

Corteva Reports Second Quarter and First Half 2022 Results, Raises Full-Year Net Sales and Earnings Guidance

- Increased dividend ~7% on an annualized basis, effective in the third quarter
- Announces restructuring program in connection with strategic portfolio reviews

INDIANAPOLIS, Ind., August 4, 2022 – Corteva, Inc. (NYSE: CTVA) (“Corteva” or the “Company”) today reported financial results for the second quarter and six months ended June 30, 2022.

2Q 2022 Results Overview

	Net Sales	Income from Cont. Ops (After Tax)	EPS
GAAP	\$6.25B	\$1.00B	\$1.37
vs. 2Q 2021	+11%	(2)%	- %
	Organic ¹ Sales	Operating EBITDA ¹	Operating EPS ¹
NON-GAAP	\$6.35B	\$1.72B	\$1.64
vs. 2Q 2021	+13%	+18%	+17%

1H 2022 Results Overview

	Net Sales	Income from Cont. Ops (After Tax)	EPS
GAAP	\$10.85B	\$1.58B	\$2.16
vs. 1H 2021	+11%	(3)%	(1)%
	Organic ¹ Sales	Operating EBITDA ¹	Operating EPS ¹
NON-GAAP	\$11.19B	\$2.76B	\$2.61
vs. 1H 2021	+14%	+17%	+19%

First Half 2022 Highlights

- First half 2022 net sales rose 11% versus prior year with gains in both segments. Organic¹ sales increased 14% in the same period with gains in all regions.
- Seed net sales grew 3% and organic¹ sales increased 6% year over year, with notable gains in EMEA², partially offset by the reduction of corn acres and canola volumes in North America². Price was up 7% globally, led by continued execution on the company’s price for value strategy and recovery of higher input costs.
- Crop Protection net sales grew 24% and organic¹ sales increased 28%, led by North America² and Latin America. Volume gains were driven by continued penetration of new products, including Enlist™ and Arylex™ herbicides and Onmira™ fungicide, and strong early demand in Latin America. Price gains reflected strong execution across all regions in response to cost inflation.
- GAAP income and earnings per share (EPS) from continuing operations were \$1.58 billion and \$2.16 per share for the first half of 2022, respectively. Operating EBITDA¹ was \$2.76 billion, a 17% improvement over prior year on strong price execution and volume gains in all regions and productivity actions, partially offset by inflation and currency headwinds. Operating EPS¹ was \$2.61 per share, up 19% compared to prior year.
- Management increased full year 2022 net sales and earnings guidance³. Net sales is expected to be in the range of \$17.2 billion to \$17.5 billion and Operating EBITDA¹ is expected to be in the range of \$2.95 billion to \$3.10 billion. Operating EPS¹ is expected to be in the range of \$2.45 to \$2.60 per share.
- The Company announced a ~7% annualized dividend increase effective in the third quarter – reflecting continued focus on returning capital to shareholders.

1. Organic Sales, Operating EPS and Operating EBITDA are non-GAAP measures. See page A-5 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 7 for further discussion. 4. Enlist E3™ soybeans are jointly developed by Corteva Agriscience LLC and MS Technologies™.



“Corteva delivered an impressive first half with double-digit sales and Operating EBITDA growth and margin expansion, reflecting strong customer demand and focused execution amidst dynamic market conditions.

We also continue to take actions to accelerate performance, including the completion of strategic portfolio reviews aimed at refining our strategy, driving operational execution, and making disciplined investment decisions in innovation and technology to deliver increased value to farmers and contribute to a more sustainable global food system.

We believe that we are well-positioned to continue to adapt and execute in a challenging operating environment. Our strong first half momentum and robust market fundamentals have given us confidence to raise our guidance for the year.”

Chuck Magro
Chief Executive Officer

Company Updates

Company Announces Completion of Strategic Portfolio Reviews

- In connection with its previously announced business realignment, the Company completed strategic portfolio reviews, aimed at refining the Company’s strategy and accelerating short-term and long-term margin growth.
- The outcome of this analysis is the Company’s plan to exit non-strategic geographies and product lines while emphasizing its core markets and crops, representing over 95% of its current total net sales and 99% of its current total Operating EBITDA¹.
- These portfolio decisions will position the Company to focus investment on delivering greater value to growers through more differentiated and sustainably advantaged solutions, leveraging its pipeline to drive advancements in global food security and climate change.
- The Company is also right-sizing and optimizing its cost structure to enable greater agility and accountability for the performance of its two business units, Seed and Crop Protection.
- As a result, the Company expects to record total restructuring and other charges of approximately \$400 million through the second quarter of 2023, roughly half of which represents cash payments.
- In the second quarter of 2022, the Company recorded \$68 million of restructuring and other charges, of which \$45 million related to the Company’s previously announced exit from Russia.
- As a result of these actions, the Company expects to achieve more than \$200 million in run-rate savings by 2025.
- Additional information on the outcome of the strategic portfolio reviews will be shared on September 13th at the Company’s 2022 Investor Day.

Enlist™ System Accelerates Market Penetration for 2022

- The Company delivered approximately \$980 million in sales for the Enlist™ system during the first half, an increase of more than 60% versus the first half of 2021.
- The Company raised its Enlist E3™⁴ 2022 market penetration outlook to greater than 45% of U.S. soybean acres, up from greater than 40% expected previously.
- The Company estimates that greater than 80% of Enlist E3™⁴ acres will receive an Enlist™ herbicide application, reflecting strong market demand and positive grower feedback on the ease and simplicity of the system.

