UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2013

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 1-815

E. I. DU PONT DE NEMOURS AND COMPANY

(Exact name of registrant as specified in its charter)

DELAWARE	**51-0014090**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**

1007 Market Street
Wilmington, Delaware 19898
(Address of principal executive offices)
Registrant's telephone number, including area code: 302-774-1000
Securities registered pursuant to Section 12(b) of the Act
(Each class is registered on the New York Stock Exchange, Inc.):
Title of Each Class

Common Stock ($.30 par value)
Preferred Stock
(without par value-cumulative)
$4.50 Series
$3.50 Series

No securities are registered pursuant to Section 12(g) of the Act.

Indicate by check mark whether the registrant is a well-known seasoned issuer (as defined in Rule 405 of the Securities Act). Yes ☒ No ☐

Indicate by check mark whether the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of voting stock held by nonaffiliates of the registrant (excludes outstanding shares beneficially owned by directors and officers and treasury shares) as of June 30, 2013, was approximately $48.4 billion.

As of January 31, 2014, 927,717,000 shares (excludes 87,041,000 shares of treasury stock) of the company's common stock, $0.30 par value, were outstanding.

Documents Incorporated by Reference
(Specific pages incorporated are indicated under the applicable Item herein):

	Incorporated By Reference In Part No.
The company's Proxy Statement in connection with the Annual Meeting of Stockholders to be held on April 23, 2014.	III

E. I. du Pont de Nemours and Company

Form 10-K

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The terms "DuPont" or the "company" as used herein refer to E. I. du Pont de Nemours and Company and its consolidated subsidiaries, or to E. I. du Pont de Nemours and Company, as the context may indicate.

Note on Incorporation by Reference

Information pertaining to certain Items in Part III of this report is incorporated by reference to portions of the company's definitive 2014 Annual Meeting Proxy Statement to be filed within 120 days after the end of the year covered by this Annual Report on Form 10-K, pursuant to Regulation 14A (the Proxy).

Part I

ITEM 1. BUSINESS

DuPont was founded in 1802 and was incorporated in Delaware in 1915. DuPont brings world-class science and engineering to the global marketplace in the form of innovative products, materials and services. The company believes that by collaborating with customers, governments, non-governmental organizations and thought leaders it can help find solutions to such global challenges as providing healthy food for people everywhere, decreasing dependence on fossil fuels, and protecting life and the environment. Total worldwide employment at December 31, 2013, was about 64,000 people. The company has operations in more than 90 countries worldwide and about 60 percent of consolidated net sales are made to customers outside the United States of America (U.S.). See Note 21 to the Consolidated Financial Statements for additional details on the location of the company's sales and property.

Subsidiaries and affiliates of DuPont conduct manufacturing, seed production or selling activities and some are distributors of products manufactured by the company. As a science and technology based company, DuPont competes on a variety of factors such as product quality and performance or specifications, continuity of supply, price, customer service and breadth of product line, depending on the characteristics of the particular market involved and the product or service provided. Most products are marketed primarily through the company's sales force, although in some regions, more emphasis is placed on sales through distributors. The company utilizes numerous suppliers as well as internal sources to supply a wide range of raw materials, energy, supplies, services and equipment. To ensure availability, the company maintains multiple sources for fuels and many raw materials, including hydrocarbon feedstocks. Large volume purchases are generally procured under competitively priced supply contracts.

On October 24, 2013, DuPont announced that it intends to separate its Performance Chemicals segment through a U.S. tax-free spin-off to shareholders, subject to customary closing conditions. The company expects to complete the separation about mid-2015.

In third quarter 2012, the company entered into a definitive agreement to sell its Performance Coatings business (which represented a reportable segment). In accordance with generally accepted accounting principles in the U.S. (GAAP), the results of Performance Coatings are presented as discontinued operations and, as such, have been excluded from continuing operations and segment results for all periods presented. On February 1, 2013, the sale of Performance Coatings was completed.

Business Segments

The company consists of 13 businesses which are aggregated into eight reportable segments based on similar economic characteristics, the nature of the products and production processes, end-use markets, channels of distribution and regulatory environment. The company's reportable segments are Agriculture, Electronics & Communications, Industrial Biosciences, Nutrition & Health, Performance Chemicals, Performance Materials, Safety & Protection and Pharmaceuticals. The company includes certain embryonic businesses not included in the reportable segments, such as pre-commercial programs, and nonaligned businesses in Other. Additional information with respect to business segment results is included in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, on page 21 of this report and Note 22 to the Consolidated Financial Statements.

Agriculture

Agriculture businesses, DuPont Pioneer and DuPont Crop Protection, leverage the company's technology, customer relationships and industry knowledge to improve the quantity, quality and safety of the global food supply and the global production agriculture industry. Land available for worldwide agricultural production is increasingly limited so production growth will need to be achieved principally through improving crop yields and productivity rather than through increases in planted area. The segment's businesses deliver a broad portfolio of products and services that are specifically targeted to achieve gains in crop yields and productivity, including Pioneer® brand seed products and well-established brands of insecticides, fungicides and herbicides. Research and development focuses on leveraging technology to increase grower productivity and enhance the value of grains and soy through improved seed traits, superior seed germplasm and effective use of insecticides, herbicides and fungicides. Agriculture accounted for approximately 50 percent of the company's total research and development expense in 2013.

Sales of the company's products in this segment are affected by the seasonality of global agriculture markets and weather patterns. Sales and earnings performance in the Agriculture segment are significantly stronger in the first versus second half of the year reflecting the northern hemisphere planting season. As a result of the seasonal nature of its business, Agriculture's inventory is at its highest level at the end of the calendar year and is sold down in the first and second quarters. Trade receivables in the Agriculture segment are at a low point at year-end and increase through the northern hemisphere selling season to peak at the end of the second quarter.

Pioneer is a world leader in developing, producing and marketing corn hybrid and soybean varieties which improve the productivity and profitability of its customers. Additionally, Pioneer develops, produces and markets canola, sunflower, sorghum, inoculants,

ITEM 1. BUSINESS, *continued*

wheat and rice. As the world's population grows and the middle class expands, the need for crops for animal feed, food, biofuels and industrial uses continues to increase. The business competes with other seed and plant biotechnology companies. Pioneer seed sales amounted to 23 percent, 21 percent and 19 percent of the company's total consolidated net sales for the years ended December 31, 2013, 2012 and 2011, respectively.

Pioneer's research and development focuses on integrating high yielding germplasm with value added proprietary and/or licensed native and biotechnology traits with local environment and service expertise. Pioneer uniquely develops integrated products for specific regional application based on local product advancement and testing of the product concepts. Research and development in this arena requires long-term commitment of resources, extensive regulatory efforts and collaborations, partnerships and business arrangements to successfully bring products to market. To protect its investment, the business employs the use of patents covering germplasm and native and biotechnology traits in accordance with country laws. Pioneer holds multiple long-term biotechnology trait licenses from third parties as a normal course of business. The biotechnology traits licensed by Pioneer from third parties are contained in a variety of Pioneer crops, including corn hybrids and soybean varieties. The majority of Pioneer's corn hybrids and soybean varieties sold to customers contain biotechnology traits licensed from third parties under these long term licenses.

Pioneer is actively pursuing the development of innovations for corn hybrid, soybean varieties, canola, sunflower, wheat and rice based on market assessments of the most valuable opportunities. In corn hybrids, programs include innovations for drought and nitrogen efficiency, insect protection and herbicide tolerance. In soybean varieties, programs include products with high oleic content, multiple herbicide tolerance and insect protection.

Pioneer has seed production facilities located throughout the world. Seed production is performed directly by the business or contracted with independent growers and conditioners. Pioneer's ability to produce seeds primarily depends upon weather conditions and availability of reliable contract growers.

Pioneer markets and sells seed product primarily under the Pioneer® brand but also sells and distributes products utilizing additional brand names. Pioneer promotes its products through multiple marketing channels around the world. In the corn and soybean markets of the U.S. Corn Belt, Pioneer® brand products are sold primarily through a specialized force of independent sales representatives. Outside of North America, Pioneer's products are marketed through a network of subsidiaries, joint ventures and independent producer-distributors.

DuPont Crop Protection serves the global production agriculture industry with crop protection products for field crops such as wheat, corn, soybean and rice; specialty crops such as fruit, nut, vine and vegetables; and non-crop segments, including forestry and land management. Principle crop protection products are weed control, disease control and insect control offerings. Crop Protection products are marketed and sold to growers and other end users through a network of wholesale distributors and crop input retailers. The sales growth of the business' insect control portfolio is led by DuPont™ Rynaxypyr® insecticide, a product that is used across a broad range of core agricultural crops.

The major commodities, raw materials and supplies for the Agriculture segment include: benzene derivatives, other aromatics and carbamic acid related intermediates, copper, corn and soybean seeds, insect control products, natural gas and seed treatments.

Agriculture segment sales outside the U.S. accounted for 54 percent of the segment's total sales in 2013.

Electronics & Communications
Electronics & Communications (E&C) is a leading supplier of differentiated materials and systems for photovoltaics (PV), consumer electronics, displays and advanced printing that enable superior performance and lower total cost of ownership for customers. The segment leverages the company's strong materials and technology base to target attractive growth opportunities in PV materials, circuit and semiconductor fabrication and packaging materials, display materials, packaging graphics, and ink-jet printing. In the growing PV market, E&C continues to be an industry-leading innovator and supplier of metallization pastes and backsheet materials that improve the efficiency and lifetime of solar cells and solar modules. Solar modules, which are made up of solar cells and other materials, are installed to generate power. DuPont is a leading global supplier of materials to the PV industry.

In the displays market, E&C has developed solution-process technology, which it licenses, and a growing range of materials for active matrix organic light emitting diode (AMOLED) television displays. The segment has a portfolio of materials for semiconductor fabrication and packaging, as well as innovative materials for circuit applications, to address critical needs of electronic component and device manufacturers. In consumer electronics, E&C materials add value in the high growth hand-held

ITEM 1. BUSINESS, *continued*

device market of tablets and smart phones. In packaging graphics, E&C is a leading supplier of flexographic printing systems, including Cyrel® photopolymer plates and platemaking systems. The segment is investing in new products to strengthen its market leadership position in advanced printing markets. The segment holds a leadership position in black-pigmented inks and is developing new color-pigmented inks for network printing applications.

The major commodities, raw materials and supplies for E&C include: block co-polymers, copper, difluoroethane, hydroxylamine, oxydianiline, polyester film, precious metals and pyromellitic dianhydride.

E&C segment sales outside the U.S. accounted for 82 percent of the segment's total sales in 2013.

Industrial Biosciences
Industrial Biosciences is a leader in developing and manufacturing a broad portfolio of bio-based products. The segment's enzymes add value and functionality to processes and products across a broad range of markets such as animal nutrition, detergents, food manufacturing, ethanol production and industrial applications. The result is cost and process benefits, better product performance and improved environmental outcomes. Industrial Biosciences also makes DuPont™ Sorona® PTT renewably sourced polymer for use in carpet and apparel fibers.

The segment includes a joint venture with Tate & Lyle PLC, DuPont Tate and Lyle Bio Products LLC, to produce BioPDO™ 1,3 propanediol using a proprietary fermentation and purification process. BioPDO™ is the key building block for DuPont™ Sorona® PTT polymer.

The major commodities, raw materials and supplies for the Industrial Biosciences segment include: glucoamylase, glycols, grain products, such as dextrose and glucose, and purified terephthalic acid.

Industrial Biosciences segment sales outside the U.S. accounted for 56 percent of the segment's total sales in 2013.

Nutrition & Health
Nutrition & Health offers a wide range of sustainable, bio-based ingredients and advanced molecular diagnostic solutions, providing innovative solutions for specialty food ingredients, food nutrition, health and safety. The segment's product solutions include the wide-range of DuPont™ Danisco® food ingredients such as cultures and notably Howaru® probiotics, emulsifiers, texturants, natural sweeteners such as Xivia® and Supro® soy-based food ingredients. These ingredients hold leading market positions based on industry leading innovation, knowledge and experience, relevant product portfolios and close-partnering with the world's food manufacturers. Nutrition & Health serves various end markets within the food industry including meat, dairy, beverages and bakery segments. Nutrition & Health has research, production and distribution operations around the world.

Nutrition & Health products are marketed and sold under a variety of brand names and are distributed primarily through its direct route to market. The direct route to market focuses on strong customer collaborations and insights with multinational customers and regional customers alike.

The major commodities, raw materials and supplies for the Nutrition & Health segment include: acetyls, citrus peels, glycerin, grain products, guar, locust bean gum, oils and fats, seaweed, soybean, soy flake, sugar and yeast.

Nutrition & Health segment sales outside the U.S. accounted for 68 percent of the segment's total sales in 2013.

Performance Chemicals
Performance Chemicals businesses, DuPont Titanium Technologies and DuPont Chemicals and Fluoroproducts, deliver customized solutions with a wide range of industrial and specialty chemical products for markets including plastics and coatings, textiles, mining, pulp and paper, water treatment and healthcare.

