

TCFD disclosure index

GRI 3-3

The disclosure recommendations of the Task Force on Climate-Related Financial Disclosures provide a framework for disclosing decision-useful information about the Company's approach to climate and our performance. Climate change has been identified as one of our top priority ESG risks.

Governance—disclose the company's governance around climate-related risks and opportunities

Board oversight of climate-related risks and opportunities

The Board of Directors is responsible for overseeing the company's strategic direction, including the integration of environmental, social, and governance (ESG) risks and opportunities. Oversight of ESG-related risks and opportunities is assigned across all four Board sub-committees. Discussion of ESG and Sustainability topics occurred at each regularly scheduled full Board meeting in 2022.

Climate-related risks and opportunities are part of the responsibility of the Environment, Health, Safety & Sustainability (EHS&S) Committee of the Board.

The responsibilities of the EHS&S Committee in its role assisting the Board of Directors in fulfilling its oversight responsibilities include:

- Assesses the effectiveness of and advises the Board on, the Company's environment, health, safety, and sustainability (EHS&S) policies and programs and matters impacting the Company's public reputation and the Company's Safety and health core value.
- Oversees environment, health and safety performance and regulatory compliance, including the Company's safety programs, processes for risk identification and mitigation, and the processes and systems used to ensure compliance.
- Oversees and advises the Board on the company's sustainability strategy, including the Company's sustainability goals and actions, public policy management, advocacy priorities, community impact contributions, climate action, corporate reputation management, and other emerging issues.
- Reviews the Company's Sustainability Report, sustainability policy positions, strategy regarding political engagement and corporate social responsibility initiatives.

The EHS&S Committee of the Board of Directors receives reports from the Chief Technology & Sustainability Officer and/or the Chief Operations & Engineering Officer on climate-related matters bi-annually, or on a more frequent basis as necessary.

Management's role in assessing and managing climate-related risks and opportunities

Ultimate responsibility for our sustainability strategy, including our climate strategy resides with the Chief Technology and Sustainability Officer (CTSO), who reports directly to the CEO. The CTSO focuses on the link between sustainability and innovation in our operating model and chairs the Sustainability Sponsors Committee, a subset of DuPont's Senior Leadership Team. Members of the Sustainability Sponsors Committee represent corporate governance and finance, operations excellence, employee experience and development, innovation, and business oversight. The Sustainability Sponsors Committee reviews and approves sustainability initiatives and policies and oversees the work of the Sustainability Leadership Council (SLC). The CTSO reports directly to the CEO and, together with DuPont's Chief Operations and /Engineering Officer, routinely engages with the DuPont Board of Directors Environment, Health, Safety, & Sustainability (EHS&S) Committee and the full Board on ESG and sustainability matters.

Implementation of the company's sustainability strategy, including climate strategy is overseen by the Sustainability Leadership Council (SLC). The SLC is chaired by the Vice President of Sustainability, who reports to the CTSO. Membership in the SLC includes a sponsor for each of our nine 2030 Sustainability Goals, representatives from each of our businesses, functional and regional leaders, and our enterprise sustainability staff. The SLC includes an enterprise-level climate strategist to lead implementation of the climate strategy and progress toward our Acting on climate 2030 goals, including the development of roadmaps to meet our climate targets, the engagement of our global businesses on operations, and market-focused climate strategies.

In 2021, DuPont implemented the addition of a Sustainability Modifier to our annual employee Short-Term Incentive Program (STIP) to enhance accountability for sustainability across our organization. This underscores our commitment to sustainability and encourages employee participation and progress toward advancing our 2030 goals. The Sustainability Modifier can be used to enhance or curtail employee incentive payouts up to +/- 10% with the approval of the People and Compensation Committee of the Board. In both its first and second years, the Modifier was 0%, reflecting expected progress on the identified sustainability metrics relating to three of our goals—Delivering solutions to global challenges, acting on climate, and DE&I.

