

TCFD Disclosure Index



In 2021 DuPont took significant actions to align our governance and risk management processes with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The disclosures in our TCFD index will evolve over the coming years as we continue to advance our climate strategy and make progress on our 2030 and 2050 goals.

Governance: Disclose the company's governance around climate-related risks and opportunities.

Key Area

Describe the board's oversight of climate-related risks and opportunities.

Disclosure

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 full Board meeting in 2021.

Climate-related risks and opportunities are part of the responsibility of the Environment, Health, Safety & Sustainability (EHS&S) Committee of DuPont de Nemours, Inc. which assists the Company's Board of Directors in fulfilling its oversight responsibilities by assessing the effectiveness of and advising the Board of Directors on the Company's environment, health and safety and sustainability policies and programs and matters impacting the Company's public reputation and efforts to promote the Company's safety and health core value.

The responsibilities of the EHS&S Committee 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.

Key Area

Describe management’s role in assessing and managing climate-related risks and opportunities.

Disclosure

Responsibility for sustainability strategy resides with the Chief Technology and Sustainability Officer (CTSO), Alexa Dembek. The CTSO role capitalizes on the link between sustainability and innovation in our operating model and chairs the Sustainability Oversight Committee, a subset of DuPont’s Senior Leadership Team. Members of the Sustainability Oversight Committee provide insight and guidance on their respective areas of leadership, including corporate governance and finance, operational excellence, employee experience and development, innovation, and business oversight. The Sustainability Oversight Committee reviews and approves sustainability strategy, policies, and positions, including climate-related risks and opportunities, and oversees the work of the Strategic Leadership Council. The CTSO reports directly to the CEO and routinely engages with the EHS&S Committee and the full Board of Directors on ESG and Sustainability matters.

Our Sustainability Leadership Council, chaired by the Vice President of Corporate Sustainability oversees implementation of our sustainability strategy. The Council includes an enterprise-level climate strategist to lead implementation of our Acting on Climate goal, including the development of roadmaps to meet our climate targets, the engagement of our global businesses on operations, and market-focused climate strategies. At the executive leadership level, DuPont’s Chief Technology and Sustainability Officer and Chief Operations and Engineering Officer are responsible for performance against our climate goals, engaging on climate-related matters routinely with the CEO and the EHS&S Committee of the Board.

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.

Key Area

Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.

Disclosure

In 2021, DuPont conducted a series of climate screening workshops to review and prioritize climate-related transition and physical risks, as well as corresponding opportunities. This assessment 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. Each of DuPont’s businesses were engaged in the assessment process to better understand which risks could present a material (positive or adverse) impact to operations and markets. The same process for identifying climate risk was used across all stakeholder groups to reduce biases and organizational fragmentation.

The climate screening workshops considered the following risks across short (0–1 years), medium (1–5 years), and long term (5–30 years) horizons:

Risk Category	Description	Time Frame
Acute Physical	Increasing frequency & severity of extreme weather events	Medium–Long
Chronic Physical	Rising mean temperatures and increased temperature variability.	Medium–Long
Chronic Physical	Rising sea levels	Medium–Long
Chronic Physical	Changes in precipitation patterns	Medium–Long
Transitional—Technology	Cost of technological innovations which support the energy transition to a low carbon economy.	Short–Medium
Transitional—Reputation	Changing perceptions of DuPont’s contribution to climate change and the transition to a low carbon economy.	Short–Medium
Transitional—Legal & Policy	Policies which act to constrain adverse effects of climate change or promote adaptation to climate change.	Short–Medium
Transitional—Market	Shifts in supply & demand for key materials & DuPont products	Short–Medium
Transitional—Market	Shifts in customer demand for lower carbon and net-zero GHG emissions products	Short–Medium

Opportunities considered in these workshops include:

Opportunity Category	Description	Time Frame
Resource Efficiency	Initiatives and investments to improve process, resource utilization and operational efficiency	Short-Medium
Energy Sourcing	Investments in lower GHG emission and renewable sources of energy, and participation in the carbon market	Medium-Long
Products and Services	The shift of customer preferences towards DuPont innovations and products that provide GHG emissions reduction, energy, resource and/or water efficiency savings	Short-Medium
Markets	Opportunities to access new and adjacent markets	Medium-Long
Resilience	DuPont's ability to gain competitive advantage through resilience planning, innovation and reliability of products	Medium-Long

Through initial climate screening exercises, priority climate risks and opportunities were identified for further analysis.