DuPont Titanium Technologies is the world's largest manufacturer of titanium dioxide, and is dedicated to creating greater value for the coatings, paper, plastics, specialties and minerals markets through service, brand and product. The business' main products include its broad line of DuPont™ Ti-Pure® titanium dioxide products. In 2011, the business announced a global expansion to support increased customer demand for titanium dioxide, including a $500 million investment in new production facilities at the company's Altamira, Mexico site scheduled for completion in 2015. In addition, the business continues to invest in facility upgrades to improve productivity at its other global manufacturing sites.

ITEM 1. BUSINESS, *continued*

DuPont Chemicals and Fluoroproducts is a leading global manufacturer of industrial and specialty fluorochemicals, fluoropolymers and performance chemicals. The business' broad line of products include refrigerants, lubricants, propellants, solvents, fire extinguishants and electronic gases, which cover a wide range of industries and markets. Key brands include DuPont™ Teflon®, Capstone®, Dymel®, Opteon™ yf, Isceon®, Suva®, Vertrel®, Zyron®, Vazo® and Virkon®.

The major commodities, raw materials and supplies for the Performance Chemicals segment include: ammonia, benzene, chlorine, chloroform, fluorspar, hydrofluoric acid, industrial gases, methanol, natural gas, perchloroethylene, petroleum coke, sodium hydroxide, sulfur and titanium ore.

Performance Chemicals segment sales outside the U.S. accounted for 55 percent of the segment's total sales in 2013.

Performance Materials

Performance Materials businesses, Performance Polymers and Packaging & Industrial Polymers, provide productive, higher performance polymers, elastomers, films, parts, and systems and solutions which improve the uniqueness, functionality and profitability of its customers' offerings. The key markets served by the segment include the automotive original equipment manufacturers (OEMs) and associated after-market industries, as well as electrical, packaging, construction, oil, electronics, photovoltaics, aerospace, chemical processing and consumer durable goods. The segment has several large customers, primarily in the motor vehicle OEM industry supply chain. The company has long-standing relationships with these customers and they are considered to be important to the segment's operating results.

Performance Polymers delivers a broad range of polymer-based high performance materials in its product portfolio, including elastomers and thermoplastic and thermoset engineering polymers which are used by customers to fabricate components for mechanical, chemical and electrical systems. The main products include: DuPont™ Zytel® nylon resins, Delrin® acetal resins, Hytrel® polyester thermoplastic elastomer resins, Tynex® filaments, Vespel® parts and shapes, Vamac® ethylene acrylic elastomer, Kalrez® perfluoroelastomer and Viton® fluoroelastomers. Performance Polymers also includes the DuPont Teijin Films joint venture, whose primary products are Mylar® and Melinex® polyester films.

Packaging & Industrial Polymers specializes in resins and films used in packaging and industrial polymer applications, sealants and adhesives, sporting goods, and interlayers for laminated safety glass. Key brands include: DuPont™ Surlyn® ionomer resins, Bynel® coextrudable adhesive resins, Elvax® EVA resins, SentryGlas®, Butacite® laminate interlayers and Elvaloy® copolymer resins.

In November 2013, DuPont entered into a definitive agreement to sell Glass Laminating Solutions/Vinyls (GLS/Vinyls), a part of Packaging & Industrial Polymers, to Kuraray Co. Ltd. for $543 million, plus the value of the inventories. GLS/Vinyls specializes in interlayers for laminated safety glass and its key brands include SentryGlas® and Butacite® laminate interlayers. The sale is expected to close about mid-2014 pending customary closing conditions, including timing of antitrust clearance.

The major commodities, raw materials and supplies for the Performance Materials segment include: acrylic monomers, adipic acid, butadiene, butanediol, dimethyl terephthalate, ethane, fiberglass, hexamethylenediamine, methanol, natural gas and purified terephthalic acid.

Performance Materials segment sales outside the U.S. accounted for 69 percent of the segment's total sales in 2013.

Safety & Protection

Safety & Protection businesses, Protection Technologies, Sustainable Solutions and Building Innovations, satisfy the growing global needs of businesses, governments and consumers for solutions that make life safer, healthier and more secure. By uniting market-driven science with the strength of highly regarded brands, the segment delivers products and services to a large number of markets, including construction, transportation, communications, industrial chemicals, oil and gas, electric utilities, automotive, manufacturing, defense, homeland security and safety consulting.

Protection Technologies is focused on finding solutions to protect people and the environment. With products like DuPont™ Kevlar® high strength material, Nomex® thermal resistant material and Tyvek® protective material, the business continues to hold strong positions in life protection markets and meet the continued demand for body armor and personal protective gear for the military, law enforcement personnel, firefighters and other first responders, as well as for workers in the oil and gas industry around the world.

ITEM 1. BUSINESS, *continued*

Sustainable Solutions continues to help organizations worldwide reduce workplace injuries and fatalities while improving operating costs, productivity and quality. Sustainable Solutions is a leader in the safety consulting field, selling training products, as well as consulting services. Additionally, Sustainable Solutions is dedicated to clean air, clean fuel and clean water with offerings that help reduce sulfur and other emissions, formulate cleaner fuels, or dispose of liquid waste. Its goal is to help maintain business continuity and environmental compliance for companies in the refining and petrochemical industries, as well as for government entities. In addition, the business is a leading global provider of process technology, proprietary specialty equipment and technical services to the sulfuric acid industry.

Building Innovations is committed to the building science behind increasing the performance of building systems, helping reduce operating costs and creating more sustainable structures. The business is a market leader of solid surfaces through its DuPont™ Corian® and Montelli® lines of products which offer durable and versatile materials for residential and commercial purposes. DuPont™ Tyvek® offers industry leading solutions for the protection and energy efficiency of buildings and the business also offers Geotextiles for Professional Landscaping applications.

The major commodities, raw materials and supplies for the Safety & Protection segment include: aluminum trihydrate, benzene, high density polyethylene, isophthaloyl chloride, metaphenylenediamine, methyl methacrylate, paraphenylenediamine, polyester fiber, terephthaloyl chloride and wood pulp.

Safety & Protection segment sales outside the U.S. accounted for 62 percent of the segment's total sales in 2013.

Pharmaceuticals
On October 1, 2001, DuPont Pharmaceuticals was sold to the Bristol-Myers Squibb Company. DuPont retained its interest in Cozaar® (losartan potassium) and Hyzaar® (losartan potassium with hydrochlorothiazide), which are used in the treatment of hypertension. DuPont has exclusively licensed worldwide marketing and manufacturing rights for Cozaar® and Hyzaar® to Merck & Co., Inc. (Merck).

Pharmaceuticals' Cozaar®/Hyzaar® income is the sum of two parts: income related to a share of the profits from North American sales and certain markets in Europe, and royalty income derived from worldwide contract net sales linked to the exclusivity term in a particular country. Patents and exclusivity started to expire in prior years and the U.S. exclusivity for Cozaar® ended in April 2010. The worldwide agreement with Merck expired December 31, 2012. The company expects 2014 earnings to be insignificant and will be reported within the Other segment.

Backlog
In general, the company does not manufacture its products against a backlog of orders and does not consider backlog to be a significant indicator of the level of future sales activity. Production and inventory levels are based on the level of incoming orders as well as projections of future demand. Therefore, the company believes that backlog information is not material to understanding its overall business and should not be considered a reliable indicator of the company's ability to achieve any particular level of revenue or financial performance.

Intellectual Property
As a science and technology based company, DuPont believes that securing intellectual property is an important part of protecting its research. Some DuPont businesses operate in environments in which the availability and protection of intellectual property rights affect competition. (Information on the importance of intellectual property rights to Pioneer is included in Item 1 Agriculture business discussion beginning on page 2 of this report.)

Trade secrets are an important element of the company's intellectual property. Many of the processes used to make DuPont products are kept as trade secrets which, from time to time, may be licensed to third parties. DuPont vigilantly protects all of its intellectual property including its trade secrets. When the company discovers that its trade secrets have been unlawfully taken, it reports the matter to governmental authorities for investigation and potential criminal action, as appropriate. In addition, the company takes measures to mitigate any potential impact, which may include civil actions seeking redress, restitution and/or damages based on loss to the company and/or unjust enrichment.

Patents & Trademarks: DuPont continually applies for and obtains U.S. and foreign patents and has access to a large patent portfolio, both owned and licensed. DuPont's rights under these patents and licenses, as well as the products made and sold under them, are important to the company in the aggregate. The protection afforded by these patents varies based on country, scope of individual patent coverage, as well as the availability of legal remedies in each country. This significant patent estate may be

ITEM 1. BUSINESS, *continued*

leveraged to align with the company's strategic priorities within and across segments. At December 31, 2013, the company owned over 24,000 patents with various expiration dates over the next twenty years. In addition to its owned patents, the company owns over 20,000 patent applications.

The company has about 2,140 unique trademarks for its products and services and approximately 21,130 registrations for these trademarks worldwide. Ownership rights in trademarks do not expire if the trademarks are continued in use and properly protected. The company has many trademarks that have significant recognition at the consumer retail level and/or business to business level.

Research and Development
The company conducts research and development (R&D) at either dedicated research facilities or manufacturing plants. There are eleven major research locations in the U.S. & Canada, with the highest concentration of facilities at our corporate headquarters in the Wilmington, Delaware area. In addition, DuPont has five major research centers in the Asia Pacific region, four major locations in the Europe, Middle East and Africa (EMEA) region and one major location is located in Latin America.

The company's research and development objectives are to leverage its unique integrated science capabilities to drive revenue and profit growth. DuPont's R&D organization is fully focused on the company's strategic priorities: extending its leadership across the high-value, science-driven segments of the agriculture and food value chains, strengthening its lead as provider of differentiated, high-value advanced industrial materials, and building transformational new bio-based industrial businesses. The company believes that its unique breadth of science, proven R&D engine, broad global reach and deep market penetration are distinctive, competitive advantages that position it to address demands for more and healthier food, decreasing our dependence on fossil fuel, and protecting people and the environment. Each business in the company funds research and development activities that support its business mission, and a central research and development organization supports cross-business and cross-functional growth opportunities. The R&D portfolio is managed by senior research and development personnel to ensure consistency with the business and corporate strategy and to capitalize on the application of emerging science.

The company continues to protect its R&D investment through its intellectual property strategy. See discussion under "Intellectual Property".

Additional information with respect to research and development, including the amount incurred during each of the last three fiscal years, is included in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, on page 19 of this report.

Environmental Matters
Information related to environmental matters is included in several areas of this report: (1) Environmental Proceedings beginning on page 12, (2) Management's Discussion and Analysis of Financial Condition and Results of Operations beginning on pages 31, 35-37 and (3) Notes 1 and 16 to the Consolidated Financial Statements.

Available Information
The company is subject to the reporting requirements under the Securities Exchange Act of 1934. Consequently, the company is required to file reports and information with the Securities and Exchange Commission (SEC), including reports on the following forms: annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934.

The public may read and copy any materials the company files with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site at http://www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

The company's annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports are also accessible on the company's website at http://www.dupont.com by clicking on the section labeled "Investors", then on "Key Financials & Filings" and then on "SEC Filings." These reports are made available, without charge, as soon as is reasonably practicable after the company files or furnishes them electronically with the SEC.

Executive Officers of the Registrant
Information related to the company's Executive Officers is included in Item 10, Directors, Executive Officers and Corporate Governance, beginning on page 40 of this report.

ITEM 1A. RISK FACTORS

The company's operations could be affected by various risks, many of which are beyond its control. Based on current information, the company believes that the following identifies the most significant risk factors that could affect its businesses. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods.

Conditions in the global economy and global capital markets may adversely affect the company's results of operations, financial condition, and cash flows.
The company's business and operating results may in the future be adversely affected by global economic conditions, including instability in credit markets, declining consumer and business confidence, fluctuating commodity prices and interest rates, volatile exchange rates, and other challenges such as the changing financial regulatory environment that could affect the global economy. The company's customers may experience deterioration of their businesses, cash flow shortages, and difficulty obtaining financing. As a result, existing or potential customers may delay or cancel plans to purchase products and may not be able to fulfill their obligations in a timely fashion. Further, suppliers could experience similar conditions, which could impact their ability to fulfill their obligations to the company. Adversity within capital markets may impact future return on pension assets, thus resulting in greater future pension costs that impact the company's results. Because the company has significant international operations, there are a large number of currency transactions that result from international sales, purchases, investments and borrowings. The company actively manages currency exposures that are associated with net monetary asset positions, committed currency purchases and sales, foreign currency-denominated revenues and other assets and liabilities created in the normal course of business. Future weakness in the global economy and failure to manage these risks could adversely affect the company's results of operations, financial condition and cash flows in future periods.