Summary of Second Quarter 2022

For the second quarter ended June 30, 2022, net sales increased 11% versus the same period last year. Organic¹ sales rose 13%, with increases in all regions.

Volume grew 4% versus the prior-year period. Demand for new and differentiated Crop Protection products, coupled with strong early demand in Latin America, drove double-digit net sales growth for the segment, with an organic¹ sales increase of 28%. Lower seed volumes were driven by the reduction of corn acres and supply constraints in North America canola.

Price increased 9% versus prior year, reflecting continued execution on the Company's price for value strategy and recovery of higher input costs.

GAAP income from continuing operations after income taxes was \$1.00 billion in second quarter 2022. Operating EBITDA¹ for the second quarter was \$1.72 billion, up 18% compared to the year-ago period.

(\$ in millions, except where noted)	2Q 2022	2Q 2021	% Change	% Organic ¹ Change
Net Sales	\$6,252	\$5,627	11%	13%
North America	\$4,078	\$3,842	6%	6%
EMEA	\$858	\$710	21%	34%
Latin America	\$833	\$588	42%	35%
Asia Pacific	\$483	\$487	(1)%	7%

(\$ in millions, except where noted)	1H 2022	1H 2021	% Change	% Organic ¹ Change
Net Sales	\$10,853	\$9,805	11%	14%
North America	\$6,083	\$5,585	9%	9%
EMEA	\$2,440	\$2,312	6%	19%
Latin America	\$1,483	\$1,106	34%	31%
Asia Pacific	\$847	\$802	6%	13%

Seed Summary

Seed net sales were \$3.9 billion in the second quarter of 2022, up from approximately \$3.8 billion in the second quarter of 2021. The sales increase was driven by a 7% increase in price, partially offset by a 1% decline in volume and a 2% unfavorable currency impact.

The increase in price was driven by strong execution, with global corn and soybean prices up 6% and 8%, respectively. Lower volumes were driven by reduced corn acres in North America and supply constraints in North America canola and Latin America corn, which more than offset gains in EMEA and North America soybeans. Unfavorable currency impacts were led by the Turkish Lira and the Euro.

Segment Operating EBITDA was \$1.2 billion in the second quarter of 2022, up 10% from the second quarter of 2021. Price execution and ongoing cost and productivity actions more than offset higher input and freight costs, the unfavorable impact of currency, and lower corn acres and canola volumes in North America. Segment operating EBITDA margin improved by approximately 170 basis points versus the prior-year period.

(\$ in millions, except where noted)	2Q 2022	2Q 2021	% Change	% Organic ¹ Change
North America	\$3,235	\$3,104	4%	4%
EMEA	\$359	\$298	20%	34%
Latin America	\$206	\$234	(12)%	(13)%
Asia Pacific	\$147	\$144	2%	9%
Total 2Q Seed Net Sales	\$3,947	\$3,780	4%	6%
2Q Seed Operating EBITDA	\$1,240	\$1,123	10%	N/A

Seed net sales were \$6.5 billion in the first half of 2022, up from approximately \$6.3 billion in the first half of 2021. The sales increase was driven by a 7% increase in price. This gain was partially offset by a 1% decline in volume and a 3% unfavorable currency impact.

The increase in price was driven by strong execution globally, led by North America and EMEA, with corn and soybean prices each up 7% globally. The decline in volume was driven by reduced corn acres in North America and supply constraints in North America canola and Latin America corn, which more than offset gains in EMEA and North America soybeans. Unfavorable currency impacts were led by the Turkish Lira and the Euro.

Segment Operating EBITDA was \$1.8 billion in the first half of 2022, up 4% from the first half of 2021. Price execution and ongoing cost and productivity actions more than offset higher input and freight costs, the unfavorable impact of currency, lower volumes in North America, and the unfavorable year-over-year impact from the remeasurement of a previously held equity investment.

(\$ in millions, except where noted)	1H 2022	1H 2021	% Change	% Organic ¹ Change
North America	\$4,419	\$4,314	2%	3%
EMEA	\$1,285	\$1,245	3%	17%
Latin America	\$529	\$508	4%	5%
Asia Pacific	\$238	\$205	16%	24%
Total 1H Seed Net Sales	\$6,471	\$6,272	3%	6%
1H Seed Operating EBITDA	\$1,809	\$1,740	4%	N/A

Crop Protection Summary

Crop Protection net sales were approximately \$2.3 billion in the second quarter of 2022 compared to approximately \$1.8 billion in the second quarter of 2021. The sales increase was driven by a 14% increase in volume and a 14% increase in price. These gains were partially offset by a 2% unfavorable currency impact and a 1% unfavorable portfolio impact.

The increase in volume was driven by continued penetration of new products, including Enlist™ herbicide and Onmira™ fungicide, coupled with strong early demand in Latin America. The increase in price was broad-based, with gains in all regions led by North America and Latin America, and mostly reflected pricing for higher raw material and logistical costs. Unfavorable currency impacts were led by the Euro. The portfolio impact was driven by a divestiture in Asia Pacific.

Segment Operating EBITDA was \$509 million in the second quarter of 2022, up 38% from the second quarter of 2021. Pricing and volume gains and productivity actions more than offset higher input costs, including raw material costs, and the unfavorable impact of currency. Segment operating EBITDA margin improved by more than 200 basis points versus the prior-year period.