Key Area

Describe the impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning.

Disclosure

At DuPont, science and engineering are the foundation of our company and innovation is core to our business and sustainability strategy to create long-term value for our customers. Our sustainability strategy is grounded in **our purpose to empower the world with the essential innovations to thrive** and inspired by the United Nations Sustainable Development Goals (SDGs). As a premier multi-industrial company, we embrace the accelerated pace of learning, change, and expectations happening around the world and within our own communities and workforce. Our sustainability strategy is built on three pillars, the first two of which will be used to describe impacts of climate-related risks and opportunities. These are: 1) Innovate for good; 2) Protect people and the planet; and 3) Empower people to thrive.

Innovate for good

At DuPont we commit to using our innovation expertise to work on important and valuable market-based challenges. In 2021, we completed multiple, focused customer engagements with direct and end use customers to accelerate our learning, widen the opportunity space to create value and refine our sustainable innovation priorities. Acting on climate change is of the utmost importance to our customers across all value chains.

We're actively pursuing opportunities to reduce GHG emissions along the value chains of many of our processes and products. Aligned with our innovation platforms, our climate innovation focuses on three major areas of impact: advancing low-carbon mobility, lowering embodied carbon in buildings and enabling renewable energy. For details on our climate innovations please see the Delivering solutions for global challenges and Acting on climate sections of this report.

Protect people and the planet

DuPont's core values reflect our long-held commitment to ensure the safety and health of our employees, contractors, customers, and communities and to protect the planet. In addition to the climate-adaptive solutions DuPont provides to various end markets, in 2021 we joined RE100, completed a Virtual Power Purchase Agreement (VPPA) to add renewable energy to the North American grid, and made specific business-level commitments to procure renewable electricity. For example, in 2021 our Interconnect Solutions (ICS) business, which is part of the Electronics & Industrial (E&I) business, set a business ambition of **Zero by 2030**, with the goal of reaching carbon neutral operations for the global ICS business by 2030. As of September 2021, the ICS business achieved the milestone of 95 percent of global operations powered with renewable electricity.

We also continue to implement energy efficiency projects through the Bold Energy Plan, a long-standing DuPont program that leverages a global, cross-business team of Site Energy Champions to improve energy efficiency and reduce GHG emissions in our facilities. In 2021, we completed 76 energy-savings projects with an emissions savings potential of about 9,600 MT CO₂e for the year of 2021. Of these projects, 47 were new in 2021.

Supply chain and operational disruptions. 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.

For additional details on our operations climate strategy see the Acting on climate section of this report.

Key Area

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

Disclosure

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, 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.

Key Area

Describe the company's processes for identifying and assessing climate-related risks.

Disclosure

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. 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 intends to further integrate the results of the climate risk workshops within its enterprise risk management (ERM) process to identify high priority climate scenarios, and review output with the Company's global business and executive leaders.

Key Area

Describe the company's processes for managing climate-related risks.

Disclosure

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.

From an ERM perspective (including climate risk), as we identify metrics for Key Risk Indicators and develop dashboards for monitoring those metrics, we will have the ability to identify changes that may trigger the need for additional mitigation. Such mitigation is defined as part of the ERM analysis and will be updated continually as risk likelihood and impact changes, the company's risk profile changes, and external risk influences change. The cross-functional ERM team meets monthly, and the risk leads are continually providing insights into emerging risks and changes to existing risks that impact multiple risk topics. This team of risk leads are linked to senior leadership risk owners as well as to Board committees which provides an avenue to escalate concerns to a level that can influence the availability of resources and the prioritization of risks in strategic management decisions.

The Company's emergency preparedness plans include consideration of design and siting of buildings, process safety management, community preparedness, and site emergency response. All DuPont manufacturing sites located in areas with potential for impact of hurricanes, have site-specific response plans for hurricane monitoring, preparedness efforts, and site recovery after the storm. The Company maintains a corporate level natural disaster team that intervenes when it is forecasted that multiple sites may be impacted by a hurricane at Category 1 or above. Due to the high level of unpredictability associated with natural weather events, this assessment takes place on an ad hoc basis, which can often be multiple times a year given DuPont's presence in over 60 countries and the increase in severe weather events due to climate change impacts.