Changes in government policies and laws could adversely affect the company's financial results.
Sales to customers outside the U.S. constitute about 60 percent of the company's 2013 revenue. The company anticipates that international sales will continue to represent a substantial portion of its total sales and that continued growth and profitability will require further international expansion, particularly in developing markets. Sales from developing markets represent 33 percent of the company's revenue in 2013 and the company's growth plans include focusing on expanding its presence in developing markets. The company's financial results could be affected by changes in trade, monetary and fiscal policies, laws and regulations, or other activities of U.S. and non-U.S. governments, agencies and similar organizations. These conditions include, but are not limited to, changes in a country's or region's economic or political conditions, trade regulations affecting production, pricing and marketing of products, local labor conditions and regulations, reduced protection of intellectual property rights in some countries, changes in the regulatory or legal environment, restrictions on currency exchange activities, burdensome taxes and tariffs and other trade barriers. International risks and uncertainties, including changing social and economic conditions as well as terrorism, political hostilities and war, could lead to reduced sales and profitability.

Price increases for energy and raw materials could have a significant impact on the company's ability to sustain and grow earnings.
The company's manufacturing processes consume significant amounts of energy and raw materials, the costs of which are subject to worldwide supply and demand as well as other factors beyond the control of the company. Significant variations in the cost of energy, which primarily reflect market prices for oil, natural gas and raw materials, affect the company's operating results from period to period. In 2013, price increases for energy and raw materials were about $500 million as compared to 2012. Price increases for energy and raw materials were not significant to earnings in 2012 as compared to 2011. Legislation to address climate change by reducing greenhouse gas emissions and establishing a price on carbon could create increases in energy costs and price volatility. When possible, the company purchases raw materials through negotiated long-term contracts to minimize the impact of price fluctuations. Additionally, the company enters into over-the-counter and exchange traded derivative commodity instruments to hedge its exposure to price fluctuations on certain raw material purchases. The company takes actions to offset the effects of higher energy and raw material costs through selling price increases, productivity improvements and cost reduction programs. Success in offsetting higher raw material costs with price increases is largely influenced by competitive and economic conditions and could vary significantly depending on the market served. If the company is not able to fully offset the effects of higher energy and raw material costs, it could have a significant impact on the company's financial results.

The company's results of operations and financial condition could be seriously impacted by business disruptions and security breaches, including cybersecurity incidents.
Business and/or supply chain disruptions, plant and/or power outages and information technology system and/or network disruptions, regardless of cause including acts of sabotage, employee error or other actions, geo-political activity, weather events and natural disasters could seriously harm the company's operations as well as the operations of its customers and suppliers. Failure to effectively prevent, detect and recover from security breaches, including attacks on information technology and infrastructure

by hackers; viruses; breaches due to employee error or actions; or other disruptions could result in misuse of the company's assets, business disruptions, loss of property including trade secrets and confidential business information, legal claims or proceedings, reporting errors, processing inefficiencies, negative media attention, loss of sales and interference with regulatory compliance. Like most major corporations, DuPont is the target of industrial espionage, including cyber-attacks, from time to time. DuPont has determined that these attacks have resulted, and could result in the future, in unauthorized parties gaining access to at least certain confidential business information. However, to date, the company has not experienced any material financial impact, changes in the competitive environment or business operations that it attributes to these attacks. Although management does not believe that the company has experienced any material losses to date related to security breaches, including cybersecurity incidents, there can be no assurance that it will not suffer such losses in the future. The company actively manages the risks within its control that could lead to business disruptions and security breaches. As these threats continue to evolve, particularly around cybersecurity, the company may be required to expend significant resources to enhance its control environment, processes, practices and other protective measures. Despite these efforts, such events could materially adversely affect the company's business, financial condition or results of operations.

Inability to protect and enforce the company's intellectual property rights could adversely affect the company's financial results.

Intellectual property rights, including patents, plant variety protection, trade secrets, confidential information, trademarks, tradenames and other forms of trade dress, are important to the company's business. The company endeavors to protect its intellectual property rights in jurisdictions in which its products are produced or used and in jurisdictions into which its products are imported. However, the company may be unable to obtain protection for its intellectual property in key jurisdictions. The company has designed and implemented internal controls to restrict access to and distribution of its intellectual property. Despite these precautions, the company's intellectual property is vulnerable to unauthorized access through employee error or actions, theft and cybersecurity incidents, and other security breaches. When unauthorized access and use or counterfeit products are discovered, the company reports such situations to governmental authorities for investigation, as appropriate, and takes measures to mitigate any potential impact.

Failure to effectively manage acquisitions, divestitures, alliances and other portfolio actions could adversely impact our future results.

From time to time, the company evaluates acquisition candidates that may strategically fit its business and/or growth objectives. If DuPont is unable to successfully integrate and develop acquired businesses, the company could fail to achieve anticipated synergies and cost savings, including any expected increases in revenues and operating results, which could materially and adversely affect the company’s financial results. DuPont continually reviews its diverse portfolio of assets for contributions to the company’s objectives and alignment with its growth strategy. However, the company may not be successful in separating underperforming or non-strategic assets and gains or losses on the divestiture of, or lost operating income from, such assets may affect the company’s earnings. Moreover, DuPont might incur asset impairment charges related to acquisitions or divestitures that reduce its earnings.

In October 2013, DuPont announced its intention to separate its Performance Chemicals segment through a U.S. tax-free spin-off to shareholders. The proposed spin-off is subject to various conditions, complex in nature and may be affected by unanticipated developments or changes in market conditions. Completion of the spin-off will be contingent upon customary closing conditions, including receipt of regulatory approvals.

Market acceptance, government policies, rules or regulations and competition could affect the company's ability to generate sales from products based on biotechnology.

The company is using biotechnology to create and improve products, particularly in its Agriculture and Industrial Biosciences segments. These products enable cost and process benefits, better product performance and improve environmental outcomes to a broad range of products and processes such as seeds, animal nutrition, detergents, food manufacturing, ethanol production and industrial applications. The company's ability to generate sales from such products could be impacted by market acceptance as well as governmental policies, laws and regulations that affect the development, manufacture and distribution of products, including the testing and planting of seeds containing biotechnology traits and the import of commodity grain grown from those seeds. The regulatory environment is lengthy and complex with requirements that can vary by industry and by country. The regulatory environment may be impacted by the activities of non-governmental organizations and special interest groups and stakeholder reaction to actual or perceived impacts of new technology on safety, health and the environment. Obtaining and maintaining regulatory approvals requires submitting a significant amount of information and data, which may require participation from technology providers. The ability to satisfy the requirements of regulatory agencies is essential to be able to continue to sell existing products or commercialize new products containing biotechnology traits.

ITEM 1A. RISK FACTORS, *continued*

The company competes with major global companies that have strong intellectual property estates supporting the use of biotechnology to enhance products, particularly agricultural and bio-based products. Speed in discovering, developing and protecting new technologies and bringing related products to market is a significant competitive advantage. Failure to predict and respond effectively to this competition could cause the company's existing or candidate products to become less competitive, adversely affecting sales. Competitors are increasingly challenging intellectual property positions and the outcomes can be highly uncertain. If challenges are resolved adversely, it could negatively impact the company's ability to commercialize new products and generate sales from existing products.

The company's business, including its results of operations and reputation, could be adversely affected by process safety and product stewardship issues.
Failure to appropriately manage safety, human health, product liability and environmental risks associated with the company's products, product life cycles and production processes could adversely impact employees, communities, stakeholders, the environment, the company's reputation and its results of operations. Public perception of the risks associated with the company's products and production processes could impact product acceptance and influence the regulatory environment in which the company operates. While the company has procedures and controls to manage process safety risks, issues could be created by events outside of its control including natural disasters, severe weather events, acts of sabotage and substandard performance by the company's external partners.

As a result of the company's current and past operations, including operations related to divested businesses, the company could incur significant environmental liabilities.
The company is subject to various laws and regulations around the world governing the environment, including the discharge of pollutants and the management and disposal of hazardous substances. As a result of its operations, including its past operations and operations of divested businesses, the company could incur substantial costs, including remediation and restoration costs. The costs of complying with complex environmental laws and regulations, as well as internal voluntary programs, are significant and will continue to be so for the foreseeable future. The ultimate costs under environmental laws and the timing of these costs are difficult to predict. The company's accruals for such costs and liabilities may not be adequate because the estimates on which the accruals are based depend on a number of factors including the nature of the matter, the complexity of the site, site geology, the nature and extent of contamination, the type of remedy, the outcome of discussions with regulatory agencies and other Potentially Responsible Parties (PRPs) at multi-party sites and the number and financial viability of other PRPs.

The company's results of operations could be adversely affected by litigation and other commitments and contingencies.
The company faces risks arising from various unasserted and asserted litigation matters, including, but not limited to, product liability, patent infringement, antitrust claims, and claims for third party property damage or personal injury stemming from alleged environmental torts. The company has noted a nationwide trend in purported class actions against chemical manufacturers generally seeking relief such as medical monitoring, property damages, off-site remediation and punitive damages arising from alleged environmental torts without claiming present personal injuries. The company also has noted a trend in public and private nuisance suits being filed on behalf of states, counties, cities and utilities alleging harm to the general public. Various factors or developments can lead to changes in current estimates of liabilities such as a final adverse judgment, significant settlement or changes in applicable law. A future adverse ruling or unfavorable development could result in future charges that could have a material adverse effect on the company. An adverse outcome in any one or more of these matters could be material to the company's financial results.

In the ordinary course of business, the company may make certain commitments, including representations, warranties and indemnities relating to current and past operations, including those related to divested businesses and issue guarantees of third party obligations. If the company were required to make payments as a result, they could exceed the amounts accrued, thereby adversely affecting the company's results of operations.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The company's corporate headquarters are located in Wilmington, Delaware. The company's manufacturing, processing, marketing and research and development facilities, as well as regional purchasing offices and distribution centers are located throughout the world.

Information regarding research and development facilities is incorporated by reference to Item 1, Business-Research and Development. Additional information with respect to the company's property, plant and equipment and leases is contained in Notes 10, 16 and 21 to the Consolidated Financial Statements.

The company has investments in property, plant and equipment related to global manufacturing operations. Collectively there are over 300 principal sites in total. The number of sites used by their applicable segment(s) by major geographic area around the world is as follows:

	Number of Sites							
	Agriculture	Electronics & Communications	Industrial Biosciences	Nutrition & Health	Performance Chemicals	Performance Materials	Safety & Protection	**Total** [1]
Asia Pacific	22	10	1	9	6	19	6	73
EMEA	48	3	7	19	4	11	4	96
Latin America	20	—	1	7	1	1	—	30
U.S. & Canada	57	18	7	12	29	19	11	153
	147	31	16	47	40	50	21	352

1. Sites that are used by multiple segments are included more than once in the figures above.

The company's plants and equipment are well maintained and in good operating condition. The company believes it has sufficient production capacity to meet demand in 2014. Properties are primarily owned by the company; however, certain properties are leased. No title examination of the properties has been made for the purpose of this report and certain properties are shared with other tenants under long-term leases.

DuPont recognizes that the security and safety of its operations are critical to its employees, community and to the future of the company. As such, the company has merged chemical site security into its safety core value where it serves as an integral part of its long standing safety culture. Physical security measures have been combined with process safety measures (including the use of inherently safer technology), administrative procedures and emergency response preparedness into an integrated security plan. The company has conducted vulnerability assessments at operating facilities in the U.S. and high priority sites worldwide and identified and implemented appropriate measures to protect these facilities from physical and cyber attacks. DuPont is partnering with carriers, including railroad, shipping and trucking companies, to secure chemicals in transit.

ITEM 3. LEGAL PROCEEDINGS

The company is subject to various litigation matters, including, but not limited to, product liability, patent infringement, antitrust claims, and claims for third party property damage or personal injury stemming from alleged environmental torts. Information regarding certain of these matters is set forth below and in Note 16 to the Consolidated Financial Statements.

Litigation

Imprelis® Herbicide Claims Process
Information related to this matter is included in Note 16 to the Consolidated Financial Statements under the heading Imprelis®.

PFOA: Environmental and Litigation Proceedings
For purposes of this report, the term PFOA means collectively perfluorooctanoic acid and its salts, including the ammonium salt and does not distinguish between the two forms. Information related to this matter is included in Note 16 to the Consolidated Financial Statements under the heading PFOA.

Environmental Proceedings

Belle Plant, West Virginia
In August 2013, the U.S. government initiated an enforcement action alleging that the facility violated certain regulatory provisions of the Clean Air Act (CAA), Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and Emergency Planning and Community Right to Know Act (EPCRA). The alleged non-compliance relates to chemical releases between 2006 and 2010, including one release which involved the death of a DuPont employee after exposure to phosgene. DuPont is in settlement negotiations with the U.S. Environmental Protection Agency (EPA) and the Department of Justice (DOJ).

Chambers Works Plant, Deepwater, New Jersey
In 2010, the government initiated an enforcement action alleging that the facility violated recordkeeping requirements of certain provisions of the CAA and the Federal Clean Air Act Regulations (FCAR) governing Leak Detection and Reporting (LDAR) and that it failed to report emissions of a compound from Chambers Works' waste water treatment facility under EPCRA. The alleged non-compliance was identified by EPA in 2007 and 2009 following separate environmental audits. DuPont is in settlement negotiations with EPA and DOJ.

