiary's interest from the non-controlling interest	—	(60)
Other financing activities	(28)	(27)
Cash provided by financing activities	365	2,695
Effect of exchange rate changes on cash, cash equivalents and restricted cash equivalents	(78)	(64)
(Decrease)/increase in cash, cash equivalents and restricted cash equivalents	(733)	949
Cash, cash equivalents and restricted cash equivalents at beginning of period	3,873	2,173
Cash, cash equivalents and restricted cash equivalents at end of period	\$ 3,140	\$ 3,122

Corteva, Inc.

Consolidated Segment Information

(Dollars in millions, except per share amounts)

SEGMENT NET SALES - SEED	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Corn	\$ 437	\$ 303	\$ 4,505	\$ 4,224
Soybean	157	116	1,494	1,382
Other oilseeds	94	62	661	529
Other	50	42	350	381
Seed	\$ 738	\$ 523	\$ 7,010	\$ 6,516

SEGMENT NET SALES - CROP PROTECTION	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Herbicides	\$ 782	\$ 583	\$ 2,737	\$ 2,315
Insecticides	416	395	1,261	1,218
Fungicides	339	261	911	714
Other	96	101	257	247
Crop Protection	\$ 1,633	\$ 1,340	\$ 5,166	\$ 4,494

GEOGRAPHIC NET SALES - SEED	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
North America ¹	\$ 168	\$ 97	\$ 4,482	\$ 4,290
EMEA ²	153	117	1,398	1,262
Latin America	334	246	842	668
Asia Pacific	83	63	288	296
Rest of World ³	570	426	2,528	2,226
Net Sales	\$ 738	\$ 523	\$ 7,010	\$ 6,516

GEOGRAPHIC NET SALES - CROP PROTECTION	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
North America ¹	\$ 422	\$ 390	\$ 1,693	\$ 1,528
EMEA ²	237	198	1,304	1,163
Latin America	763	559	1,361	1,086
Asia Pacific	211	193	808	717
Rest of World ³	1,211	950	3,473	2,966
Net Sales	\$ 1,633	\$ 1,340	\$ 5,166	\$ 4,494

1. Reflects U.S. & Canada

2. Reflects Europe, Middle East, and Africa

3. Reflects EMEA, Latin America, and Asia Pacific

Corteva, Inc.

Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021		2021	
Net Sales (GAAP)	\$	2,371	\$	12,176
Less: Impacts from Currency and Portfolio		57		162
Organic Sales (Non-GAAP)	\$	2,314	\$	12,014

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
OPERATING EBITDA				
Seed	\$	(217)	\$	1,523
Crop Protection		206		897
Corporate Expenses		(40)		(106)
Operating EBITDA (Non-GAAP)	\$	(51)	\$	2,314

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
RECONCILIATION OF INCOME (LOSS) FROM CONTINUING OPERATIONS AFTER INCOME TAXES TO OPERATING EBITDA				
Income (loss) from continuing operations after income taxes (GAAP)	\$	36	\$	(390)
(Benefit from) provision for income taxes on continuing operations		(28)		(117)
Income (loss) from continuing operations before income taxes (GAAP)		8		(507)
Depreciation and amortization		309		285
Interest income		(19)		(11)
Interest expense		8		11
Exchange (gains) losses - net ¹		(2)		67
Non-operating benefits - net ²		(315)		(73)
Mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges ³		(19)		3
Significant items (benefit) charge ⁴		(21)		49
Operating EBITDA (Non-GAAP)	\$	(51)	\$	(179)

1. Refer to page A-15 for pre-tax and after tax impacts of exchange losses - net.
2. Non-operating benefits—net consists of non-operating pension and other post-employment benefit (OPEB) (benefits) costs, tax indemnification adjustments, environmental remediation and legal costs associated with legacy EID businesses and sites. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense.
3. Effective January 1, 2021, on a prospective basis, the company excludes net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting. For the three and nine months ended September 30, 2020, the unrealized mark-to-market (loss) gain was \$(8) million and \$19 million, respectively.
4. Refer to page A-10 for pre-tax and after tax impacts of significant items.