(\$ in millions, except where noted)	2Q 2022	2Q 2021	% Change	% Organic ¹ Change
North America	\$843	\$738	14%	15%
EMEA	\$499	\$412	21%	34%
Latin America	\$627	\$354	77%	67%
Asia Pacific	\$336	\$343	(2)%	6%
Total 2Q Crop Protection Net Sales	\$2,305	\$1,847	25%	28%
2Q Crop Protection Operating EBITDA	\$509	\$370	38%	N/A

Crop Protection net sales were approximately \$4.4 billion in the first half of 2022 compared to approximately \$3.5 billion in the first half of 2021. The sales increase was driven by a 16% increase in volume and a 12% increase in price. These gains were partially offset by a 3% unfavorable currency impact and a 1% unfavorable portfolio impact.

The increase in volume was driven by continued penetration of new products, including Enlist™ and Arylex™ herbicides and Onmira™ fungicide, with new product sales up more than 60% compared to the same period last year. In addition, the Company experienced strong early demand in Latin America.

The increase in price was broad-based, with gains in all regions led by North America, and mostly reflected pricing for higher raw material and logistical costs. Unfavorable currency impacts were led by the Euro and the Turkish Lira. The portfolio impact was driven by a divestiture in Asia Pacific.

Segment Operating EBITDA was \$1.0 billion in the first half of 2022, up 45% from the first half of 2021. Pricing and volume gains and productivity actions more than offset higher input costs, including raw material costs, and the unfavorable impact of currency. Segment operating EBITDA margin improved by more than 320 basis points versus the prior-year period largely driven by pricing execution and new and differentiated technology.

(\$ in millions, except where noted)	1H 2022	1H 2021	% Change	% Organic ¹ Change
North America	\$1,664	\$1,271	31%	31%
EMEA	\$1,155	\$1,067	8%	21%
Latin America	\$954	\$598	60%	53%
Asia Pacific	\$609	\$597	2%	9%
Total 1H Crop Protection Net Sales	\$4,382	\$3,533	24%	28%
1H Crop Protection Operating EBITDA	\$1,000	\$691	45%	N/A

2022 Updated Guidance

The outlook for agriculture remains robust despite recent commodity price volatility. The Company expects record demand for grain and oilseeds in 2022, which should support commodity prices as ending stocks remain under pressure. Grower balance sheets and income levels remain healthy despite increased input costs for fuel and fertilizer, leading customers to prioritize technology to maximize return.

As a result, the Company updated its previously provided guidance³ for the full year 2022 – increasing sales and earnings expectations for this period. Corteva expects net sales in the range of \$17.2 billion to \$17.5 billion, which at the mid-point represents expected net sales growth of 11% for the year. Operating EBITDA¹ is expected to be in the range of \$2.95 billion to \$3.10 billion, which at the mid-point represents expected Operating EBITDA¹ growth of 17% for the year. Operating EPS¹ is expected to be in the range of \$2.45 to \$2.60 per share. 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.

Second Quarter Conference Call

The Company will host a live webcast of its second quarter and first half 2022 earnings conference call with investors to discuss its results and outlook tomorrow, August 5, 2022, 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 combines industry-leading innovation, high-touch customer engagement and operational execution to profitably deliver solutions for the world's most pressing agriculture challenges. Corteva generates advantaged market preference through its unique distribution strategy, together with its balanced and globally diverse mix of seed, crop protection, and digital products and services. With some of the most recognized brands in agriculture and a technology pipeline well positioned to drive growth, the Company is committed to maximizing productivity for farmers, while 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. More information can be found at www.corteva.com.

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Cautionary Statement About Forward-Looking Statements

This report contains certain estimates and forward-looking statements 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 contained in the Private Securities Litigation Reform Act of 1995, and may be identified by their use of words like "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 financial results or outlook; strategy for growth; product development; regulatory approvals; market position; capital allocation strategy; liquidity; environmental, social and governance ("ESG") targets and initiatives; the anticipated benefits of acquisitions, restructuring actions, or cost savings initiatives; and the outcome of contingencies, such as litigation and environmental matters, are forward-looking statements.

Forward-looking statements and other estimates are based on certain assumptions and expectations of future events which may not be accurate or realized. Forward-looking statements and other estimates 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 successfully develop and commercialize Corteva's pipeline; (ii) failure to obtain or maintain the necessary regulatory approvals for some of Corteva's products; (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) failure to comply with competition and antitrust laws; (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 raise capital through the capital markets or short-term borrowings on terms acceptable to Corteva; (xv) failure of Corteva's customers to pay their debts to Corteva, including customer financing programs; (xvi) increases in pension and other post-employment benefit plan funding obligations; (xvii) risks related to environmental litigation and the indemnification obligations of legacy EID liabilities in connection with the separation of Corteva; (xviii) risks related to Corteva's global operations; (xix) failure to effectively manage acquisitions, divestitures, alliances, restructurings, cost savings initiatives, and other portfolio actions; (xx) capital markets sentiment towards ESG matters (xxi) risks related to COVID-19; (xxii) Corteva's ability to recruit and retain key personnel; (xxiii) Corteva's intellectual property rights or defend against intellectual property claims asserted by others; (xxiv) effect of counterfeit products; (xxv) Corteva's dependence on intellectual property cross-license agreements; (xxvi) other risks related to the Separation from DowDuPont; and (xxvii) risks related to the Russia and Ukraine military conflict.