Strategy—disclose the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning where such information is material

Climate-related risks and opportunities the company has identified over the short, medium, and long term

We define short term as 0–5 years, medium term as 5–10 years, and long term as 10–30 years

Market risk—changing customer behavior, expected in medium term

The market risk driven by climate change is described in the DuPont 2022 10-K as "Demand for product offerings that are less carbon-intensive or customers determine support their respective sustainability goals, is expected to continue to increase, driven by end-user and customer demand, investor preference, and government legislative and market- and product-specific actions in response to risks created by climate change. Failure to timely react to these trends and manage the Company's product portfolio and innovation activities responsively could decrease the competitiveness of the Company's products and result in the de-selection of the Company as a partner of choice. In addition, the failure to set goals, take actions, make progress and report against, commensurate with relevant market competitors, the Company's sustainability strategy, could harm the Company's reputation, and its ability to compete and to attract top talent, and could result in increased investor activism and the deselection of the Company as a partner or supplier of choice."

In 2022 we continued to advance learning through expanded customer and value chain engagements. The effort focused on 120 strategic customers from across our global businesses, representing multiple end markets including automotive, semiconductors, water, protection, consumer electronics, industrial and more. Using the results of the 2022 customer engagement work we developed an interactive dashboard to facilitate analysis and insight generation.

The results confirm and strengthen the conclusions of prior customer engagement on sustainability and added important insight for each business and market segment. Climate change was the number one issue for DuPont's customers and value chains, cited as a top issue by more than 75% of those surveyed.

Acute physical risk—frequency and severity of extreme weather events expected in the medium term

The physical risk to DuPont sites and DuPont supply chains as a result of extreme weather (for example, suppliers are on U.S. gulf coast or shipping passes through U.S. gulf coast) is described in DuPont's 2022 10-K as "Supply chain disruptions, plant and/or power outages, labor shortages and/or strikes, geo-political activity, weather events and natural disasters, including hurricanes or flooding that impact coastal regions, and global health risks or pandemics could seriously harm the Company's operations as well as the operations of the Company's customers and suppliers. Climate change increases the frequency and severity of potential supply chain and operational disruptions from weather events and natural disasters. The chronic physical impacts associated with climate change, for example, increased temperatures, changes in weather patterns and rising sea levels, could significantly increase costs and expenses and create additional supply chain and operational disruption risks." This risk could manifest as any of several types of severe weather events including hurricanes, floods and others.

Emerging regulation risk—carbon pricing mechanisms expected in the medium term

DuPont is currently exposed to carbon pricing mechanisms in the form of the EU ETS, Quebec ETS, and UK ETS. The risk associated with emerging additional regulation or additional costs is increasing the rates of carbon taxes or other carbon accounting mechanisms or reducing allocations at faster than expected rates. The regulatory risk to DuPont related to climate change is described in the 2022 10-K as “The Company’s manufacturing processes and operations depend on the continued availability of energy and raw materials, the costs of which are subject to worldwide supply and demand as well as other factors beyond the Company’s control, including potential legislation to address climate change by reducing greenhouse gas emissions, creating a carbon tax or implementing a cap and trade program which could create increases in costs and price volatility. Operational changes and transition to renewable energy sources to meet country, NGO and corporate-level net-zero GHG emissions pledges and related decarbonization technology investments, may require the Company to make significant capital investments, re-qualify its products with certain suppliers, as well as meet additional regulatory and compliance requirements and could result in higher cost and expenses.”

Product opportunities—access to new and emerging markets and development of low emission goods and services

We’ve engaged our customers to understand their sustainability challenges and confirmed that climate is their highest priority ESG issue. Of the 120 strategic customers engaged in 2022, more than 75% indicated climate change as their top ESG issue. DuPont innovators are providing solutions to these challenges and delivering value to customers and realizing growth of our business. While climate is indicated as a key topic for many of our customers, their needs vary by market, product, and even application. Our approach to innovation equips us to understand those varying needs and respond with solutions. Each of our [eight innovation platforms](#) has a sustainability driver linked to climate change.