A-6
Corteva, Inc.
Reconciliation of Non-GAAP Measures
(Dollars in millions, except per share amounts)

PRICE - VOLUME - CURRENCY ANALYSIS

REGION

	Q3 2021 vs. Q3 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
North America	\$ 103	21 %	\$ 99	20 %	9 %	11 %	1 %	— %	
EMEA	75	24 %	60	19 %	2 %	17 %	5 %	— %	
Latin America	292	36 %	252	31 %	11 %	20 %	5 %	— %	
Asia Pacific	38	15 %	40	16 %	— %	16 %	1 %	(2)%	
Rest of World	405	29 %	352	26 %	7 %	19 %	4 %	(1)%	
Total	\$ 508	27 %	\$ 451	24 %	7 %	17 %	3 %	— %	

SEED

	Q3 2021 vs. Q3 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
North America	\$ 71	73 %	\$ 69	71 %	38 %	33 %	2 %	— %	
EMEA	36	31 %	26	22 %	4 %	18 %	9 %	— %	
Latin America	88	36 %	79	32 %	23 %	9 %	4 %	— %	
Asia Pacific	20	32 %	20	32 %	(1)%	33 %	— %	— %	
Rest of World	144	34 %	125	30 %	15 %	15 %	4 %	— %	
Total	\$ 215	41 %	\$ 194	37 %	19 %	18 %	4 %	— %	

CROP PROTECTION

	Q3 2021 vs. Q3 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
North America	\$ 32	8 %	\$ 30	8 %	2 %	6 %	— %	— %	
EMEA	39	20 %	34	17 %	1 %	16 %	3 %	— %	
Latin America	204	36 %	173	31 %	5 %	26 %	5 %	— %	
Asia Pacific	18	9 %	20	10 %	— %	10 %	2 %	(3)%	
Rest of World	261	27 %	227	24 %	3 %	21 %	4 %	(1)%	
Total	\$ 293	22 %	\$ 257	19 %	3 %	16 %	3 %	— %	

Corteva, Inc.

Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share amounts)

SEED PRODUCT LINE

	Q3 2021 vs. Q3 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Corn	\$ 134	44 %	\$ 120	40 %	23 %	17 %	4 %	— %	
Soybeans	41	35 %	36	31 %	20 %	11 %	4 %	— %	
Other oilseeds	32	52 %	31	50 %	6 %	44 %	2 %	— %	
Other	8	19 %	7	17 %	8 %	9 %	2 %	— %	
Total	\$ 215	41 %	\$ 194	37 %	19 %	18 %	4 %	— %	

CROP PROTECTION PRODUCT LINE

	Q3 2021 vs. Q3 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Herbicides	\$ 199	34 %	\$ 183	31 %	7 %	24 %	3 %	— %	
Insecticides	21	5 %	11	3 %	— %	3 %	2 %	— %	
Fungicides	78	30 %	69	26 %	3 %	23 %	5 %	(1)%	
Other	(5)	(5)%	(6)	(6)%	(10)%	4 %	1 %	— %	
Total	\$ 293	22 %	\$ 257	19 %	3 %	16 %	3 %	— %	

Corteva, Inc.

Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share amounts)

PRICE - VOLUME - CURRENCY ANALYSIS**REGION**

	Nine Months 2021 vs. Nine Months 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
North America	\$ 357	6 %	\$ 296	5 %	1 %	4 %	1 %	— %	
EMEA	277	11 %	169	7 %	4 %	3 %	4 %	— %	
Latin America	449	26 %	473	27 %	10 %	17 %	(1)%	— %	
Asia Pacific	83	8 %	66	7 %	2 %	5 %	3 %	(2)%	
Rest of World	809	16 %	708	14 %	5 %	9 %	2 %	— %	
Total	\$ 1,166	11 %	\$ 1,004	9 %	3 %	6 %	2 %	— %	