Additionally, there may be other risks and uncertainties that Corteva is unable to currently identify or that Corteva does not currently expect to have a material impact on its business. Where, in any forward-looking statement or other estimate, 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, 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 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 (loss) per share, and base income 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 more relevant and meaningful information to investors as they provide insight with respect to ongoing operating results of the Company and a more 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 its 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, in connection with the Company's shift to a global business unit model, the Company has assessed its business priorities and operational structure to maximize the customer experience and deliver on growth and earnings potential. As a result of this assessment, the company has committed to restructuring actions that, combined with the impact of the company's separate announcement to withdraw from Russia and stop production and business activities ("Russia Exit") (collectively the "2022 Restructuring Actions"), have resulted in expected total pre-tax restructuring and other charges of approximately \$350 million to \$420 million. The restructuring actions associated with these charges are expected to be substantially complete in 2023. Organic sales is defined as price and volume and excludes currency and portfolio impacts. Operating EBITDA is defined as earnings (loss) (i.e., income (loss) from continuing operations before income taxes) before interest, depreciation, amortization, non-operating benefits (costs), foreign exchange gains (losses), 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. Non-operating (benefits) costs 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 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 (loss) per share is defined as "earnings (loss) per common share from continuing operations - diluted" excluding the after-tax impact of significant items, the after tax impact of non-operating benefits (costs), 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 realized gain (loss) from the changes in fair value of the non-qualified foreign currency derivative contracts will be reported in the 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 income tax rate is defined as the effective tax rate excluding the impacts of foreign exchange gains (losses), non-operating benefits (costs), amortization of intangibles (existing as of the Separation), mark-to-market gains (losses) on certain foreign currency contracts not designated as hedges, and significant items.

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Media Contact

Gregg Schmidt

+1 302-485-3260

gregg.m.schmidt@corteva.com

Investor Contact

Kim Booth

+1 302-485-3704

kimberly.a.booth@corteva.com



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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net sales	\$ 6,252	\$ 5,627	\$ 10,853	\$ 9,805
Cost of goods sold	3,323	3,010	6,047	5,430
Research and development expense	296	293	564	574
Selling, general and administrative expenses	1,017	998	1,752	1,731
Amortization of intangibles	179	180	358	363
Restructuring and asset related charges - net	143	135	148	235
Other income - net	49	298	66	635
Interest expense	16	7	25	14
Income (loss) from continuing operations before income taxes	1,327	1,302	2,025	2,093
Provision for (benefit from) income taxes on continuing operations	325	284	446	462
Income (loss) from continuing operations after income taxes	1,002	1,018	1,579	1,631
Income (loss) from discontinued operations after income taxes	(30)	(45)	(40)	(55)
Net income (loss)	972	973	1,539	1,576
Net income (loss) attributable to noncontrolling interests	3	3	6	6
Net income (loss) attributable to Corteva	\$ 969	\$ 970	\$ 1,533	\$ 1,570
Basic earnings (loss) per share of common stock:				
Basic earnings (loss) per share of common stock from continuing operations	\$ 1.38	\$ 1.37	\$ 2.17	\$ 2.19
Basic earnings (loss) per share of common stock from discontinued operations	(0.04)	(0.06)	(0.06)	(0.07)
Basic earnings (loss) per share of common stock	\$ 1.34	\$ 1.31	\$ 2.11	\$ 2.12
Diluted earnings (loss) per share of common stock:				
Diluted earnings (loss) per share of common stock from continuing operations	\$ 1.37	\$ 1.37	\$ 2.16	\$ 2.18
Diluted earnings (loss) per share of common stock from discontinued operations	(0.04)	(0.06)	(0.05)	(0.07)
Diluted earnings (loss) per share of common stock	\$ 1.33	\$ 1.31	\$ 2.11	\$ 2.11
Average number of shares outstanding used in earnings (loss) per share (EPS) calculation (in millions)				
Basic	723.0	737.3	724.9	740.3
Diluted	726.7	743.3	728.6	746.4

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

Assets	June 30, 2022	December 31, 2021	June 30, 2021
Current assets			
Cash and cash equivalents	\$ 2,401	\$ 4,459	\$ 2,861
Marketable securities	254	86	39
Accounts and notes receivable – net	6,947	4,811	6,792
Inventories	4,184	5,180	3,541
Other current assets	978	1,010	1,052
Total current assets	14,764	15,546	14,285
Investment in nonconsolidated affiliates	93	76	68
Property, plant and equipment	8,532	8,364	8,343
Less: Accumulated depreciation	4,232	4,035	4,002
Net property, plant and equipment	4,300	4,329	4,341
Goodwill	9,987	10,107	10,207
Other intangible assets	9,673	10,044	10,413
Deferred income taxes	449	438	442
Other assets	1,640	1,804	1,740
Total Assets	\$ 40,906	\$ 42,344	\$ 41,496
Liabilities and Equity			
Current liabilities			
Short-term borrowings and finance lease obligations	\$ 712	\$ 17	\$ 677
Accounts payable	3,567	4,126	3,070
Income taxes payable	383	146	234
Deferred revenue	740	3,201	748
Accrued and other current liabilities	2,454	2,068	2,523
Total current liabilities	7,856	9,558	7,252
Long-term debt	1,283	1,100	1,101
Other noncurrent liabilities			
Deferred income tax liabilities	1,165	1,220	935
Pension and other post employment benefits - noncurrent	2,838	3,124	4,767
Other noncurrent obligations	1,693	1,719	1,816
Total noncurrent liabilities	6,979	7,163	8,619
Commitments and contingent liabilities			
Stockholders' equity			
Common stock, \$0.01 par value; 1,666,667,000 shares authorized; issued at June 30, 2022 - 719,320,000; December 31, 2021 - 726,527,000; and June 30, 2021 - 734,421,000	7	7	7
Additional paid-in capital	27,795	27,751	27,682
Retained earnings	1,252	524	941
Accumulated other comprehensive income (loss)	(3,223)	(2,898)	(3,245)
Total Corteva stockholders' equity	25,831	25,384	25,385
Noncontrolling interests	240	239	240
Total equity	26,071	25,623	25,625
Total Liabilities and Equity	\$ 40,906	\$ 42,344	\$ 41,496