Award winning examples of DuPont innovations that solve climate challenges and present market opportunity for are businesses include:

- R&D 100 Award winner BETATECH™ thermal interface material helps control heat in electric vehicle batteries, enabling low-emission EV technology.
- R&D 100 Award winner Low GWP Froth-Pak™ Spray Foam boasts a blowing agent GWP reduction of more than 99% as compared to blowing agents used in past formulations, while maintaining the performance attributes professional contractors expect.

Additional examples and discussion of our innovation approach in the [Innovation chapter](#) of this report.

Impact of climate-related risks and opportunities on the company’s businesses, strategy, and financial planning

Our understanding of climate change as a risk and opportunity influences our business decision and strategies in several ways.

In how we innovate:

In 2022, we continued to advance learning through expanded customer and value chain engagements. The effort focused on 120 strategic customers from across our global businesses, representing multiple end markets including automotive, semiconductors, water, protection, consumer electronics, industrial, and more. Using the results of the 2022 customer engagement work, we developed an interactive internal dashboard to facilitate analysis and insight generation. These customer insights establish a direct link between our innovation platforms and the sustainability priorities of our customers. The customer insights provide clarity for DuPont businesses and functions, increase the commercialization success of sustainable products, and enable our customers’ successes in achieving their sustainability objectives. Climate change is the number one EST topic for DuPont’s customers and value chains, cited as a priority by more than 75% of those surveyed.

In our actions to protect the planet:

We’ve achieved reduction in our Scope 1 and 2 emissions of 35% from our 2019 baseline and achieved our 2030 target eight years early. We have also delivered results significant ahead of schedule on our target to source 60% of electricity from renewable sources by 2030, reaching 57% in 2022. These results were accomplished through our businesses taking action to implement elements of our climate strategy including implementing low-carbon industrial processes, transition to renewable electricity sources, and transition to low-carbon steam generation. Following the exceptional results in 2022 we have announced new, bolder 2030 climate targets. We will reduce our Scope 1 and 2 GHG emissions by 50% by 2030 from a 2019 baseline and is aligned with the Paris Accord 1.5 C° ambition. Additionally, we have announced our first Scope 3 goal to reduce emissions from purchased goods and services and end of life of from a 2020 baseline. The increasing ambition was a recognition of our stakeholder expectations that we reduce our own emissions and support their own ambitions to reduce GHG emissions in their value chains. Each of our businesses has established their own climate targets in support of these commitments.

We joined RE100, with a near-term commitment to source 60% of electricity from renewable sources by 2030. We invested in our first long-term VPPA which will deliver the equivalent of 135 megawatts of new wind power capacity to the North American electrical grid, which is 528,000 MWH of renewable electricity annually. The facility in Texas came on-line ahead of schedule in December 2022.

Our individual businesses have chosen to purchase RECs and make renewable electricity claims to support their customers and value chains. These purchases support business strategies and allow us to provide low-emissions product options to our customers.

Resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

DuPont approaches climate resilience through the integration of climate risks and opportunities with business strategy and enterprise risk management. In 2021 DuPont conducted a series of climate screening workshops to review and prioritize climate-related physical and transition risks, as well as corresponding opportunities. The Company's climate risk screening and initial assessment showed the strategic importance of climate-focused innovation, disaster preparedness and a multi-pronged approach to the supply of key raw materials.

From an innovation perspective, DuPont is preparing for the transition to a lower carbon economy through an integrated climate action and sustainable innovation strategy, as detailed in the [Delivering solutions for global challenges](#) and [Acting on climate](#) sections of this report.

In terms of supply chain resilience, generally, as described in DuPont's 2022 10-K, the Company seeks to have many sources of supply for key raw materials in order to avoid significant dependence on any one or a few suppliers. In addition, and where the supply market for key raw materials is concentrated, DuPont takes additional steps to manage its exposure to supply chain risk and price fluctuations through among other things, negotiated long-term contracts some which include minimum purchase obligations. However, there can be no assurance that such mitigation efforts will prevent future difficulty in obtaining sufficient and timely delivery of certain raw materials.