SEED

	Nine Months 2021 vs. Nine Months 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
North America	\$ 192	4 %	\$ 148	3 %	— %	3 %	1 %	— %	
EMEA	136	11 %	97	8 %	5 %	3 %	3 %	— %	
Latin America	174	26 %	203	30 %	14 %	16 %	(4)%	— %	
Asia Pacific	(8)	(3)%	(11)	(4)%	1 %	(5)%	1 %	— %	
Rest of World	302	14 %	289	13 %	7 %	6 %	1 %	— %	
Total	\$ 494	8 %	\$ 437	7 %	3 %	4 %	1 %	— %	

CROP PROTECTION

	Nine Months 2021 vs. Nine Months 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
North America	\$ 165	11 %	\$ 148	10 %	3 %	7 %	1 %	— %	
EMEA	141	12 %	72	6 %	2 %	4 %	6 %	— %	
Latin America	275	25 %	270	25 %	7 %	18 %	— %	— %	
Asia Pacific	91	13 %	77	11 %	2 %	9 %	5 %	(3)%	
Rest of World	507	17 %	419	14 %	4 %	10 %	4 %	(1)%	
Total	\$ 672	15 %	\$ 567	13 %	4 %	9 %	3 %	(1)%	

Corteva, Inc.

Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share amounts)

SEED PRODUCT LINE

	Nine Months 2021 vs. Nine Months 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Corn	\$ 281	7 %	\$ 259	6 %	4 %	2 %	1 %	— %	
Soybeans	112	8 %	95	7 %	— %	7 %	1 %	— %	
Other oilseeds	132	25 %	117	22 %	4 %	18 %	3 %	— %	
Other	(31)	(8)%	(34)	(9)%	(4)%	(5)%	1 %	— %	
Total	\$ 494	8 %	\$ 437	7 %	3 %	4 %	1 %	— %	

CROP PROTECTION PRODUCT LINE

	Nine Months 2021 vs. Nine Months 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Herbicides	\$ 422	18 %	\$ 349	15 %	4 %	11 %	3 %	— %	
Insecticides	43	4 %	24	2 %	3 %	(1)%	2 %	— %	
Fungicides	197	28 %	184	26 %	4 %	22 %	5 %	(3)%	
Other	10	4 %	10	4 %	(3)%	7 %	— %	— %	
Total	\$ 672	15 %	\$ 567	13 %	4 %	9 %	3 %	(1)%	

1. Organic sales is defined as price and volume and excludes currency and portfolio impacts.

A-10
Corteva, Inc.
Significant Items

(Dollars in millions, except per share amounts)

SIGNIFICANT ITEMS BY SEGMENT (PRE-TAX)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Seed	\$ 38	\$ (9)	\$ (98)	\$ (154)
Crop Protection	(8)	(40)	(51)	(151)
Corporate	(9)	—	(65)	(46)
Total significant items before income taxes	\$ 21	\$ (49)	\$ (214)	\$ (351)

SIGNIFICANT ITEMS - PRE-TAX, AFTER TAX, AND EPS IMPACTS

	Pre-tax		After tax ⁶		(\$ Per Share)	
	2021	2020	2021	2020	2021	2020
<u>1st Quarter</u>						
Restructuring and asset related charges, net ¹	\$ (100)	\$ (70)	\$ (77)	\$ (57)	\$ (0.10)	\$ (0.08)
Loss on divestiture ²	—	(53)	—	(43)	—	(0.06)
Income tax items ³	—	—	—	(19)	—	(0.02)
1st Quarter — Total	\$ (100)	\$ (123)	\$ (77)	\$ (119)	\$ (0.10)	\$ (0.16)
<u>2nd Quarter</u>						
Restructuring and asset related charges, net ¹	\$ (135)	\$ (179)	\$ (107)	\$ (143)	\$ (0.14)	\$ (0.19)
Income tax items ³	—	—	—	29	—	0.04
2nd Quarter — Total	\$ (135)	\$ (179)	\$ (107)	\$ (114)	\$ (0.14)	\$ (0.15)
<u>3rd Quarter</u>						
Restructuring and asset related charges, net ¹	\$ (26)	\$ (49)	\$ (18)	\$ (27)	\$ (0.03)	\$ (0.04)
Equity securities mark-to-market gain ⁴	47	—	35	—	0.05	—
3rd Quarter - Total	\$ 21	\$ (49)	\$ 17	\$ (27)	\$ 0.02	\$ (0.04)
Year-to-date Total ⁵	\$ (214)	\$ (351)	\$ (167)	\$ (260)	\$ (0.22)	\$ (0.35)

