

November 1, 2018

From: Paul Kende

To: NRLN DuPont Retirees Chapter Members

Subject: Pension Plan Allocation Decision

DowDuPont announced this morning and that all heritage US DuPont pension and retiree benefit obligations will be fully assumed by Corteva Agriscience. A letter from Ed Breen to DuPont U.S. Pension Plan Participants, covering this, is now posted on www.retiree.dupont.com, along with supporting FAQ information. [A direct link to the letter is here.](#) Hardcopy distribution of the letter to all participants is also starting.

The nearly \$4 billion 2017-2018 contribution to the Pension Plan significantly reduces its underfunding to about \$2.5 billion and raises its funding level to 88%, based on Fair Market Value of its assets and obligations at year end 2017. While this is still not as high as it should be, the significant increase in funding level does demonstrate a corporate commitment to keep the Plan healthy. Mr. Breen's appointment to the Corteva Board of Directors, also just announced, underscores a key statement in his letter, that this "commitment has not and will not change with Corteva Agriscience as the future steward of the Plan."

In my view, within the framework of the fundamental Dow and DuPont corporate restructuring, keeping the Pension Plan consolidated and assigning its assets and obligations to Corteva, is the best option for ensuring retirees' pension security. My rationale for supporting this decision is that, while smaller in size, Corteva's better credit rating (A-) makes it financially stronger than the new DuPont will be, and with a more integrated, single-focus business, it is also less likely to be split up in the future, that would cause further uncertainties for pension security. In addition, splitting up the Pension Plan would be a monumental administrative task, and would result in two separate, inherently less efficient administrative and investment management operations.

Your questions and comments are always welcome.

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