LaPorte Plant, LaPorte, Texas
EPA conducted a multimedia inspection at the LaPorte facility in January 2008. DuPont, EPA and DOJ began discussions in the fall 2011 relating to the management of certain materials in the facility's waste water treatment system, hazardous waste management, flare and air emissions. These negotiations continue.

Sabine Plant, Orange, Texas
In June 2012, DuPont began discussions with DOJ and EPA related to a multimedia inspection that EPA conducted at the Sabine facility in March 2009. The discussions involve the management of materials in the facility's waste water treatment system, hazardous waste management, flare and air emissions.

Yerkes Plant, Buffalo, New York
The government alleges that the facility violated recordkeeping requirements of certain provisions of the CAA and the FCAR governing LDAR and that it failed to accurately report emissions under EPCRA. The alleged non-compliance was identified by EPA in 2006 and 2010 following separate environmental audits. DuPont is in settlement negotiations with EPA and DOJ.

Federal Insecticide, Fungicide and Rodenticide Act (FIFRA)
In July 2012, DuPont received a "notice of noncompliance and show cause" letter from EPA Region III for alleged violations of FIFRA related to product labeling and adverse effects reporting for Imprelis®. DuPont and EPA are in discussions.

Washington Works Plant, West Virginia
In 2011, the U.S. government initiated an enforcement action alleging that the Washington Works plant violated certain regulatory provisions of the CAA governing LDAR. The alleged non-compliance was identified between 2007 and 2010, following an environmental audit conducted in 2007 and the submission of responses to an information request received in 2009. DuPont is in settlement negotiations with the EPA and DOJ.

ITEM 4. MINE SAFETY DISCLOSURES

Information regarding mine safety and other regulatory actions at the company's surface mine in Starke, Florida is included in Exhibit 95 to this report.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market for Registrant's Common Equity and Related Stockholder Matters

The company's common stock is listed on the New York Stock Exchange, Inc. (symbol DD) and certain non-U.S. exchanges. The number of record holders of common stock was approximately 70,000 at January 31, 2014.

Holders of the company's common stock are entitled to receive dividends when they are declared by the Board of Directors. While it is not a guarantee of future conduct, the company has continuously paid a quarterly dividend since the fourth quarter 1904. Dividends on common stock and preferred stock are usually declared in January, April, July and October. When dividends on common stock are declared, they are usually paid mid March, June, September and December. Preferred dividends are paid on or about the 25th of January, April, July and October. The Stock Transfer Agent and Registrar is Computershare Trust Company, N.A.

The company's quarterly high and low trading stock prices and dividends per common share for 2013 and 2012 are shown below.

	Market Prices		
2013	**High**	**Low**	**Per Share Dividend Declared**
Fourth Quarter	$ 65.00	$ 56.46	$ 0.45
Third Quarter	60.86	52.04	0.45
Second Quarter	57.25	48.21	0.45
First Quarter	50.20	45.11	0.43
2012			
Fourth Quarter	$ 50.96	$ 41.67	$ 0.43
Third Quarter	52.33	46.15	0.43
Second Quarter	53.98	46.44	0.43
First Quarter	53.95	45.84	0.41

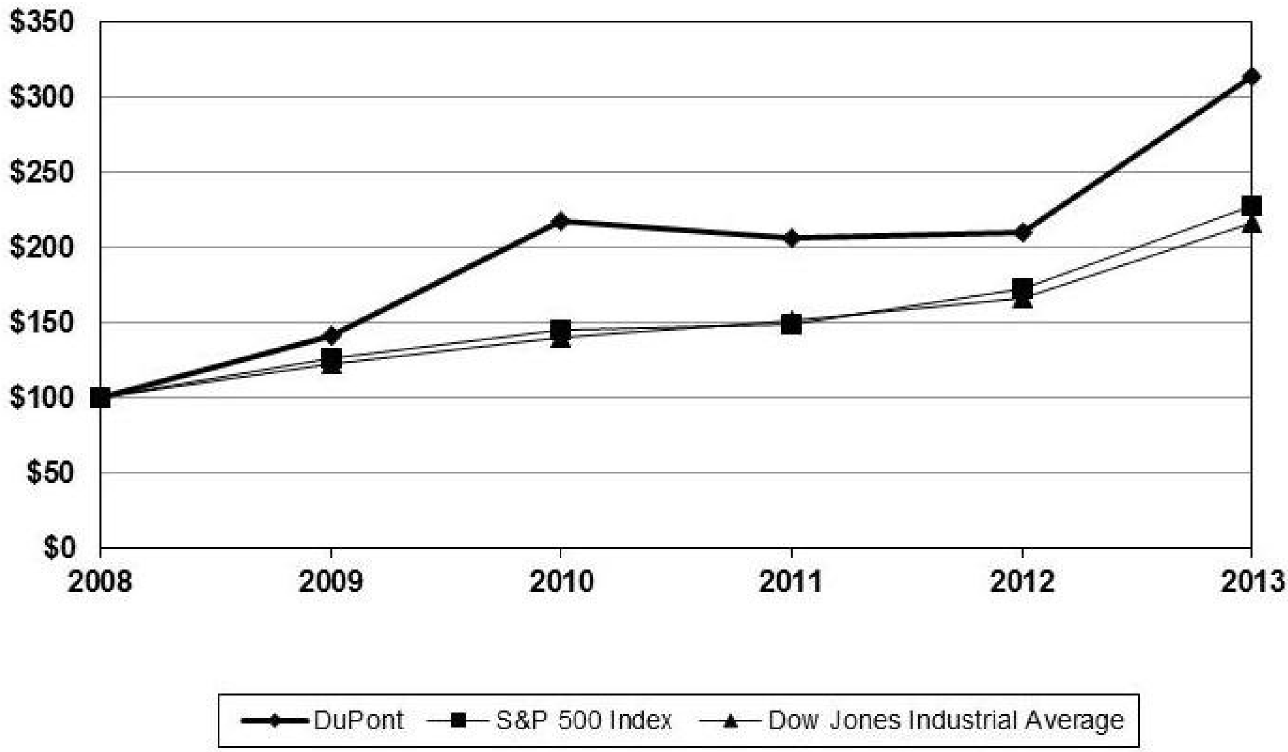
Issuer Purchases of Equity Securities

There were no purchases of the company's common stock during the three months ended December 31, 2013.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES, *continued*

Stock Performance Graph

The following graph presents the cumulative five-year total shareholder return for the company's common stock compared with the S&P 500 Stock Index and the Dow Jones Industrial Average.



	12/31/2008	12/31/2009	12/31/2010	12/31/2011	12/31/2012	12/31/2013
DuPont	$ 100	$ 141	$ 218	$ 207	$ 211	$ 314
S&P 500 Index	100	126	146	149	172	228
Dow Jones Industrial Average	100	123	140	152	167	217

The graph assumes that the values of DuPont common stock, the S&P 500 Stock Index and the Dow Jones Industrial Average were each $100 on December 31, 2008 and that all dividends were reinvested.

ITEM 6. SELECTED FINANCIAL DATA

(Dollars in millions, except per share)	2013	2012	2011	2010	2009
Summary of operations[1]					
Net sales	$ 35,734	$ 34,812	$ 33,681	$ 27,700	$ 22,681
Employee separation / asset related charges, net	$ 114	$ 493	$ 53	$ (40)	$ 195
Income from continuing operations before income taxes	$ 3,489	$ 3,088	$ 3,879	$ 3,259	$ 1,870
Provision for income taxes on continuing operations	$ 626	$ 616	$ 647	$ 518	$ 298
Net income attributable to DuPont	$ 4,848	$ 2,755	$ 3,559	$ 3,022	$ 1,690
Basic earnings per share of common stock from continuing operations	$ 3.07	$ 2.61	$ 3.43	$ 2.98	$ 1.71
Diluted earnings per share of common stock from continuing operations	$ 3.04	$ 2.59	$ 3.38	$ 2.94	$ 1.70
Financial position at year-end[1]					
Working capital[2]	$ 11,017	$ 7,765	$ 7,030	$ 9,733	$ 7,973
Total assets[3]	$ 51,499	$ 49,859	$ 48,643	$ 40,470	$ 38,256
Borrowings and capital lease obligations					
Short-term	$ 1,721	$ 1,275	$ 817	$ 133	$ 1,506
Long-term	$ 10,741	$ 10,465	$ 11,736	$ 10,137	$ 9,528
Total equity	$ 16,286	$ 10,299	$ 9,208	$ 9,800	$ 7,719
General[1]					
For the year					
Purchases of property, plant & equipment and investments in affiliates	$ 1,940	$ 1,890	$ 1,910	$ 1,608	$ 1,432
Depreciation	$ 1,280	$ 1,319	$ 1,199	$ 1,118	$ 1,144
Research and development expense	$ 2,153	$ 2,123	$ 1,960	$ 1,650	$ 1,370
Average number of common shares outstanding (millions)					
Basic	926	933	928	909	904
Diluted	933	942	941	922	909
Dividends per common share	$ 1.78	$ 1.70	$ 1.64	$ 1.64	$ 1.64
At year-end					
Employees (thousands)	64	70	70	60	58
Closing stock price	$ 64.97	$ 44.98	$ 45.78	$ 49.88	$ 33.67
Common stockholders of record (thousands)	70	74	78	81	85

1. Information has been restated to reflect the impact of discontinued operations and change in accounting principle, as applicable. See Note 1, Basis of Presentation and Inventories, to the Consolidated Financial Statements for further information.
2. At December 31, 2012, working capital included approximately $2.0 billion of net assets related to the Performance Coatings business, of which approximately $1.3 billion was previously considered to be noncurrent and was classified as held for sale as of December 31, 2012. See Note 2 to the Consolidated Financial Statements for further information.
3. During 2011, the company acquired approximately $8.8 billion of assets in connection with the Danisco acquisition.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CAUTIONARY STATEMENTS ABOUT FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including statements about the company's strategy for growth, product development, regulatory approval, market position, anticipated benefits of recent acquisitions, outcome of contingencies, such as litigation and environmental matters, expenditures and financial results, are forward-looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events which may not be accurate or realized. Forward-looking statements also involve risks and uncertainties, many of which are beyond the company's control. Some of the important factors that could cause the company's actual results to differ materially from those projected in any such forward-looking statements are:

- Fluctuations in energy and raw material prices;
- Failure to develop and market new products and optimally manage product life cycles;
- Outcome of significant litigation and environmental matters, including those related to divested businesses;
- Failure to appropriately manage process safety and product stewardship issues;
- Effect of changes in tax, environmental and other laws and regulations or political conditions in the U.S. and other countries in which the company operates;
- Conditions in the global economy and global capital markets, including economic factors, such as inflation, deflation and fluctuations in currency exchange rates, interest rates and commodity prices, as well as regulatory requirements;
- Impact of business disruptions, including supply disruptions, and security threats, regardless of cause, including acts of sabotage, cyber-attacks, terrorism or war, weather events and natural disasters;
- Ability to protect and enforce the company's intellectual property rights; and
- Successful integration of acquired businesses and separation of underperforming or non-strategic assets or businesses, including proposed spin-off of the Performance Chemicals segment.

For some of the important factors that could cause the company's actual results to differ materially from those projected in any such forward-looking statements, see the Risk Factors discussion set forth under Part I, Item 1A beginning on page 8.

Overview

Purpose DuPont’s businesses serve markets where the increasing demand for more and healthier food, renewably sourced materials and fuels, and advanced industrial materials is creating substantial growth opportunities. The company’s unique combination of sciences, proven R&D engine, broad global reach, and deep market penetration are distinctive competitive advantages that position the company to continue capitalizing on this enormous potential.

Strategy Position DuPont as a higher growth, higher value company, well equipped to drive revenue and profit growth through science-based innovation and the company’s significant competitive advantages with three priorities:

- Agriculture & Nutrition - extend DuPont’s leadership across the high-value, science-driven segments of the Agriculture and Food value chain;
- Advanced Materials - strengthen the company’s lead as a provider of differentiated, high-value advanced industrial materials;
- Industrial Biosciences - build transformational new bio-based businesses by combining DuPont’s world leading science with expertise and resources from the Advanced Materials and Agriculture & Nutrition businesses.

The company is committed to maintain a strong balance sheet and to return excess cash to shareholders unless there is a compelling opportunity to invest for growth.

Results Income from continuing operations after taxes increased 16 percent to $2.9 billion. Net sales of $35.7 billion increased 3 percent driven by 5 percent higher volume. Sales grew 6 percent in developing markets, which include China, India, and the countries located in Latin America, Eastern and Central Europe, Middle East, Africa, and Southeast Asia. Sales of new products introduced in the last four years also contributed to sales growth.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Analysis of Operations

Separation of Performance Chemicals On October 24, 2013, DuPont announced that it intends to separate its Performance Chemicals segment through a U.S. tax-free spin-off to shareholders, subject to customary closing conditions. The company expects to complete the separation about mid-2015.