1. Third quarter, second quarter, and first quarter 2021 included restructuring and asset related benefits (charges) of \$(26), \$(135) and \$(100), respectively. The charges for the third quarter primarily relate to a \$(21) charge associated with the 2021 Restructuring Actions and a \$(5) charge related to non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits. The charges for the second quarter primarily relate to a \$(23) charge associated with the 2021 Restructuring Actions and a \$(112) charge related to non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits. The charges for the first quarter primarily relate to a \$(89) charge associated with the 2021 Restructuring Actions and a \$(7) charge related to non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits.

Third quarter, second quarter and first quarter 2020 included restructuring and asset related charges of \$(49), \$(179) and \$(70), respectively. The charge for the third quarter included a \$(30) charge related to the Execute to Win Productivity Program, a \$(10) charge related to non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits, and a \$(9) charge associated with the DowDuPont Synergy Program. The charge for the second quarter included a \$(41) charge related to the Execute to Win Productivity Program and a \$(138) charge related to non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits. The charge for the first quarter included a \$(63) charge related to the Execute to Win Productivity Program, a \$(10) charge related to non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits, and a \$3 asset related benefit associated with the DowDuPont Synergy Program.

The after-tax charge for the third quarter of 2020 includes a net tax benefit of \$11 related to a change in estimate on the full year impact

Corteva, Inc.
Significant Items

(Dollars in millions, except per share amounts)

of The Act's foreign provisions.

2. First quarter 2020 included a loss of \$(53) included in other income - net related to the sale of the La Porte site, for which the company signed an agreement during the first quarter 2020, and closed during the first quarter of 2021.
3. Second quarter 2020 reflected a benefit of \$29 due to an elective change in accounting method that altered the 2019 impact of the business separation on the 2017 Tax Cuts and Jobs Act's foreign tax provisions. First quarter 2020 included an after tax charge related to the impact of a state tax valuation allowance in the U.S. based on a change in judgment about the realizability of a deferred tax asset.
4. Third quarter 2021 included a benefit relating to a \$47 mark-to-market gain on equity securities.
5. Earnings per share for the year may not equal the sum of quarterly earnings per share due to the changes in average share calculations.
6. Unless specifically addressed in notes above, the income tax effect on significant items was calculated based upon the enacted tax laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.

Corteva, Inc.

Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share amounts)

Operating Earnings (Loss) Per Share (Non-GAAP)

Operating earnings (loss) per share is defined as earnings (loss) per share from continuing operations – diluted, excluding non-operating benefits - net, amortization of intangibles (existing as of Separation), net unrealized gain or loss from mark-to-market activity on certain foreign currency derivative instruments that do not qualify for hedge accounting, and significant items.