Key Area

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

Disclosure

One of the core elements of a robust corporate sustainability and climate strategy is integration within a company's ERM process. Similar to other issues on the risk register, climate-related financial risks and opportunities must be identified and managed in order to ensure long-term business growth.

Climate change was identified early in the Company's sustainability journey as a key risk and opportunity for DuPont's global businesses. In 2021 DuPont took significant actions to align its governance and risk management processes with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). From an ERM process perspective, DuPont has worked with external experts to conduct a climate change risk screening and prioritization exercise across its global businesses, from which the Company developed specific scenarios for material physical and transition risks. In 2022 DuPont intends to further develop climate-related financial risk models against future climate scenarios and continue to integrate climate risk into its enterprise and business strategies. DuPont recognizes that the unique characteristics of climate change-related risks, which include longer time horizons, changing magnitudes, and nonlinear dynamics, may require differential assessment and management strategies for each of our businesses and industry verticals.

Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Key Area

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

Disclosure

To achieve our Acting on Climate goals of a 30% 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 energy, 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 water and energy consumption as well as our greenhouse gas (GHG) emissions, and we're developing innovation metrics in 2022 aligned with climate transition and market opportunities.

In 2021 we accelerated our effort to define the environmental footprint across our value chains to prioritize areas of improvement and innovation. Scope 3 emissions cover a variety of activities across DuPont's supply chain, business operations, products, and end-of-life treatment of products. In alignment with best practices, we calculated our upstream and downstream Scope 3 emissions according to the GHG Protocol Scope 3 Standard (Corporate Value Chain Accounting and Reporting Standard).

Key Area

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Disclosure

2021 Emissions in line with the Greenhouse Gas Protocol are:

- Scope 1: 1,870,000 MT CO₂e
- Scope 2 (market-based): 1,225,000 MT CO₂e
- Renewable electricity procurement (percentage): 15.2%

In 2020, Scope 3 GHGs were 14.74 million MT CO₂e representing about 80% of DuPont total corporate (Scope 1 + Scope 2 + Scope 3) GHG emissions. The table and figure below show the share of emission by Scope 3 category. Purchased goods and services (includes all upstream emissions from the goods and services purchased by DuPont in 2020) and end-of-life (total GHGs from the disposal of products sold by DuPont in 2020) were the main contributors to these emissions.

DuPont Scope 3 Emissions by Scope 3 Categories (2020 data)¹

Category	MT CO ₂ e	Percent of Scope 3
Upstream		
Category 1: purchased goods and services	5,488,000	37.2%
Category 2: capital goods	103,000	0.7%
Category 3: fuel and energy related activities	545,000	3.7%
Category 4: upstream transportation & distribution	728,000	4.9%
Category 5: waste	65,000	0.4%
Category 6: business travel	18,000	0.1%
Category 7: employee commuting	29,000	0.2%
Category 8: upstream leased assets	2,000	0.0%
Downstream		
Category 9: downstream transportation & distribution	30,000	0.2%
Category 10: processing of sold products	1,211,000	8.2%
Category 11: use of sold products	15,000	0.1%
Category 12: end of life of sold products	6,451,000	43.8%
Category 15: investments	55,000	0.4%
Total Scope 3	14,740,000	100%

¹ Emissions from downstream leased assets and franchises (Categories 13 and 14) were not applicable and therefore not included in our Scope 3 emissions.

Key Area

Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.

Disclosure

In 2019, DuPont established an Acting on Climate goal as part of our 2030 Sustainability Goals and strategy. The targets include:

- Achieve a 30% absolute reduction of Scope 1 and 2 GHG emissions by 2030 from a base year of 2019
- Source 60% of electricity for DuPont global operations from renewable energy by 2030
- Deliver carbon neutral operations by 2050

In 2021, DuPont reduced Scope 1 and 2 GHG emissions by 10% over the previous year, which represents a 16% reduction from our 2019 baseline. We also achieved 15% sourcing of renewable electricity.

In 2021, DuPont conducted an enterprise-wide Scope 3 GHG emissions assessment to detect the largest emitting areas in its value chain to identify focus areas for reductions. Moving forward we will continuously evaluate GHG emissions opportunities across our global operations and value chains, in line with the expectations of our stakeholders, and adjust targets accordingly.