Risk management—disclose how the company identifies, assesses, and manages climate-related risks

Processes for identifying and assessing climate-related risks

In 2021, DuPont conducted a series of climate screening workshops to review and prioritize climate-related physical and transition risks, as well as corresponding opportunities. To develop a deeper understanding of the unique impacts that climate change could have for DuPont, potentially relevant climate risks were identified and assessed via a climate risk screening process based on the risk's likelihood, significance, and scope of impact across the business including direct operations, upstream and downstream. Business and functional teams with responsibilities across DuPont's value chain rated the impact and vulnerability to each risk as low, medium, or high. The low, medium, and high thresholds were calibrated based on potential impacts to operating costs, earnings, increases in costs of raw materials, and supply chain disruptions. These metrics align with metrics used in DuPont enterprise-wide risk assessments and thus serve as the basis for determining which risks need to be managed on a priority basis in relation to other risks. The climate screening and risk assessment work was supported by external climate consultants, to help the Company better understand its risk exposure, create a roadmap for scenario analysis and resiliency planning, develop strategies for leveraging opportunities, and meet our reporting and disclosure commitments.

In 2022, DuPont continued to refine our assessment of climate risks.

We assess market risks and opportunities by listening to our customers through expanded engagements that focused on 120 strategic customers from across our global businesses, representing multiple end markets including automotive, semiconductors, water, protection, consumer electronics, industrial, and more. Using the results of the 2022 customer engagement work, we developed an interactive internal dashboard to facilitate analysis and insight generation. These customer insights establish a direct link between our innovation platforms and the sustainability priorities of our customers. The customer insights provide clarity for DuPont businesses and functions, increase the commercialization success of sustainable products, and enable our customers' successes in achieving their sustainability objectives. Climate change is the number one ESG topic for DuPont's customers and value chains, cited as a priority by more than 75% of those surveyed.

Assessment of physical climate risks is primarily analysis led by our climate strategist that indicates our greatest likelihood of impact is from our supply chains that are impacted by the chemical industry located on the U.S. Gulf Coast. There is also the potential for impact at our sites, but the risk is lower for any single event due to our globally distributed footprint and not being concentrated in higher risk locations like the U.S. Gulf Coast.

Assessment of the impact of climate legislation begins at individual sites who assure compliance with applicable emissions reporting and tax schemes. Site personnel monitor changing emissions allocations and carbon pricing to budget for carbon costs. At the corporate level, the costs for compliance with carbon pricing mechanisms are aggregated and reported to multiple levels of leadership; site, business, and corporate. The aggregate data along with assumptions about how carbon pricing mechanisms are expected to evolve is used to model the corporate exposure to carbon pricing mechanisms and is used as an input to the enterprise risk management process.

Other inputs to our understanding of climate risks include the evolving criteria in ESG ratings and direct engagements with investors. We monitor ESG assessments such as CDP, EcoVadis, and others for changes that indicate increased focus on transparency and action related to climate risks. For example, in 2022 CDP expanded their requested disclosures on the details of renewable energy purchases, aligned with RE100 reporting requirements. This was an indicator of additional transparency expectation related to the actions we're taking to manage our climate risk. Our sustainability and investor relations teams collaborate to monitor ESG topics in direct engagements with investors. In 2022, those topics included climate targets and our climate action plan among others.

Processes for managing climate-related risks

At DuPont we continue to drive integration and management of strategic climate risks and opportunities to the appropriate levels across business and functional teams where they can be most effectively addressed and acted upon.

Our climate strategy, as part of our sustainability strategy, is set by our Chief Technology and Sustainability Officer and reviewed regularly for progress. Implementation of the Acting on Climate goal, including the development of roadmaps to meet our climate targets and the engagement of our business units on their contribution, is led by an enterprise-level climate strategist. DuPont's Chief Technology and Sustainability Officer and Chief Operations and Engineering Officer together are responsible for performance against our climate goals and communicate with the CEO and the Board of Directors on climate-related matters.