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

	Six Months Ended June 30,	
	2022	2021
Operating activities		
Net income (loss)	\$ 1,539	\$ 1,576
Adjustments to reconcile net income (loss) to cash provided by (used for) operating activities:		
Depreciation and amortization	609	617
Provision for (benefit from) deferred income tax	(79)	124
Net periodic pension and OPEB benefit, net	(138)	(641)
Pension and OPEB contributions	(113)	(149)
Net (gain) loss on sales of property, businesses, consolidated companies, and investments	(1)	(1)
Restructuring and asset related charges - net	148	235
Other net loss	99	143
Changes in assets and liabilities, net		
Accounts and notes receivable	(2,331)	(1,957)
Inventories	905	1,334
Accounts payable	(488)	(525)
Deferred revenue	(2,450)	(1,931)
Other assets and liabilities	679	532
Cash provided by (used for) operating activities	<u>(1,621)</u>	<u>(643)</u>
Investing activities		
Capital expenditures	(318)	(269)
Proceeds from sales of property, businesses, and consolidated companies - net of cash divested	12	26
Investments in and loans to nonconsolidated affiliates	(6)	(1)
Purchases of investments	(236)	(56)
Proceeds from sales and maturities of investments	93	285
Other investing activities, net	20	(2)
Cash provided by (used for) investing activities	<u>(435)</u>	<u>(17)</u>
Financing activities		
Net change in borrowings (less than 90 days)	325	254
Proceeds from debt	772	419
Payments on debt	(204)	—
Repurchase of common stock	(600)	(550)
Proceeds from exercise of stock options	62	66
Dividends paid to stockholders	(203)	(192)
Other financing activities, net	(46)	(24)
Cash provided by (used for) financing activities	<u>106</u>	<u>(27)</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash equivalents	<u>(116)</u>	<u>(14)</u>
Increase (decrease) in cash, cash equivalents and restricted cash equivalents	(2,066)	(701)
Cash, cash equivalents and restricted cash equivalents at beginning of period	4,836	3,873
Cash, cash equivalents and restricted cash equivalents at end of period	<u><u>\$ 2,770</u></u>	<u><u>\$ 3,172</u></u>

A-4
Corteva, Inc.
Consolidated Segment Information
(Dollars in millions, except per share amounts)

SEGMENT NET SALES - SEED	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Corn	\$ 2,222	\$ 2,180	\$ 4,152	\$ 4,068
Soybean	1,308	1,160	1,480	1,337
Other oilseeds	246	271	523	567
Other	171	169	316	300
Seed	\$ 3,947	\$ 3,780	\$ 6,471	\$ 6,272

SEGMENT NET SALES - CROP PROTECTION	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Herbicides	\$ 1,224	\$ 969	\$ 2,429	\$ 1,955
Insecticides	494	460	912	845
Fungicides	448	311	752	572
Other	139	107	289	161
Crop Protection	\$ 2,305	\$ 1,847	\$ 4,382	\$ 3,533

GEOGRAPHIC NET SALES - SEED	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
North America ¹	\$ 3,235	\$ 3,104	\$ 4,419	\$ 4,314
EMEA ²	359	298	1,285	1,245
Latin America	206	234	529	508
Asia Pacific	147	144	238	205
Rest of World ³	712	676	2,052	1,958
Net Sales	\$ 3,947	\$ 3,780	\$ 6,471	\$ 6,272

GEOGRAPHIC NET SALES - CROP PROTECTION	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
North America ¹	\$ 843	\$ 738	\$ 1,664	\$ 1,271
EMEA ²	499	412	1,155	1,067
Latin America	627	354	954	598
Asia Pacific	336	343	609	597
Rest of World ³	1,462	1,109	2,718	2,262
Net Sales	\$ 2,305	\$ 1,847	\$ 4,382	\$ 3,533

1. Reflects U.S. & Canada
2. Reflects Europe, Middle East, and Africa
3. Reflects EMEA, Latin America, and Asia Pacific

A-5
Corteva, Inc.
Reconciliation of Non-GAAP Measures
(Dollars in millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net Sales (GAAP)	\$ 6,252		\$ 10,853	
Less: Impacts from Currency and Portfolio	(102)		(339)	
Organic Sales (Non-GAAP)	\$ 6,354		\$ 11,192	
	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
OPERATING EBITDA				
Seed	\$ 1,240	\$ 1,123	\$ 1,809	\$ 1,740
Crop Protection	509	370	1,000	691
Corporate Expenses	(30)	(32)	(51)	(66)
Operating EBITDA (Non-GAAP)	\$ 1,719	\$ 1,461	\$ 2,758	\$ 2,365
	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
RECONCILIATION OF INCOME (LOSS) FROM CONTINUING OPERATIONS AFTER INCOME TAXES TO OPERATING EBITDA				
Income (loss) from continuing operations after income taxes (GAAP)	\$ 1,002	\$ 1,018	\$ 1,579	\$ 1,631
Provision for (benefit from) income taxes on continuing operations	325	284	446	462
Income (loss) from continuing operations before income taxes (GAAP)	1,327	1,302	2,025	2,093
Depreciation and amortization	302	313	609	617
Interest income	(24)	(18)	(39)	(39)
Interest expense	16	7	25	14
Exchange (gains) losses ¹	36	14	83	49
Non-operating (benefits) costs ²	(60)	(315)	(125)	(626)
Mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges	(33)	23	3	22
Significant items (benefit) charge ³	155	135	177	235
Operating EBITDA (Non-GAAP)	\$ 1,719	\$ 1,461	\$ 2,758	\$ 2,365