	Three Months Ended September 30,			
	2021	2020	2021	2020
	\$	\$	EPS (diluted)	EPS (diluted)
Net income (loss) from continuing operations attributable to Corteva (GAAP)	\$ 34	\$ (392)	\$ 0.05	\$ (0.52)
Less: Non-operating benefits - net, after tax ¹	242	56	0.33	0.08
Less: Amortization of intangibles (existing as of Separation), after tax	(140)	(126)	(0.18)	(0.17)
Less: Mark-to-market gains on certain foreign currency contracts not designated as hedges, after tax ²	15		0.02	
Less: Significant items benefit (charge), after tax	17	(27)	0.02	(0.04)
Operating Loss (Non-GAAP)	\$ (100)	\$ (295)	\$ (0.14)	\$ (0.39)
	Nine Months Ended September 30,			
	2021	2020	2021	2020
	\$	\$	EPS (diluted)	EPS (diluted)
Net income from continuing operations attributable to Corteva (GAAP)	\$ 1,659	\$ 639	\$ 2.23	\$ 0.85
Less: Non-operating benefits - net, after tax ¹	716	180	0.96	0.24
Less: Amortization of intangibles (existing as of Separation), after tax	(423)	(377)	(0.57)	(0.50)
Less: Mark-to-market losses on certain foreign currency contracts not designated as hedges, after tax ²	(2)		—	
Less: Significant items charge, after tax	(167)	(260)	(0.22)	(0.35)
Operating Earnings (Non-GAAP)	\$ 1,535	\$ 1,096	\$ 2.06	\$ 1.46

1. Non-operating benefits—net consists of non-operating pension and other post-employment benefit (OPEB) benefits (costs), tax indemnification adjustments, and environmental remediation and legal costs associated with legacy EID businesses and sites. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense.
2. Effective January 1, 2021, on a prospective basis, the company excludes net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting. For the three and nine months ended September 30, 2020, the unrealized mark-to-market (loss) gain was \$(8) million and \$19 million, respectively.

A-13
Corteva, Inc.

Operating EBITDA to Operating Earnings Per Share
(Dollars in millions, except per share amounts)

Operating EBITDA to Operating Earnings (Loss) Per Share

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Operating EBITDA (Non-GAAP)¹	\$ (51)	\$ (179)	\$ 2,314	\$ 1,851
Depreciation	(129)	(123)	(383)	(367)
Interest Income	19	11	58	38
Interest Expense	(8)	(11)	(22)	(35)
Benefit from (provision for) income taxes on continuing operations before significant items, non-operating benefits - net, amortization of intangibles (existing as of Separation), mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges, and exchange gains/(losses), net (Non-GAAP) ¹	74	58	(366)	(249)
Base income tax rate from continuing operations (Non-GAAP) ¹	43.8 %	19.2 %	18.6 %	16.7 %
Exchange losses - net, after tax ²	(3)	(49)	(58)	(124)
Net (income) loss attributable to non-controlling interests	(2)	(2)	(8)	(18)
Operating (Loss) Earnings (Non-GAAP)¹	\$ (100)	\$ (295)	\$ 1,535	\$ 1,096
Diluted Shares (in millions)	739.5	749.5	744.0	752.0
Operating (Loss) Earnings Per Share (Non-GAAP)¹	\$ (0.14)	\$ (0.39)	\$ 2.06	\$ 1.46

1. Refer to pages A-5 through A-9, A-12 and A-14 for Non-GAAP reconciliations.
2. Refer to page A-15 for pre-tax and after tax impacts of exchange (losses) gains - net.

A-14
Corteva, Inc.

Reconciliation of Non-GAAP Measures
(Dollars in millions, except per share amounts)

Reconciliation of Base Income Tax Rate to Effective Income Tax Rate

Base income tax rate is defined as the effective income tax rate less the effect of exchange (losses) gains, significant items, amortization of intangibles (existing as of Separation), mark-to-market gains on certain foreign currency contracts not designated as hedges, and non-operating benefits - net.