In 2022, our pilot Product Sustainability Assessment (PSA) process provided additional insight and tools for managing the Innovation Process with respect to climate risk and opportunity. In our pilot that addressed the top ten innovation projects in each of DuPont's lines of business, we found that approximately 50% of projects included a climate-focused innovation. We also have an established process to engage our customers annually to understand what their priority ESG topics are. Learnings from these engagements are inputs to management actions including investing in renewable energy including through RECs, increasing investment in climate-related innovation for specific markets and applications, setting new climate reduction targets, engaging our suppliers on their climate action plans, and others.

DuPont manages our risk associated with physical impacts of climate change through our Business Continuity plans as part of our Enterprise Risk Process, including emergency preparedness.

As part of our emergency preparedness corporate requirements, each site is required to have an emergency response plan (ERP). The plan details prevention, mitigation, response and recovery activities the site shall do prior, during and after any unplanned event. The plan also dictates the need to have a Site Emergency Management Team to coordinate the activities provided in the ERP. If needed, due to the unplanned event, a business crisis team will be implemented to assist with providing additional resources to the site, assisting employees with recovery or implementing actions to minimize supply chain disruption. The business crisis plan can be escalated to a corporate crisis plan bringing additional resources to meet the needs of the site(s) or employees.

How processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management

Our Enterprise Risk Management process, refined in 2021 and executed by DuPont's Chief Compliance Officer, manages enterprise-level risk across our global operational footprint and oversees risk response planning, governance, and accountability. The ERM process seeks input from across the company's global businesses, regions, and functions and engages external subject matter experts to identify, drivers, and mitigation measures. Each risk area has a risk leader that manages the risk and a risk owner who provides strategic guidance and is a member of the senior leadership team. We continually review and update our ERM process to assure alignment with the changing world we operate in and the key challenges facing our global stakeholders. The ERM process maintains a risk register and a set of key indicators for managing each risk area. The full risk profile for the company is presented to the full board annually, and individual risk topics are presented in detail once each year to either the full Board or the relevant board committee.

ESG risk, including climate, assessment, and management is integrated with the ERM process, both through identifying and including ESG-specific risk areas and by including ESG topics as elements of other risk areas including geopolitical, operational resilience, human capital management, and anti-corruption, fraud, and integrity. ESG serves as a lens through which we view corporate risks, drivers, and mitigation for each risk topic to ensure consideration is given to components of the ESG landscape. For example, operational resilience can be impacted by many factors, including increased frequency and severity of severe weather events. Climate and chemical stewardship are the two specific ESG risk areas monitored, with key indicators identified to manage them and assigned risk leaders and risk owners for accountability. For details about our management of these two topics, refer to the Climate and Safe and Sustainable by Design chapters in this report.

Metrics and targets—disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

Metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process

To achieve our Acting on Climate goals of 50% absolute reduction of Scope 1 and 2 GHG emissions and procurement of 60% renewable electricity by 2030 and carbon neutral operations by 2050, we're implementing an integrated strategy to address all sources of GHG emissions, including efforts to create low-carbon industrial processes, source low-carbon and renewable electricity, and reduce our overall energy use. Because of the complex nature and broad implications of climate change, DuPont currently uses—and is further developing—metrics to help us understand our exposure to physical and transition climate-related risks and opportunities. Physical risk metrics focus on operations and supply chain disruptions. Transition risk metrics include our energy consumption as well as our greenhouse gas (GHG) emissions Scopes 1, 2, and 3, customer survey metrics, cost of carbon model estimates, and our pilot PSA process is a framework to assess innovation opportunities and quantify impacts of our innovation and product portfolios in four categories, including climate.