1. Refer to page A-14 for pre-tax and after tax impacts of exchange (gains) losses.
2. Non-operating (benefits) costs 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 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.
3. 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

	Q2 2022 vs. Q2 2021				Percent Change Due To:			
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other
	\$	%	\$	%				
North America	\$ 236	6 %	\$ 243	6 %	8 %	(2)%	— %	— %
EMEA	148	21 %	243	34 %	9 %	25 %	(13)%	— %
Latin America	245	42 %	207	35 %	13 %	22 %	7 %	— %
Asia Pacific	(4)	(1)%	34	7 %	7 %	— %	(5)%	(3)%
Rest of World	389	22 %	484	27 %	10 %	17 %	(4)%	(1)%
Total	\$ 625	11 %	\$ 727	13 %	9 %	4 %	(2)%	— %

SEED

	Q2 2022 vs. Q2 2021				Percent Change Due To:			
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other
	\$	%	\$	%				
North America	\$ 131	4 %	\$ 135	4 %	6 %	(2)%	— %	— %
EMEA	61	20 %	101	34 %	15 %	19 %	(14)%	— %
Latin America	(28)	(12)%	(31)	(13)%	— %	(13)%	1 %	— %
Asia Pacific	3	2 %	14	9 %	12 %	(3)%	(7)%	— %
Rest of World	36	5 %	84	12 %	9 %	3 %	(7)%	— %
Total	\$ 167	4 %	\$ 219	6 %	7 %	(1)%	(2)%	— %

CROP PROTECTION

	Q2 2022 vs. Q2 2021				Percent Change Due To:			
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other
	\$	%	\$	%				
North America	\$ 105	14 %	\$ 108	15 %	20 %	(5)%	(1)%	— %
EMEA	\$ 87	21 %	142	34 %	5 %	29 %	(13)%	— %
Latin America	\$ 273	77 %	238	67 %	21 %	46 %	10 %	— %
Asia Pacific	\$ (7)	(2)%	20	6 %	4 %	2 %	(4)%	(4)%
Rest of World	\$ 353	32 %	400	36 %	10 %	26 %	(3)%	(1)%
Total	\$ 458	25 %	\$ 508	28 %	14 %	14 %	(2)%	(1)%

A-7
Corteva, Inc.
Reconciliation of Non-GAAP Measures
(Dollars in millions, except per share amounts)

SEED PRODUCT LINE

	Q2 2022 vs. Q2 2021				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Corn	\$ 42	2 %	\$ 72	3 %	6 %	(3)%	(1)%	— %	
Soybeans	148	13 %	151	13 %	8 %	5 %	— %	— %	
Other oilseeds	(25)	(9)%	(12)	(4)%	5 %	(9)%	(5)%	— %	
Other	2	1 %	8	5 %	3 %	2 %	(4)%	— %	
Total	\$ 167	4 %	\$ 219	6 %	7 %	(1)%	(2)%	— %	

CROP PROTECTION PRODUCT LINE

	Q2 2022 vs. Q2 2021				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Herbicides	\$ 255	26 %	\$ 268	28 %	21 %	7 %	(2)%	— %	
Insecticides	34	7 %	49	11 %	6 %	5 %	(4)%	— %	
Fungicides	137	44 %	156	50 %	6 %	44 %	(2)%	(4)%	
Other	32	30 %	35	32 %	2 %	30 %	(2)%	— %	
Total	\$ 458	25 %	\$ 508	28 %	14 %	14 %	(2)%	(1)%	

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

A-8
Corteva, Inc.
Reconciliation of Non-GAAP Measures
(Dollars in millions, except per share amounts)

PRICE - VOLUME - CURRENCY ANALYSIS

REGION

	First Half 2022 vs. First Half 2021				Percent Change Due To:			
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other
	\$	%	\$	%				
North America	\$ 498	9 %	\$ 506	9 %	8 %	1 %	— %	— %
EMEA	128	6 %	433	19 %	9 %	10 %	(13)%	— %
Latin America	377	34 %	344	31 %	13 %	18 %	3 %	— %
Asia Pacific	45	6 %	104	13 %	6 %	7 %	(4)%	(3)%
Rest of World	550	13 %	881	21 %	10 %	11 %	(7)%	(1)%
Total	\$ 1,048	11 %	\$ 1,387	14 %	9 %	5 %	(3)%	— %

SEED

	First Half 2022 vs. First Half 2021				Percent Change Due To:			
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other
	\$	%	\$	%				
North America	\$ 105	2 %	\$ 109	3 %	6 %	(3)%	(1)%	— %
EMEA	40	3 %	209	17 %	12 %	5 %	(14)%	— %
Latin America	21	4 %	25	5 %	5 %	— %	(1)%	— %
Asia Pacific	33	16 %	50	24 %	11 %	13 %	(8)%	— %
Rest of World	94	5 %	284	14 %	10 %	4 %	(9)%	— %
Total	\$ 199	3 %	\$ 393	6 %	7 %	(1)%	(3)%	— %

CROP PROTECTION

	First Half 2022 vs. First Half 2021				Percent Change Due To:			
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other
	\$	%	\$	%				
North America	\$ 393	31 %	\$ 397	31 %	18 %	13 %	— %	— %
EMEA	\$ 88	8 %	224	21 %	6 %	15 %	(13)%	— %
Latin America	\$ 356	60 %	319	53 %	19 %	34 %	7 %	— %
Asia Pacific	\$ 12	2 %	54	9 %	4 %	5 %	(3)%	(4)%
Rest of World	\$ 456	20 %	597	26 %	9 %	17 %	(5)%	(1)%
Total	\$ 849	24 %	\$ 994	28 %	12 %	16 %	(3)%	(1)%