Divestiture of Performance Coatings On August 30, 2012, the company entered into a definitive agreement with Flash Bermuda Co. Ltd., a Bermuda exempted limited liability company formed by affiliates of The Carlyle Group (collectively referred to as "Carlyle") in which Carlyle agreed to purchase certain subsidiaries and assets comprising the company's Performance Coatings business. In February 2013, the sale was completed resulting in a pre-tax gain of approximately $2.7 billion ($2.0 billion net of tax). The gain was recorded in income from discontinued operations after income taxes in the Consolidated Income Statement for the year ended December 31, 2013.

In accordance with GAAP, the results of Performance Coatings are presented as discontinued operations and, as such, have been excluded from continuing operations and segment results for all periods presented. See Note 2 to the Consolidated Financial Statements for additional information.

Acquisition of Danisco In 2011, the company acquired Danisco in a transaction valued at $6.4 billion, plus net debt assumed of $0.6 billion. As part of this acquisition, DuPont incurred $85 million in transaction related costs during 2011, which were recorded in other operating charges. In 2011, the businesses acquired from Danisco contributed net sales of $1.7 billion and net income attributable to DuPont of $(7) million, which excludes $30 million after-tax ($39 million pre-tax) of additional interest expense related to the debt issued to finance the acquisition. Danisco's contributions included a $125 million after-tax ($175 million pre-tax) charge related to the fair value step-up of inventories acquired and sold during 2011. See Note 4 to the Consolidated Financial Statements for additional information.

(Dollars in millions)	2013	2012	2011
NET SALES	$ 35,734	$ 34,812	$ 33,681

2013 versus 2012 The table below shows a regional breakdown of 2013 consolidated net sales based on location of customers and percentage variances from prior year:

			Percent Change Due to:			
(Dollars in billions)	2013 Net Sales	Percent Change vs. 2012	Local Price	Currency Effect	Volume	Portfolio / Other
Worldwide	$ 35.7	3	(1)	(1)	5	—
U.S. & Canada	14.8	4	1	—	3	—
EMEA	8.4	4	(2)	1	4	1
Asia Pacific	7.7	(3)	(6)	(3)	6	—
Latin America	4.8	6	—	(3)	9	—

Sales increased 3 percent, reflecting a 5 percent increase in worldwide sales volume with growth in all segments. Local prices were 1 percent lower principally due to a 12 percent decline in Performance Chemicals prices and a pass through of lower precious metals prices for Electronics & Communications. Negative currency impact reflects a weaker Brazilian Real and Indian Rupee, partly offset by a stronger Euro. Sales in developing markets of $11.9 billion improved 7 percent on 10 percent higher volume, and the percentage of total company sales in these markets increased to 33 percent from 32 percent in 2012.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

2012 versus 2011 The table below shows a regional breakdown of 2012 consolidated net sales based on location of customers and percentage variances from 2011:

			Percent Change Due to:			
(Dollars in billions)	2012 Net Sales	Percent Change vs. 2011	Local Price	Currency Effect	Volume	Portfolio / Other
Worldwide	$ 34.8	3	4	(2)	(2)	3
U.S. & Canada	14.2	8	6	—	—	2
EMEA	8.1	(1)	3	(6)	(4)	6
Asia Pacific	8.0	(4)	(1)	(1)	(5)	3
Latin America	4.5	11	9	(5)	5	2

Sales increased 3 percent, reflecting a 3 percent net increase from portfolio changes, principally the Danisco acquisition, and 4 percent higher local prices, partly offset by 2 percent lower volume and a 2 percent negative currency impact. The 2 percent decline in worldwide sales volume principally reflects higher Agriculture, Nutrition & Health, and Industrial Biosciences volume, more than offset by lower volume for the other segments combined, particularly Performance Chemicals. Higher local prices were driven principally by increases for seeds, titanium dioxide, and specialty polymers. Currency effect primarily reflects the weaker Euro and Brazilian Real. Sales in developing markets of $11.1 billion improved 6 percent from 2011, and the percentage of total company sales in these markets increased to 32 percent from 31 percent in 2011.

(Dollars in millions)	2013	2012	2011
OTHER INCOME, NET	$ 410	$ 498	$ 742

2013 versus 2012 The $88 million decrease was largely attributable to the absence of a $122 million gain related to the 2012 sale of the company's interest in an equity method investment, the absence of a $117 million gain related to the 2012 sale of a business within the Agriculture segment, partially offset by $87 million lower net pre-tax exchange losses, $27 million increase in interest income, and a $26 million re-measurement gain on an equity investment.

2012 versus 2011 The $244 million decrease was largely attributable to a $228 million reduction of Cozaar®/Hyzaar® income, a decrease of $92 million in equity in earnings of affiliates, and an increase of $69 million in net pre-tax exchange losses, partially offset by a $122 million gain related to the sale of the company's interest in an equity method investment.

Additional information related to the company's other income, net is included in Note 5 to the Consolidated Financial Statements.

(Dollars in millions)	2013	2012	2011
COST OF GOODS SOLD	$ 22,548	$ 21,538	$ 21,264
As a percent of net sales	63%	62%	63%

2013 versus 2012 Cost of goods sold (COGS) increased 5 percent to $22.5 billion, with 4 percent driven by higher sales volume and 1 percent driven by higher product costs. COGS as a percentage of net sales was 63 percent, a 1 percent increase from 2012. The increase in COGS as a percentage of net sales principally reflects the impact of increased costs for raw materials and agriculture inputs versus lower selling prices, coupled with adverse currency impact.

2012 versus 2011 COGS increased 1 percent to $21.5 billion. COGS as a percentage of net sales was 62 percent, a 1 percent decrease from 2011, principally reflecting selling price increases in excess of raw material cost increases.

(Dollars in millions)	2013	2012	2011
OTHER OPERATING CHARGES	$ 3,838	$ 4,077	$ 3,510
As a percent of net sales	11%	12%	10%

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

2013 versus 2012 Other operating charges decreased 6 percent to $3.8 billion, principally due to lower Imprelis® herbicide claims, net of insurance recoveries, and other litigation charges. See Note 16 for additional information related to the Imprelis® matter.

2012 versus 2011 Other operating charges increased 16 percent to $4.1 billion. This reflects increased charges of $537 million related to Imprelis® and other litigation matters, partly offset by the absence of prior year charges related to the acquisition of Danisco . See Note 16 for additional information related to the Imprelis® matter.

(Dollars in millions)	2013	2012	2011
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	$ 3,554	$ 3,527	$ 3,310
As a percent of net sales	10%	10%	10%

2013 versus 2012 The 2013 increase of $27 million was largely attributable to increased global commissions and selling and marketing investments, primarily in the Agriculture segment, partially offset by cost savings in administrative functions as a result of the 2012 restructuring program.

2012 versus 2011 The 2012 increase of $217 million was due to increased global commissions and selling and marketing investments, primarily in the Agriculture segment, and a full year of selling expense of acquired companies.

(Dollars in millions)	2013	2012	2011
RESEARCH AND DEVELOPMENT EXPENSE	$ 2,153	$ 2,123	$ 1,960
As a percent of net sales	6%	6%	6%

2013 versus 2012 The $30 million increase was primarily attributable to continued growth investments in the Agriculture segment and increases in pre-commercial investment.

2012 versus 2011 The $163 million increase was primarily attributable to a full year of research and development expense from acquired companies and continued growth investments in the Agriculture segment offset by the absence of a $50 million charge for a payment related to a Pioneer licensing agreement in 2011.

(Dollars in millions)	2013	2012	2011
INTEREST EXPENSE	$ 448	$ 464	$ 447

The $16 million decrease in 2013 was due to lower average borrowings. The $17 million increase in 2012 was due primarily to higher average borrowings and lower capitalized interest partially offset by a lower average borrowing rate.

(Dollars in millions)	2013	2012	2011
EMPLOYEE SEPARATION/ASSET RELATED CHARGES, NET	$ 114	$ 493	$ 53

The $114 million in charges recorded during 2013 in employee separation / asset related charges, net consisted of a a net $15 million restructuring benefit and a $129 million asset impairment charge discussed below. The net $15 million restructuring benefit consisted of a $24 million benefit associated with prior year restructuring programs offset by a $9 million charge resulting from restructuring actions related to a joint venture within the Performance Materials segment. The majority of the $24 million benefit was due to the achievement of work force reductions through non-severance programs associated with the 2012 restructuring program.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

The $493 million in charges recorded during 2012 in employee separation / asset related charges, net consisted of $234 million in charges related to the 2012 restructuring program, a $16 million net reduction in the estimated costs associated with 2011 and prior years restructuring programs, and $275 million in asset impairment charges, as discussed below.

2012 Restructuring Program

In 2012, the company commenced a restructuring plan to increase productivity, enhance competitiveness and accelerate growth. The plan is designed to eliminate corporate costs previously allocated to the Performance Coatings business as well as utilize additional cost-cutting actions to improve competitiveness. As a result, pre-tax charges of $234 million were recorded in employee separation / asset related charges, net. The 2012 restructuring program charges consist of $157 million of employee separation costs, $8 million of other non-personnel charges, and $69 million of asset related charges, which includes $30 million of asset impairments and $39 million of asset shut downs.

The actions related to this plan achieved pre-tax cost savings of more than $300 million in 2013, and is expected to increase to approximately $450 million per year in subsequent years.

2011 Restructuring Program

In 2011, the company initiated a series of actions to achieve the expected cost synergies associated with the Danisco acquisition. As a result, the company recorded a $53 million charge in employee separation/asset related charges, net, primarily for employee separation costs in the U.S. and Europe.

In the fourth quarter 2012, the company recorded a net reduction of $15 million in the estimated costs associated with the 2011 restructuring program. This net reduction was primarily due to workforce reductions through non-severance programs and lower than estimated individual severance costs.

Asset Impairments

During 2013, the company recorded an asset impairment charge of $129 million to write-down the carrying value of an asset group, within the Electronics & Communications segment, to fair value.

During 2012, the company recorded asset impairment charges of $275 million to write-down the carrying value of certain asset groups to fair value. These asset impairment charges resulted in a $150 million charge within the Electronics & Communications segment, a $92 million charge within the Performance Materials segment and a $33 million charge within the Performance Chemicals segment.

Additional details related to the restructuring programs and asset impairments discussed above can be found in Note 3 to the Consolidated Financial Statements.

Below is a summary of the net impact related to items recorded in employee separation / asset related charges, net:

(Dollars in millions)	2013 (Charges) and Credits	2012 (Charges) and Credits	2011 (Charges) and Credits
Agriculture	$ 1	$ (11)	$ —
Electronics & Communications	(131)	(159)	—
Industrial Biosciences	1	(3)	(9)
Nutrition & Health	6	(49)	(14)
Performance Chemicals	(2)	(36)	—
Performance Materials	(6)	(104)	(2)
Safety & Protection	4	(58)	—
Other	5	11	(28)
Corporate expenses	8	(84)	—
Total (Charges) Credits	$ (114)	$ (493)	$ (53)

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

(Dollars in millions)	2013	2012	2011
PROVISION FOR INCOME TAXES ON CONTINUING OPERATIONS	$ 626	$ 616	$ 647
Effective income tax rate	17.9%	19.9%	16.7%

In 2013, the company recorded a tax provision on continuing operations of $626 million, reflecting a marginal increase from 2012. The decrease in the 2013 effective tax rate compared to 2012 was primarily due to geographic mix of earnings, in addition to benefits associated with certain U.S. business tax provisions in 2013.

In 2012, the company recorded a tax provision on continuing operations of $616 million, reflecting a marginal decrease from 2011. The increase in the 2012 effective tax rate compared to 2011 was primarily due to geographic mix of earnings, in addition to benefits associated with certain U.S. business tax provisions in 2011.

See Note 6 to the Consolidated Financial Statements for additional details related to the provision for income taxes on continuing operations, as well as items that significantly impact the company's effective income tax rate.

(Dollars in millions)	2013	2012	2011
INCOME FROM CONTINUING OPERATIONS AFTER INCOME TAXES	$ 2,863	$ 2,472	$ 3,232

Income from continuing operations after income taxes for 2013 was $2.9 billion compared to $2.5 billion in 2012 and $3.2 billion in 2011. The changes between periods were due to the reasons noted above.

Corporate Outlook

The company expects 2014 sales and earnings will reflect continuing improvement in global industrial production, lower agricultural input costs, and a slightly stronger average exchange value for the U.S. dollar. In addition, the company's market position and results will continue to benefit from market driven innovation and productivity.

Segment Reviews

Segment sales include transfers to another business segment. Products are transferred between segments on a basis intended to reflect, as nearly as practicable, the market value of the products. Effective January 1, 2013, to better indicate operating performance, the company eliminated the allocation of non-operating pension and other postretirement employee benefit costs from segment pre-tax operating income (loss) (PTOI). Segment PTOI is defined as income (loss) from continuing operations before income taxes excluding non-operating pension and other postretirement employee benefit costs, exchange gains (losses), corporate expenses and interest. Certain reclassifications of prior year data have been made to conform to current year classifications. All references to prices are on a U.S. dollar (USD) basis, including the impact of currency.