% Renewable electricity (including RECs)

2019	2020	2021	2022
8	11	18	57

Scope 1 and 2 emissions

MT CO ₂ e	2019	2020	2021	2022
Scope 1	2,071,581	1,935,092	1,741,981	1,431,889
Scope 2 (market-based)	1,229,008	1,050,136	997,357	699,636
Scope 2 (location-based)	1,206,284	1,046,083	1,063,105	1,001,248
Scope 1 + Scope 2 (market-based)	3,300,589	2,985,227	2,739,338	2,131,524

Scope 3

MT CO ₂ e	2020	2021	2022
Cat. 1 Purchased goods and services	4,064,065	5,301,916	4,980,908
Cat. 2 Capital Goods	81,396	76,661	67,557
Cat. 3 Fuel and energy related activities	450,442	487,926	491,330
Cat. 4 Upstream transport & distribution	494,854	627,019	677,364
Cat. 5 Waste generated in operations	49,445	46,476	61,411
Cat. 6 Business travel	1,299	3,271	9,801
Cat. 7 Employee commute	18,949	20,320	21,411
Cat. 8 Upstream leased assets	1,615	1,280	1,058

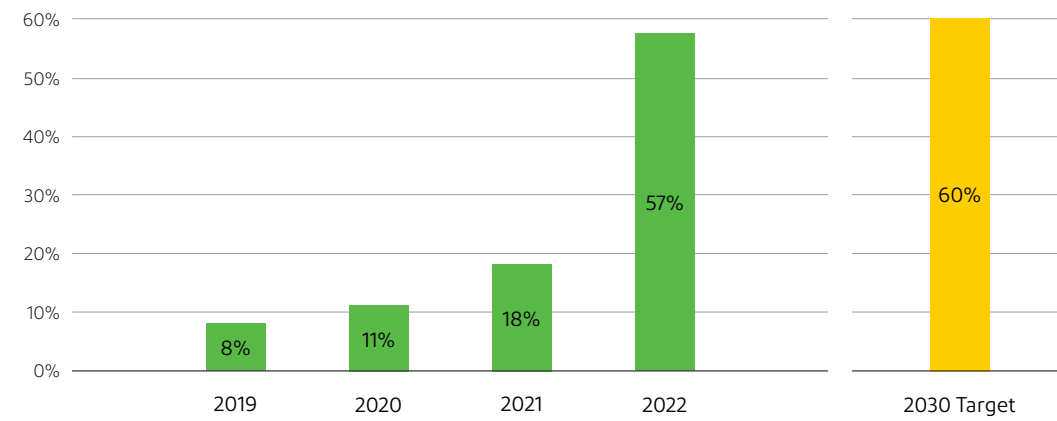
MT CO ₂ e	2020	2021	2022
Cat. 9 Downstream transportation & distribution	28,986	18,604	23,067
Cat. 10 Processing of sold products	540,714	588,702	605,541
Cat. 11 Use of sold products	15,401	15,460	11,228
Cat. 12 End-of-life treatment of sold products	6,271,151	5,925,924	4,899,205
Cat. 13 Downstream leased assets	NA	NA	NA
Cat. 14 Franchises	NA	NA	NA
Cat. 15 Investments	27,275	30,388	25,059
Total	12,045,592	13,143,947	11,874,940

Targets used by the company to manage climate-related risks and opportunities and performance against targets^[1]

- In 2022, **we surpassed our 2030 goal of 30% reduction of Scope 1 and 2 GHG emissions eight years early** with 2022 reduction of 35% from 2019 baseline a 22% improvement from 2021.
- We've set a new target for reduction of Scope 1 + 2 emissions 50% by 2030 from 2019 baseline year. The new target has been validated by the Science Based Targets initiative.
- We set a target for reduction of Scope 3 emissions from purchased goods and services and end of life of sold products by 25% by 2030 from 2020 baseline year. This target has been validated by the Science Based Targets initiative. In 2022, we reduced our Scope 3 GHG Emissions by over 1MM MT CO₂e in 2022 a 10% reduction from 2021.
- Sourcing 60% of electricity for DuPont global operations from renewable energy by 2030. This target is part of our RE100 commitment. We significantly increased our sourcing of renewable electricity from 18% in 2021 to 57% in 2022. Thirty-seven of our approximately 90 sites now operating at 100% renewable electricity.

[1] The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks

Renewable electricity use (percent of total electricity use)



Scope 1 and 2 GHG emissions (MT CO₂e)