A-9
Corteva, Inc.
Reconciliation of Non-GAAP Measures
(Dollars in millions, except per share amounts)

SEED PRODUCT LINE

	First Half 2022 vs. First Half 2021				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Corn	\$ 84	2 %	\$ 213	5 %	7 %	(2)%	(3)%	— %	
Soybeans	143	11 %	148	11 %	7 %	4 %	— %	— %	
Other oilseeds	(44)	(8)%	6	1 %	7 %	(6)%	(9)%	— %	
Other	16	5 %	26	9 %	4 %	5 %	(4)%	— %	
Total	\$ 199	3 %	\$ 393	6 %	7 %	(1)%	(3)%	— %	

CROP PROTECTION PRODUCT LINE

	First Half 2022 vs. First Half 2021				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change ¹ (Non-GAAP)		Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Herbicides	\$ 474	24 %	\$ 524	27 %	17 %	10 %	(3)%	— %	
Insecticides	67	8 %	112	13 %	7 %	6 %	(5)%	— %	
Fungicides	180	31 %	226	39 %	6 %	33 %	(4)%	(4)%	
Other	128	80 %	132	82 %	12 %	70 %	(2)%	— %	
Total	\$ 849	24 %	\$ 994	28 %	12 %	16 %	(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 June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Seed	\$ (138)	\$ (115)	\$ (143)	\$ (136)
Crop Protection	(2)	(11)	(17)	(43)
Corporate	(15)	(9)	(17)	(56)
Total significant items before income taxes	\$ (155)	\$ (135)	\$ (177)	\$ (235)

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

	Pre-tax		After tax ⁵		(\$ Per Share)	
	2022	2021	2022	2021	2022	2021
<u>1st Quarter</u>						
Restructuring and asset related charges, net ¹	\$ (5)	\$ (100)	\$ (3)	\$ (77)	\$ —	\$ (0.10)
Estimated settlement expense ²	(17)	—	(13)	—	(0.02)	—
1st Quarter — Total	\$ (22)	\$ (100)	\$ (16)	\$ (77)	\$ (0.02)	\$ (0.10)
<u>2nd Quarter</u>						
Restructuring and asset related charges, net ¹	\$ (143)	\$ (135)	\$ (116)	\$ (107)	\$ (0.16)	\$ (0.14)
Inventory write-offs ³	(1)	—	(1)	—	—	—
Loss on exit of non-strategic asset ³	(5)	—	(4)	—	(0.01)	—
Settlement costs associated with Russia Exit ³	(6)	—	(6)	—	(0.01)	—
2nd Quarter — Total	\$ (155)	\$ (135)	\$ (127)	\$ (107)	\$ (0.18)	\$ (0.14)
Year-to-date Total ⁴	\$ (177)	\$ (235)	\$ (143)	\$ (184)	\$ (0.20)	\$ (0.24)

- Second and first quarter 2022 includes restructuring and asset related benefits (charges) of \$(143) and \$(5), respectively. The charges for the second quarter primarily relate to a \$(56) charge associated with the 2022 Restructuring Actions and a \$(93) 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 related to a \$(6) charge related to non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits.

First and second quarter 2021 included restructuring and asset related charges of \$(100) and \$(135), respectively. The charges for the second quarter primarily related to a \$(21) 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 related 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.

- First quarter 2022 included a \$(17) charge for estimated Lorsban® related reserves.
- Second quarter 2022 includes a \$(1), \$(5) and \$(6) charge associated with activities related to the 2022 Restructuring Actions relating to inventory write-offs associated with the Russia Exit, loss on the exit of a non-strategic asset and settlement costs associated with the Russia Exit, respectively.
- Earnings per share for the year may not equal the sum of quarterly earnings per share due to the changes in average share calculations.
- Unless specifically addressed in the notes above, the income tax effect on significant items was calculated based upon the enacted laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.

A-11
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) costs, 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 June 30,			
	2022	2021	2022	2021
	\$	\$	<i>EPS (diluted)</i>	<i>EPS (diluted)</i>
Net income (loss) from continuing operations attributable to Corteva (GAAP)	\$ 999	\$ 1,015	\$ 1.37	\$ 1.37
Less: Non-operating benefits (costs), after tax ¹	43	237	0.06	0.32
Less: Amortization of intangibles (existing as of Separation), after tax	(138)	(140)	(0.19)	(0.19)
Less: Mark-to-market gains (losses) on certain foreign currency contracts not designated as hedges, after tax	26	(18)	0.04	(0.02)
Less: Significant items benefit (charge), after tax	(127)	(107)	(0.18)	(0.14)
Operating Earnings (Loss) (Non-GAAP)	<u>\$ 1,195</u>	<u>\$ 1,043</u>	<u>\$ 1.64</u>	<u>\$ 1.40</u>
	Six Months Ended June 30,			
	2022	2021	2022	2021
	\$	\$	<i>EPS (diluted)</i>	<i>EPS (diluted)</i>
Net income from continuing operations attributable to Corteva (GAAP)	\$ 1,573	\$ 1,625	\$ 2.16	\$ 2.18
Less: Non-operating benefits - net, after tax ¹	92	474	0.13	0.64
Less: Amortization of intangibles (existing as of Separation), after tax	(277)	(283)	(0.38)	(0.38)
Less: Mark-to-market losses on certain foreign currency contracts not designated as hedges, after tax	(2)	(17)	—	(0.02)
Less: Significant items benefit (charge), after tax	(143)	(184)	(0.20)	(0.25)
Operating Earnings (Non-GAAP)	<u>\$ 1,903</u>	<u>\$ 1,635</u>	<u>\$ 2.61</u>	<u>\$ 2.19</u>

1. Non-operating benefits (costs) 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 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.