A reconciliation of segment sales to consolidated net sales and segment PTOI to income from continuing operations before income taxes for 2013, 2012 and 2011 is included in Note 22 to the Consolidated Financial Statements. Segment PTOI and PTOI margins include certain items which management believes are significant to understanding the segment results discussed below. See Note 22 to the Consolidated Financial Statements for details related to these items.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

AGRICULTURE

(Dollars in millions)	2013	2012	2011
Segment sales	$ 11,739	$ 10,426	$ 9,166
PTOI	$ 2,132	$ 1,669	$ 1,566
PTOI margin	18%	16%	17%

	2013	2012
Change in segment sales from prior period due to:		
Price	5%	6%
Volume	7%	8%
Portfolio / Other	1%	—%
Total change	13%	14%

2013 versus 2012 Sales growth was principally driven by higher global seed prices and volumes, increased global insecticide and fungicide volumes, and the benefit of increased ownership in Pannar Seed (Pty) Ltd, slightly offset by negative currency. Growth in seeds reflects strong corn sales in North America and Brazil. Increased insecticide volumes were driven by demand for Rynaxypyr®, particularly in Latin America to combat heavy insect pressure, while fungicide volume increases were led by demand for picoxytstrobin in North America and Latin America.

2013 PTOI and PTOI margin increased on sales growth, lower charges incurred related to Imprelis® herbicide claims, and earlier seed shipments, partially offset by higher seed input costs of about $350 million, $108 million of negative currency impact, and the absence of a $117 million gain on the sale of a business recorded in 2012. As a result of the earlier timing of seed shipments, representing earlier seed shipments for the Brazil safrinha corn season enabled by recent investments and earlier direct seed shipments to North American farmers, approximately $100 million of PTOI was realized in 2013 versus 2014.

2013 PTOI included net charges of $352 million ($425 million in charges offset by $73 million of insurance recoveries) related to Imprelis® herbicide claims compared charges of $575 million in 2012. See Note 16 to the Consolidated Financial Statements for more information related to the Imprelis® matter.

2012 versus 2011 Pioneer seed sales reflect growth primarily in corn and soybean seeds. Volume increases in all regions reflect increased planted area. Global pricing gains reflect continued penetration of new genetics and trait packages, including the Optimum® AcreMax® Family of integrated and reduced refuge corn hybrids and Optimum® AQUAmax™ products for improved drought tolerance. Crop Protection sales grew in all regions reflecting volume and price gains from herbicides, insect control products and fungicides, particularly continued strong demand for Rynaxypyr®.

2012 PTOI increased as strong sales and a $117 million gain on the sale of a business more than offset $575 million of charges related to Imprelis®, higher input costs in seeds of about $275 million, $156 million of negative currency, and higher investments in commercial and R&D activities to support growth. 2012 PTOI margin decreased due to increased charges related to Imprelis®. See Note 16 to the Consolidated Financial Statements for more information related to the Imprelis® matter.

Outlook Sales are expected to be up modestly driven by continued demand and pricing gains. Growth in seeds is anticipated to be driven by pricing gains, largely in North America, and higher global volumes, offset slightly by the earlier timing of seed shipments discussed above. In Crop Protection, the company anticipates demand for Rynaxypyr® to continue, along with launches of Cyazypyr® insecticide and the continued expansion and growth of the fungicide portfolio. Along with sales growth, PTOI and margins are expected to improve benefiting from lower seed input costs compared to 2013 while continuing to make targeted investments for growth.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

ELECTRONICS & COMMUNICATIONS

(Dollars in millions)	2013	2012	2011
Segment sales	$ 2,549	$ 2,701	$ 3,173
PTOI	$ 203	$ 222	$ 438
PTOI margin	8%	8%	14%

	2013	2012
Change in segment sales from prior period due to:		
Price	(8)%	(4)%
Volume	2 %	(11)%
Portfolio / Other	— %	— %
Total change	(6)%	(15)%

2013 versus 2012 Sales declined as share gains and improving photovoltaics demand, offset in part by lower usage of materials per photovoltaic module, were more than offset by lower price. The decline in price largely reflects pass-through of lower metals prices.

2013 PTOI declined as the absence of a $122 million gain related to the sale of an equity method investment recorded in 2012 more than offset volume gains, improved plant utilization, and $20 million of income from an OLED technology licensing agreement realized during 2013. In addition, 2013 PTOI includes a $129 million asset impairment charge compared to a $150 million asset impairment charge recorded in 2012 (see Note 3 to the Consolidated Financial Statements for additional information).

2012 versus 2011 Sales declined on lower volume in PV materials, partially offset by increased demand for smart phones and tablets. Lower price primarily reflects pass-through of lower metals prices.

2012 PTOI decreased on lower volume and a $150 million asset impairment charge, partially offset by a $122 million gain related to the sale of an equity method investment. PTOI margin decreased primarily reflecting lower volume.

Outlook Sales are expected to be up slightly in 2014 on volume gains largely offset by lower selling prices resulting from lower metals prices. Global installations of photovoltaic modules are expected to increase with mid-teen growth rates compared to 2013, driven by demand for solar energy in China, U.S., and developing markets. Sales into consumer electronics markets will continue to be driven by demand for smartphones and tablets. Earnings are expected to increase moderately as continued volume growth will be offset in part by the impact of lower metals prices.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

INDUSTRIAL BIOSCIENCES

(Dollars in millions)	2013	2012	2011
Segment sales	$ 1,224	$ 1,180	$ 705
PTOI	$ 170	$ 159	$ 2
PTOI margin	14%	13%	—%

	2013	2012
Change in segment sales from prior period due to:		
Price	2%	(4)%
Volume	2%	8 %
Portfolio / Other	—%	63 %
Total change	4%	67 %

2013 versus 2012 The sales increase represents higher prices and demand for Sorona® polymer for carpeting and increased demand for enzymes for food, partially offset by lower enzyme demand for U.S. ethanol production.

2013 PTOI and PTOI margin increased slightly reflecting pricing gains and increased demand for Sorona® polymer for carpeting.

2012 versus 2011 Sales were up primarily due to the Danisco enzyme business acquisition. Volume growth reflected strong sales of Sorona® polymer for carpeting, while lower price related to unfavorable currency impact.

2012 PTOI and PTOI margin increased reflecting benefits of the acquisition and the absence of a $70 million charge recorded in 2011 for the fair value step-up of inventories acquired.

Outlook Sales are expected to increase moderately in 2014, driven by the introduction of new products. Earnings are expected to increase substantially on volume growth, as well as pricing gains.

NUTRITION & HEALTH

(Dollars in millions)	2013	2012	2011
Segment sales	$ 3,473	$ 3,422	$ 2,460
PTOI	$ 305	$ 270	$ 76
PTOI margin	9%	8%	3%

	2013	2012
Change in segment sales from prior period due to:		
Price	3 %	1%
Volume	— %	3%
Portfolio / Other	(2)%	35%
Total change	1 %	39%

2013 versus 2012 Sales were up reflecting global pricing gains and increased demand in specialty proteins, probiotics, and cultures, partially offset by the impact of manufacturing site closures in fourth quarter 2012, lower volume in enablers, and negative currency impact.

2013 PTOI and PTOI margin increased as favorable mix, productivity improvements, and the absence of $49 million in restructuring charges recorded in 2012 more than offset higher cost guar inventory.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

2012 versus 2011 Sales were up primarily due to the Danisco specialty food ingredients business acquisition. Higher volume reflected strong demand for enablers, probiotics and cultures, particularly in North America. Higher local prices more than offset unfavorable currency impact.

2012 PTOI and PTOI margin increased reflecting benefits of the acquisition and the absence of a $112 million charge recorded in 2011 for transaction related costs and the fair value step-up of inventories acquired, partially offset by increased restructuring charges in 2012 as described above.

Outlook For 2014, sales are expected to increase modestly on volume growth across all product lines. Volume gains, mix enrichment, and productivity improvement, partially offset by growth investments are expected to contribute to earnings improvement.

PERFORMANCE CHEMICALS

(Dollars in millions)	2013	2012	2011
Segment sales	$ 6,703	$ 7,188	$ 7,794
PTOI	$ 924	$ 1,778	$ 2,114
PTOI margin	14%	25%	27%

	2013	2012
Change in segment sales from prior period due to:		
Price	(12)%	4 %
Volume	5 %	(12)%
Portfolio / Other	— %	— %
Total change	(7)%	(8)%

2013 versus 2012 The change in sales due to price was driven principally by price declines for titanium dioxide in all regions, coupled with lower prices for fluoropolymers and refrigerants. Volume growth reflects increased demand for titanium dioxide, which was up 14 percent from 2012.

2013 PTOI and PTOI margin decreased principally on lower selling prices. Volume gains were offset by higher raw material inventory costs, mainly ore costs. 2013 PTOI includes a $72 million charge related to titanium dioxide antitrust litigation (see Note 16 to the Consolidated Financial Statements for additional information) while 2012 PTOI included a $33 million asset impairment charge (see Note 3 to the Consolidated Financial Statements for additional information).

2012 versus 2011 Lower sales volume primarily reflects softness in titanium dioxide in all regions and weak demand in fluoropolymers. Higher local price primarily reflects favorable pricing for titanium dioxide in the first half 2012, which more than offset unfavorable currency impact.

2012 PTOI and PTOI margin decreased as higher local prices were more than offset by lower volume, lower plant utilization and a $33 million asset impairment charge noted above.

Outlook Sales are expected to be essentially flat with modest improvement in titanium dioxide and fluoropolymer demand offset by the impact of portfolio changes within industrial chemicals. Earnings are expected to improve slightly on higher volume and productivity improvements, partially offset by higher raw material inventory costs, principally ore costs.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

PERFORMANCE MATERIALS

(Dollars in millions)	2013	2012	2011
Segment sales	$ 6,468	$ 6,447	$ 6,815
PTOI	$ 1,281	$ 1,121	$ 1,079
PTOI margin	20%	17%	16%

	2013	2012
Change in segment sales from prior period due to:		
Price	(3)%	(2)%
Volume	4 %	— %
Portfolio / Other	(1)%	(3)%
Total change	— %	(5)%

2013 versus 2012 Sales were essentially flat as increased demand in packaging and automotive markets was offset by lower selling prices.

2013 PTOI and PTOI margin increased as lower feedstock costs, higher volumes, and the absence of a $92 million asset impairment charge recorded in 2012 (see Note 3 to the Consolidated Financial Statements for additional information) more than offset lower selling prices and negative currency impact.

2012 versus 2011 Lower sales reflected a 3 percent reduction from a portfolio change and lower prices due to unfavorable currency impact. Stable packaging markets and demand improvement in automotive were offset by continued softness in the industrial and electronics markets.

2012 PTOI and PTOI margin increased as lower feedstock costs more than offset a $92 million asset impairment charge noted above, unfavorable currency impact and the absence of a $49 million benefit from the gain on the sale of a business recorded in 2011.

Outlook Sales and earnings are expected to be essentially flat as modest volume growth is offset by the impact of portfolio changes, principally the expected GLS / Vinyls divestiture (see Note 2 to the Consolidated Financial Statements for additional information), and lower capacity due to a major scheduled maintenance outage at the Orange, Texas ethylene plant.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

SAFETY & PROTECTION

(Dollars in millions)	2013	2012	2011
Segment sales	$ 3,884	$ 3,825	$ 3,934
PTOI	$ 694	$ 562	$ 661
PTOI margin	18%	15%	17%

	2013	2012
Change in segment sales from prior period due to:		
Price	(1)%	— %
Volume	3 %	(3)%
Portfolio / Other	— %	— %
Total change	2 %	(3)%

2013 versus 2012 The sales increase was driven by higher volume reflecting improved demand in industrial markets, protective garments, and construction products which offset softness in global public sector spending.

2013 PTOI and PTOI margin increased on higher volume, primarily in industrial markets, productivity improvements, and the absence of $58 million of restructuring charges recorded in 2012, partially offset by weaker sales mix.

2012 versus 2011 Lower U.S. public sector demand and softness in certain industrial markets, including stalled infrastructure projects in China, was partially offset by higher demand for Sustainable Solutions offerings. Higher local prices were offset by the impact of unfavorable currency.

2012 PTOI and PTOI margin decreased primarily due to $58 million of restructuring charges noted above, unfavorable currency and lower volume.

Outlook Sales are expected to be up modestly reflecting continued improvement in industrial markets across all businesses. Favorable construction and housing demand will temper anticipated public sector weakness. Earnings are expected to be up moderately, reflecting improving demand, favorable sales mix, and continued productivity gains.

PHARMACEUTICALS

(Dollars in millions)	2013	2012	2011
Segment sales	$ —	$ —	$ —
PTOI	$ 32	$ 62	$ 289

Decreases in PTOI reflect the expiration of certain patents related to Cozaar®/Hyzaar®.