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Income (loss) from continuing operations before income taxes (GAAP)	\$ 8	\$ (507)	\$ 2,101	\$ 745
Add: Significant items - (benefit) charge ¹	(21)	49	214	351
Non-operating benefits - net	(315)	(73)	(941)	(237)
Amortization of intangibles (existing as of Separation)	180	162	543	501
Mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges ²	(19)	-	3	-
Less: Exchange gains (losses), net ³	2	(67)	(47)	(127)
(Loss) income from continuing operations before income taxes, significant items, non-operating benefits - net, amortization of intangibles (existing as of Separation), mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges, and exchange gains (losses), net (Non-GAAP)	\$ (169)	\$ (302)	\$ 1,967	\$ 1,487
(Benefit from) provision for income taxes on continuing operations (GAAP)	\$ (28)	\$ (117)	\$ 434	\$ 88
Add: Tax (expenses) benefits on significant items charge ¹	(4)	22	47	91
Tax expenses on non-operating benefits - net	(73)	(17)	(225)	(57)
Tax benefits on amortization of intangibles (existing as of Separation)	40	36	120	124
Tax (expenses) benefits on mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges ²	(4)	-	1	-
Tax (expenses) benefits on exchange gains (losses), net ³	(5)	18	(11)	3
(Benefit from) provision for income taxes on continuing operations before significant items, non-operating benefits - net, amortization of intangibles (existing as of Separation), mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges, and exchange gains (losses), net (Non-GAAP)	\$ (74)	\$ (58)	\$ 366	\$ 249
Effective income tax rate (GAAP)	(350.0)%	23.1 %	20.7 %	11.8 %
Significant items, non-operating benefits, amortization of intangibles (existing as of Separation), and mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges effect	393.9 %	(2.5)%	(1.1)%	6.3 %
Tax rate from continuing operations before significant items, non-operating benefits - net, amortization of intangibles (existing as of Separation), and mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges	43.9 %	20.6 %	19.6 %	18.1 %
Exchange gains (losses), net effect ³	(0.1)%	(1.4)%	(1.0)%	(1.4)%
Base income tax rate from continuing operations (Non-GAAP)	43.8 %	19.2 %	18.6 %	16.7 %

1. See Significant Items table for further detail.

2. Effective January 1, 2021, on a prospective basis, the company excludes net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting. For the three and nine months ended September 30, 2020, the unrealized mark-to-market (loss) gain was \$(8) million and \$19 million, respectively.

3. See page A-15 for further details of exchange (losses) gains.

Corteva, Inc.

(Dollars in millions, except per share amounts)

Exchange Gains/Losses

The company routinely uses foreign currency exchange contracts to offset its net exposures, by currency, related to the foreign currency-denominated monetary assets and liabilities. The objective of this program is to maintain an approximately balanced position in foreign currencies in order to minimize, on an after-tax basis, the effects of exchange rate changes on net monetary asset positions. The hedging program gains (losses) are largely taxable (tax deductible) in the United States (U.S.), whereas the offsetting exchange gains (losses) on the remeasurement of the net monetary asset positions are often not taxable (tax deductible) in their local jurisdictions. The net pre-tax exchange gains (losses) are recorded in other income (expense) - net and the related tax impact is recorded in provision for (benefit from) income taxes on continuing operations in the Consolidated Statements of Operations.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
<u>Subsidiary Monetary Position Loss</u>				
Pre-tax exchange losses	\$ (32)	\$ (61)	\$ (47)	\$ (300)
Local tax benefits (expenses)	3	16	(11)	44
Net after tax impact from subsidiary exchange losses	\$ (29)	\$ (45)	\$ (58)	\$ (256)
<u>Hedging Program Gain (Loss)</u>				
Pre-tax exchange gains (losses)	\$ 34	\$ (6)	\$ —	\$ 173
Tax (expenses) benefits	(8)	2	—	(41)
Net after tax impact from hedging program exchange gains (losses)	\$ 26	\$ (4)	\$ —	\$ 132
<u>Total Exchange Loss</u>				
Pre-tax exchange gains (losses)	\$ 2	\$ (67)	\$ (47)	\$ (127)
Tax (expenses) benefits	(5)	18	(11)	3
Net after tax exchange losses	\$ (3)	\$ (49)	\$ (58)	\$ (124)

As shown above, the "Total Exchange Loss" is the sum of the "Subsidiary Monetary Position Loss" and the "Hedging Program Gain (Loss)."