A-12
Corteva, Inc.
Operating EBITDA to Operating Earnings (Loss) Per Share
(Dollars in millions, except per share amounts)

Operating EBITDA to Operating Earnings (Loss) Per Share

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Operating EBITDA (Non-GAAP)¹	\$ 1,719	\$ 1,461	\$ 2,758	\$ 2,365
Depreciation	(123)	(133)	(251)	(254)
Amortization of intangibles (post Separation)	(2)	—	(2)	—
Interest Income	24	18	39	39
Interest Expense	(16)	(7)	(25)	(14)
(Provision for) benefit from income taxes on continuing operations before significant items, non-operating benefits (costs), 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) (Non-GAAP)¹	(348)	(278)	(516)	(440)
Base income tax rate from continuing operations (Non-GAAP)¹	21.7 %	20.8 %	20.5 %	20.6 %
Exchange gains (losses), after tax ²	(56)	(15)	(94)	(55)
Net (income) loss attributable to non-controlling interests	(3)	(3)	(6)	(6)
Operating Earnings (Loss) (Non-GAAP)¹	\$ 1,195	\$ 1,043	\$ 1,903	\$ 1,635
Diluted Shares (in millions)	726.7	743.3	728.6	746.4
Operating Earnings (Loss) Per Share (Non-GAAP)¹	\$ 1.64	\$ 1.40	\$ 2.61	\$ 2.19

1. Refer to pages A-5 through A-9 and A-11 for Non-GAAP reconciliations.
2. Refer to page A-14 for pre-tax and after tax impacts of exchange gains (losses).

A-13
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 gains (losses), 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) costs.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Income (loss) from continuing operations before income taxes (GAAP)	\$ 1,327	\$ 1,302	\$ 2,025	\$ 2,093
Add: Significant items (benefit) charge ¹	155	135	177	235
Non-operating (benefits) costs	(60)	(315)	(125)	(626)
Amortization of intangibles (existing as of Separation)	177	180	356	363
Mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges	(33)	23	3	22
Less: Exchange gains (losses) ²	(36)	(14)	(83)	(49)
Income (loss) from continuing operations before income taxes, significant items, non-operating (benefits) costs, 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) (Non-GAAP)	<u>\$ 1,602</u>	<u>\$ 1,339</u>	<u>\$ 2,519</u>	<u>\$ 2,136</u>
Provision for (benefit from) income taxes on continuing operations (GAAP)	\$ 325	\$ 284	\$ 446	\$ 462
Add: Tax benefits on significant items (benefit) charge ¹	28	28	34	51
Tax expenses on non-operating (benefits) costs	(17)	(78)	(33)	(152)
Tax benefits on amortization of intangibles (existing as of Separation)	39	40	79	80
Tax benefits on mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges	(7)	5	1	5
Tax benefits on exchange gains (losses) ²	(20)	(1)	(11)	(6)
Provision for (benefit from) income taxes on continuing operations before significant items, non-operating (benefits) costs, 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) (Non-GAAP)	<u>\$ 348</u>	<u>\$ 278</u>	<u>\$ 516</u>	<u>\$ 440</u>
Effective income tax rate (GAAP)	24.5 %	21.8 %	22.0 %	22.1 %
Significant items, non-operating (benefits) costs, amortization of intangibles (existing as of Separation), and mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges effect	(1.1)%	(0.8)%	(0.4)%	(0.7)%
Tax rate from continuing operations before significant items, non-operating (benefits) costs, amortization of intangibles (existing as of Separation), and mark-to-market (gains) losses on certain foreign currency contracts not designated as hedges	23.4 %	21.0 %	21.6 %	21.4 %
Exchange gains (losses), net effect ²	(1.7)%	(0.2)%	(1.1)%	(0.8)%
Base income tax rate from continuing operations (Non-GAAP)	<u>21.7 %</u>	<u>20.8 %</u>	<u>20.5 %</u>	<u>20.6 %</u>

1. See page A-10 for further detail on the Significant Items.
2. See page A-14 for further details of exchange gains (losses).

A-14
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 - 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 June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Subsidiary Monetary Position Gain (Loss)				
Pre-tax exchange gains (losses)	\$ (46)	\$ 36	\$ (40)	\$ (15)
Local tax (expenses) benefits	(17)	(13)	(21)	(14)
Net after tax impact from subsidiary exchange gains (losses)	<u>\$ (63)</u>	<u>\$ 23</u>	<u>\$ (61)</u>	<u>\$ (29)</u>
Hedging Program Gain (Loss)				
Pre-tax exchange gains (losses)	\$ 10	\$ (50)	\$ (43)	\$ (34)
Tax (expenses) benefits	(3)	12	10	8
Net after tax impact from hedging program exchange gains (losses)	<u>\$ 7</u>	<u>\$ (38)</u>	<u>\$ (33)</u>	<u>\$ (26)</u>
Total Exchange Gain (Loss)				
Pre-tax exchange gains (losses)	\$ (36)	\$ (14)	\$ (83)	\$ (49)
Tax (expenses) benefits	(20)	(1)	(11)	(6)
Net after tax exchange gains (losses)	<u>\$ (56)</u>	<u>\$ (15)</u>	<u>\$ (94)</u>	<u>\$ (55)</u>

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