Outlook Earnings contributions to the company from the collaboration with Merck are expected to be insignificant in 2014 and will be reported within the Other segment.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Liquidity & Capital Resources

	December 31,	
(Dollars in millions)	**2013**	**2012**
Cash, cash equivalents and marketable securities	$ 9,086	$ 4,407
Total debt	12,462	11,740

Pursuant to its cash discipline policy, the company seeks first to maintain a strong balance sheet and second, to return excess cash to shareholders unless the opportunity to invest for growth is compelling. The company believes its ability to generate cash from operations and access to capital markets will be adequate to meet anticipated cash requirements to fund working capital, capital spending, dividend payments, share repurchases, debt maturities and other cash needs. The company's liquidity needs can be met through a variety of sources, including: cash provided by operating activities, cash and cash equivalents, marketable securities, commercial paper, syndicated credit lines, bilateral credit lines, equity and long-term debt markets and asset sales. The company's current strong financial position, liquidity and credit ratings provide excellent access to the capital markets. The company has access to approximately $4.4 billion in unused credit lines with several major financial institutions as additional support to meet short-term liquidity needs and general corporate purposes, including letters of credit.

The company's cash, cash equivalents and marketable securities at December 31, 2013 and 2012 are $9,086 million and $4,407 million, respectively. Cash and cash equivalents at December 31, 2013 include the proceeds received from the sale of the Performance Coatings business. Cash, cash equivalents and marketable securities held outside of the U.S. of $3,889 million and $4,118 million at December 31, 2013 and 2012, respectively, are generally utilized to fund local operating activities and capital expenditure requirements and are expected to support non-U.S. liquidity needs for the next twelve months and the foreseeable future thereafter. The company expects domestic liquidity needs, for at least the next twelve months and the foreseeable future thereafter, will be met through existing cash, cash equivalents and marketable securities held in the U.S. and other funding sources, including cash generated from U.S. operations, asset sales, the ability to access the capital markets, and the company's credit lines. Therefore, the company believes that it has sufficient sources of domestic liquidity to support its assumption that undistributed earnings at December 31, 2013 can be considered reinvested indefinitely.

The company continually reviews its debt portfolio and occasionally may rebalance it to ensure adequate liquidity and an optimum debt maturity schedule. In 2013, the company issued $1,250 million of 2.80% Notes due February 15, 2023 and $750 million of 4.15% Notes due February 15, 2043.

The company's credit ratings impact its access to the debt capital markets and cost of capital. The company remains committed to a strong financial position and strong investment-grade rating. The company's long-term and short-term credit ratings are as follows:

	Long-term	**Short-term**	**Outlook**
Standard & Poor's	A	A-1	Stable
Moody's Investors Service	A2	P-1	Stable
Fitch Ratings	A	F1	Stable

(Dollars in millions)	**2013**	**2012**	**2011**
Cash provided by operating activities	$ 3,179	$ 4,849	$ 5,152

Cash provided by operating activities decreased $1.7 billion in 2013 compared to 2012 due to lower cash from earnings and higher working capital in the Agriculture segment. Lower earnings were driven by the absence of 11 months of results from the Performance Coatings business as well as a decline in the Performance Chemicals segment. Higher working capital in the Agriculture segment was a result of higher trade receivables due to an increase in sales in the fourth quarter 2013 as well as an increase in customer credit sales in Latin America. In addition the Agriculture segment's working capital was negatively impacted in 2013 as a result of timing differences in when customer prepayments for the 2012 and 2013 growing seasons were collected.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Cash provided by operating activities decreased $303 million in 2012 compared to 2011 due mainly to lower cash from earnings and a $500 million contribution to its principal US pension plan, partially offset by changes in operating assets and liabilities, primarily related to working capital within the Agriculture segment.

Other operating charges and credits primarily consists of expenses related to pension plans as well as reclassifications of items whose cash effects are included in investing or financing activities.

The change in other operating charges and credits, net for 2013 totaled $0.9 billion, a decrease of $0.3 billion from 2012. The decrease is primarily due to lower pension plan charges.

The change in other operating charges and credits, net for 2012 totaled $1.2 billion, an increase of $0.2 billion from 2011. The increase is primarily due to increased pension plan charges.

(Dollars in millions)	2013	2012	2011
Cash provided by (used for) investing activities	$ 2,945	$ (1,346)	$ (6,238)

Cash provided by investing activities in 2013 increased $4.3 billion compared to 2012. The change was primarily due to the proceeds received from the sale of the Performance Coatings business. See Note 2 to the Consolidated Financial Statements for additional information.

Cash used for investing activities decreased $4.9 billion in 2012 compared to 2011. The decrease was due mainly to the absence in 2012 of the company's Danisco acquisition in 2011.

Purchases of property, plant and equipment totaled $1.9 billion in 2013 and $1.8 billion in 2012 and 2011. The company expects 2014 purchases of property, plant and equipment to be about the same as 2013.

(Dollars in millions)	2013	2012	2011
Cash (used for) provided by financing activities	$ (1,474)	$ (2,697)	$ 403

The $1.2 billion decrease in cash used for financing activities in 2013 was due primarily to higher borrowings and lower payments for noncontrolling interests, partially offset by higher repurchases of common stock.

The $3.1 billion increase in cash used for financing activities in 2012 was due mainly to a decrease in borrowings in 2012 versus an increase in 2011, less cash received from options exercised and the company's increased investment in Solae, LLC in 2012, partially offset by reduced purchases of common stock in 2012 versus 2011.

Dividends paid to common and preferred shareholders were $1.7 billion, $1.6 billion, and $1.5 billion in 2013, 2012, and 2011, respectively. Dividends per share of common stock were $1.78, $1.70, and $1.64 in 2013, 2012, and 2011, respectively. With the first quarter 2014 dividend, the company has paid quarterly consecutive dividends since the company’s first dividend in the fourth quarter 1904.

In January 2014, the company’s Board of Directors authorized a $5 billion share buyback plan, with $2 billion expected to occur in 2014. This plan will replace the company’s 2011 plan. There is no required completion date for purchases under the 2014 plan.

In December 2012, the company's Board of Directors authorized a $1 billion share buyback plan. In February 2013, the company entered into an accelerated share repurchase (ASR) agreement with a financial institution under which the company used $1 billion of the proceeds from the sale of Performance Coatings for the purchase of shares of common stock. The 2012 $1 billion share buyback plan was completed in the second quarter 2013 through the ASR agreement, under which the company purchased and retired 20.4 million shares.

During 2012, the company purchased and retired 7.8 million shares at a total cost of $400 million. These purchases completed the 2001 $2 billion share buyback plan and began purchases under a $2 billion share buyback plan authorized by the company's Board of Directors in April 2011. Under the completed 2001 plan, the company purchased a total of 42.0 million shares. Under the 2011 plan, the company has purchased 5.5 million shares at a total cost of $284 million as of December 31, 2013.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

See Note 17 Consolidated Financial Statements for additional information relating to the above share buyback plans.

During 2011, the company purchased and retired 13.8 million shares at a total cost of $672 million, under the 2001 plan.

(Dollars in millions)	2013	2012	2011
Cash provided by operating activities	$ 3,179	$ 4,849	$ 5,152
Purchases of property, plant and equipment	(1,882)	(1,793)	(1,843)
Free cash flow	$ 1,297	$ 3,056	$ 3,309

Free cash flow is a measurement not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. All companies do not calculate non-GAAP financial measures in the same manner and, accordingly, the company's free cash flow definition may not be consistent with the methodologies used by other companies. The company defines free cash flow as cash provided by operating activities less purchases of property, plant and equipment, and therefore indicates operating cash flow available for payment of dividends, other investing activities and other financing activities. Free cash flow is useful to investors and management to evaluate the company's cash flow and financial performance, and is an integral financial measure used in the company's financial planning process.

For further information relating to the change in cash provided by operating activities, see discussion above under cash provided by operating activities.

Critical Accounting Estimates

The company's significant accounting policies are more fully described in Note 1 to the Consolidated Financial Statements. Management believes that the application of these policies on a consistent basis enables the company to provide the users of the financial statements with useful and reliable information about the company's operating results and financial condition.

The preparation of the Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts, including, but not limited to, receivable and inventory valuations, impairment of tangible and intangible assets, long-term employee benefit obligations, income taxes, restructuring liabilities, environmental matters and litigation. Management's estimates are based on historical experience, facts and circumstances available at the time and various other assumptions that are believed to be reasonable. The company reviews these matters and reflects changes in estimates as appropriate. Management believes that the following represents some of the more critical judgment areas in the application of the company's accounting policies which could have a material effect on the company's financial position, liquidity or results of operations.

Long-term Employee Benefits

Accounting for employee benefit plans involves numerous assumptions and estimates. Discount rate and expected return on plan assets are two critical assumptions in measuring the cost and benefit obligation of the company's pension and other long-term employee benefit plans. Management reviews these two key assumptions annually as of December 31st. These and other assumptions are updated periodically to reflect the actual experience and expectations on a plan specific basis as appropriate. As permitted by GAAP, actual results that differ from the assumptions are accumulated on a plan by plan basis and to the extent that such differences exceed 10 percent of the greater of the plan's benefit obligation or the applicable plan assets, the excess is amortized over the average remaining service period of active employees.

About 77 percent of the company's benefit obligation for pensions and essentially all of the company's other long-term employee benefit obligations are attributable to the benefit plans in the U.S. In the U.S. the discount rate is developed by matching the expected cash flow of the benefit plans to a yield curve constructed from a portfolio of high quality fixed-income instruments provided by the plan's actuary as of the measurement date. For non-U.S. benefit plans, the company utilizes prevailing long-term high quality corporate bond indices to determine the discount rate, applicable to each country, at the measurement date.

Within the U.S., the company establishes strategic asset allocation percentage targets and appropriate benchmarks for significant asset classes with the aim of achieving a prudent balance between return and risk. Strategic asset allocations in other countries are selected in accordance with the laws and practices of those countries. Where appropriate, asset-liability studies are also taken into consideration. The long-term expected return on plan assets in the U.S. is based upon historical real returns (net of inflation) for the asset classes covered by the investment policy, expected performance, and projections of inflation over the long-term period

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

during which benefits are payable to plan participants. Consistent with prior years, the long-term expected return on plan assets in the U.S. reflects the asset allocation of the plan and the effect of the company's active management of the plans' assets.

In determining annual expense for the principal U.S. pension plan, the company uses a market-related value of assets rather than its fair value. The market-related value of assets is calculated by averaging market returns over 36 months. Accordingly, there may be a lag in recognition of changes in market valuation. As a result, changes in the fair value of assets are not immediately reflected in the company's calculation of net periodic pension cost. The following table shows the market-related value and fair value of plan assets for the principal U.S. pension plan:

(Dollars in billions)	2013	2012	2011
Market-related value of assets	$ 15.5	$ 14.8	$ 13.9
Fair value of plan assets	16.1	15.1	13.9

For plans other than the principal U.S. pension plan, pension expense is typically determined using the fair value of assets.

The following table highlights the potential impact on the company's pre-tax earnings due to changes in certain key assumptions with respect to the company's pension and other long-term employee benefit plans, based on assets and liabilities at December 31, 2013:

Pre-tax Earnings Benefit (Charge) *(Dollars in millions)*	1/2 Percentage Point Increase	1/2 Percentage Point Decrease
Discount rate	$ 89	$ 94
Expected rate of return on plan assets	97	(97)

Additional information with respect to pension and other long-term employee benefits expenses, liabilities and assumptions is discussed under "Long-term Employee Benefits" beginning on page 34 and in Note 18 to the Consolidated Financial Statements.

Environmental Matters

DuPont accrues for remediation activities when it is probable that a liability has been incurred and a reasonable estimate of the liability can be made. The company has recorded a liability of $458 million as of December 31, 2013; these accrued liabilities exclude claims against third parties and are not discounted. As remediation activities vary substantially in duration and cost from site to site, it is difficult to develop precise estimates of future site remediation costs. The company's estimates are based on a number of factors, including the complexity of the geology, the nature and extent of contamination, the type of remedy, the outcome of discussions with regulatory agencies and other Potentially Responsible Parties (PRPs) at multi-party sites and the number of and financial viability of other PRPs. Therefore, considerable uncertainty exists with respect to environmental remediation costs and, under adverse changes in circumstances, the potential liability may range up to three times the amount accrued.

Legal Contingencies

The company's results of operations could be affected by significant litigation adverse to the company, including product liability claims, patent infringement and antitrust claims, and claims for third party property damage or personal injury stemming from alleged environmental torts. The company records accruals for legal matters when the information available indicates that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Management makes adjustments to these accruals to reflect the impact and status of negotiations, settlements, rulings, advice of counsel and other information and events that may pertain to a particular matter. Predicting the outcome of claims and lawsuits and estimating related costs and exposure involves substantial uncertainties that could cause actual costs to vary materially from estimates. In making determinations of likely outcomes of litigation matters, management considers many factors. These factors include, but are not limited to, the nature of specific claims including unasserted claims, the company's experience with similar types of claims, the jurisdiction in which the matter is filed, input from outside legal counsel, the likelihood of resolving the matter through alternative dispute resolution mechanisms and the matter's current status. Considerable judgment is required in determining whether to establish a litigation accrual when an adverse judgment is rendered against the company in a court proceeding. In such situations, the company will not recognize a loss if, based upon a thorough review of all relevant facts and information, management believes that it is probable that the pending judgment will be successfully overturned on appeal. A detailed discussion of significant litigation matters is contained in Note 16 to the Consolidated Financial Statements.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Income Taxes
The breadth of the company's operations and the global complexity of tax regulations require assessments of uncertainties and judgments in estimating taxes the company will ultimately pay. The final taxes paid are dependent upon many factors, including negotiations with taxing authorities in various jurisdictions, outcomes of tax litigation and resolution of disputes arising from federal, state and international tax audits in the normal course of business. The resolution of these uncertainties may result in adjustments to the company's tax assets and tax liabilities. It is reasonably possible that changes to the company's global unrecognized tax benefits could be significant, however, due to the uncertainty regarding the timing of completion of audits and possible outcomes, a current estimate of the range of increases or decreases that may occur within the next twelve months cannot be made.

Deferred income taxes result from differences between the financial and tax basis of the company's assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Significant judgment is required in evaluating the need for and magnitude of appropriate valuation allowances against deferred tax assets. The realization of these assets is dependent on generating future taxable income, as well as successful implementation of various tax planning strategies. For example, changes in facts and circumstances that alter the probability that the company will realize deferred tax assets could result in recording a valuation allowance, thereby reducing the deferred tax asset and generating a deferred tax expense in the relevant period. In some situations these changes could be material.

At December 31, 2013, the company had a deferred tax asset balance of $6.4 billion, net of valuation allowance of $1.8 billion. Realization of these assets is expected to occur over an extended period of time. As a result, changes in tax laws, assumptions with respect to future taxable income, and tax planning strategies could result in adjustments to these assets. See Note 6 to the Consolidated Financial Statements for additional details related to the deferred tax asset balance.

Valuation of Assets
The assets and liabilities of acquired businesses are measured at their estimated fair values at the dates of acquisition. The excess of the purchase price over the estimated fair value of the net assets acquired, including identified intangibles, is recorded as goodwill. The determination and allocation of fair value to the assets acquired and liabilities assumed is based on various assumptions and valuation methodologies requiring considerable management judgment, including estimates based on historical information, current market data and future expectations. The principal assumptions utilized in the company's valuation methodologies include revenue growth rates, operating margin estimates, royalty rates, and discount rates. Although the estimates were deemed reasonable by management based on information available at the dates of acquisition, those estimates are inherently uncertain.

Assessment of the potential impairment of property, plant and equipment, goodwill, other intangible assets and investments in affiliates is an integral part of the company's normal ongoing review of operations. Testing for potential impairment of these assets is significantly dependent on numerous assumptions and reflects management's best estimates at a particular point in time. The dynamic economic environments in which the company's diversified businesses operate, and key economic and business assumptions with respect to projected selling prices, market growth and inflation rates, can significantly affect the outcome of impairment tests. Estimates based on these assumptions may differ significantly from actual results. Changes in factors and assumptions used in assessing potential impairments can have a significant impact on the existence and magnitude of impairments, as well as the time in which such impairments are recognized. In addition, the company continually reviews its diverse portfolio of assets to ensure they are achieving their greatest potential and are aligned with the company's growth strategy. Strategic decisions involving a particular group of assets may trigger an assessment of the recoverability of the related assets. Such an assessment could result in impairment losses. During 2013, the company recorded an asset impairment charge of $129 million to write-down the carrying value of an asset group to fair value. See Note 3 to the Consolidated Financial Statements for additional details related to this charge.

Based on the results of the company's annual goodwill impairment test in 2013, no impairments exist at this time. The company's methodology for estimating the fair value of its reporting units is using the income approach based on the present value of future cash flows. The income approach has been generally supported by additional market transaction analyses. There can be no assurance that the company's estimates and assumptions regarding forecasted cash flow and revenue and operating income growth rates made for purposes of the annual goodwill impairment test will prove to be accurate predictions of the future. The company believes the current assumptions and estimates utilized are both reasonable and appropriate.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Off-Balance Sheet Arrangements

Certain Guarantee Contracts

Information with respect to the company's guarantees is included in Note 16 to the Consolidated Financial Statements. Historically, the company has not had to make significant payments to satisfy guarantee obligations; however, the company believes it has the financial resources to satisfy these guarantees.

Contractual Obligations

Information related to the company's significant contractual obligations is summarized in the following table:

		Payments Due In			
(Dollars in millions)	Total at December 31, 2013	2014	2015 – 2016	2017 – 2018	2019 and beyond
Long-term debt obligations[1]	$ 12,392	$ 1,674	$ 3,026	$ 1,361	$ 6,331
Expected cumulative cash requirements for interest payments through maturity	4,047	429	776	648	2,194
Capital leases[1]	26	3	6	3	14
Operating leases	1,524	288	501	388	347
Purchase obligations[2]					
Information technology infrastructure & services	174	108	62	4	—
Raw material obligations	740	512	140	65	23
Utility obligations	295	69	98	39	89
INVISTA-related obligations[3]	1,533	117	282	328	806
Human resource services	62	31	30	1	—
Other	220	153	58	7	2
Total purchase obligations	3,024	990	670	444	920
Other liabilities[1,4]					
Workers' compensation	96	14	43	18	21
Asset retirement obligations	63	2	10	4	47
Environmental remediation	458	84	168	67	139
Legal settlements	89	76	5	4	4
License agreements[5]	2,159	326	541	572	720
Other[6]	193	65	29	17	82
Total other long-term liabilities	3,058	567	796	682	1,013
Total contractual obligations[7]	$ 24,071	$ 3,951	$ 5,775	$ 3,526	$ 10,819

1. Included in the Consolidated Financial Statements.
2. Represents enforceable and legally binding agreements in excess of $1 million to purchase goods or services that specify fixed or minimum quantities; fixed, minimum or variable price provisions; and the approximate timing of the agreement.
3. Primarily represents raw material supply obligations.
4. Pension and other long-term employee benefit obligations have been excluded from the table as they are discussed below within Long-term Employee Benefits.
5. Primarily represents remaining minimum payments under Pioneer license agreements.
6. Primarily represents employee-related benefits other than pensions and other long-term employee benefits.
7. Due to uncertainty regarding the completion of tax audits and possible outcomes, the estimate of obligations related to unrecognized tax benefits cannot be made. See Note 6 to the Consolidated Financial Statements for additional detail.

The company expects to meet its contractual obligations through its normal sources of liquidity and believes it has the financial resources to satisfy these contractual obligations.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Long-term Employee Benefits

The company has various obligations to its employees and retirees. The company maintains retirement-related programs in many countries that have a long-term impact on the company's earnings and cash flows. These plans are typically defined benefit pension plans, as well as medical, dental and life insurance benefits for pensioners and survivors and disability benefits for employees (other long-term employee benefits). Approximately 77 percent of the company's worldwide benefit obligation for pensions and essentially all of the company's worldwide other long-term employee benefit obligations are attributable to the U.S. benefit plans. Pension coverage for employees of the company's non-U.S. consolidated subsidiaries is provided, to the extent deemed appropriate, through separate plans. The company regularly explores alternative solutions to meet its global pension obligations in the most cost effective manner possible as demographics, life expectancy and country-specific pension funding rules change. Where permitted by applicable law, the company reserves the right to change, modify or discontinue its plans that provide pension, medical, dental, life insurance and disability benefits.

The majority of employees hired in the U.S. on or after January 1, 2007 are not eligible to participate in the pension and post-retirement medical, dental and life insurance plans, but receive benefits in the defined contribution plans.

Benefits under defined benefit pension plans are based primarily on years of service and employees' pay near retirement. Pension benefits are paid primarily from trust funds established to comply with applicable laws and regulations. Unless required by law, the company does not make contributions that are in excess of tax deductible limits. The actuarial assumptions and procedures utilized are reviewed periodically by the plans' actuaries to provide reasonable assurance that there will be adequate funds for the payment of benefits. In January 2012, the company contributed $500 million to its principal U.S. pension plan and no contributions were made in 2011 or 2013. No contributions are expected to be made to the principal U.S. pension plan in 2014. The company expects to make contributions to its principal U.S. pension plan beyond 2014; however, the amount of any contributions is heavily dependent on the future economic environment and investment returns on pension trust assets. U.S. pension benefits that exceed federal limitations are covered by separate unfunded plans and these benefits are paid to pensioners and survivors from operating cash flows.

Funding for each pension plan is governed by the rules of the sovereign country in which it operates. Thus, there is not necessarily a direct correlation between pension funding and pension expense. In general, however, improvements in plans funded status tends to moderate subsequent funding needs. The company contributed $313 million to its pension plans in 2013 and anticipates that it will make approximately $344 million in contributions in 2014 to pension plans other than the principal U.S. pension plan.

The company's other long-term employee benefits are unfunded and the cost of the approved claims is paid from operating cash flows. Pre-tax cash requirements to cover actual net claims costs and related administrative expenses were $207 million, $261 million and $312 million for 2013, 2012 and 2011, respectively. This amount is expected to be about $224 million in 2014. Changes in cash requirements reflect the net impact of higher per capita health care costs, demographic changes, plan amendments and changes in participant premiums, co-pays and deductibles.

During the third quarter 2012, the company amended its U.S. parent company retiree medical and dental plans for Medicare-eligible pensioners and survivors. Beginning in 2013, the company replaced the coverage for Medicare-eligible plan participants in the company sponsored plans with a new company-funded Health Reimbursement Arrangement (HRA). Medicare-eligible plan participants enrolled in individual health plans in the open market and the company will reimburse their health care expenses with an HRA based on the provisions of the amended plans. As a result of this change, the company's other long-term employee benefit expense was reduced by approximately $120 million and $46 million in 2013 and 2012, respectively. For 2014, the plan amendment is expected to reduce other long-term employee benefit expense by approximately $104 million. Additional information related to these changes in the plans noted above is included in Note 18 to the Consolidated Financial Statements.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

The company's income can be significantly affected by pension and defined contribution benefits as well as other long-term employee benefits. The following table summarizes the extent to which the company's income over each of the last 3 years was affected by pre-tax charges related to long-term employee benefits:

(Dollars in millions)	2013	2012	2011
Long-term employee benefit plan charges [1]	$ 1,153	$ 1,321	$ 1,134

1. The long-term employee benefit plan charges relating to discontinued operations was $5, $74 and $72 for 2013, 2012 and 2011, respectively.

The above charges for pension and other long-term employee benefits are determined as of the beginning of each year. The decrease in long-term employee benefit expense in 2013 is primarily related to the retiree medical and dental plan amendment in 2012 and the Performance Coatings sale, partially offset by lower discount rates. See "Long-term Employee Benefits" under the Critical Accounting Estimates section beginning on page 30 of this report for additional information on determining annual expense for the principal U.S. pension plan.

The company's key assumptions used in calculating its pension and other long-term employee benefits are the expected return on plan assets, the rate of compensation increases and the discount rate (see Note 18 to the Consolidated Financial Statements). For 2014, long-term employee benefits expense from continuing operations is expected to decrease by about $440 million due to higher discount rates at December 31, 2013 and better than expected pension asset returns during 2013.

Environmental Matters

The company operates global manufacturing, product handling and distribution facilities that are subject to a broad array of environmental laws and regulations. Such rules are subject to change by the implementing governmental agency, and the company monitors these changes closely. Company policy requires that all operations fully meet or exceed legal and regulatory requirements. In addition, the company implements voluntary programs to reduce air emissions, minimize the generation of hazardous waste, decrease the volume of water use and discharges, increase the efficiency of energy use and reduce the generation of persistent, bioaccumulative and toxic materials. Management has noted a global upward trend in the amount and complexity of proposed chemicals regulation. The costs to comply with complex environmental laws and regulations, as well as internal voluntary programs and goals, are significant and will continue to be significant for the foreseeable future.

Pre-tax environmental expenses charged to current operations are summarized below:

(Dollars in millions)	2013	2012	2011
Environmental operating costs	$ 602	$ 595	$ 562
Increase in remediation accrual	90	110	92
	$ 692	$ 705	$ 654

About 75 percent of total pre-tax environmental expenses charged to current operations in 2013 resulted from operations in the U.S. The increases in total pre-tax environmental expenses charged to operations were due primarily to increased environmental research activities and acquired businesses. Based on existing facts and circumstances, management does not believe that year over year changes, if any, in environmental expenses charged to current operations will have a material impact on the company's financial position, liquidity or results of operations.

Environmental Operating Costs

As a result of its operations, the company incurs costs for pollution abatement activities including waste collection and disposal, installation and maintenance of air pollution controls and wastewater treatment, emissions testing and monitoring, and obtaining permits. The company also incurs costs related to environmental related research and development activities including environmental field and treatment studies as well as toxicity and degradation testing to evaluate the environmental impact of products and raw materials.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

Remediation Accrual

Changes in the remediation accrual balance are summarized below:

(Dollars in millions)	
Balance at December 31, 2011	$ 416
Remediation payments	(90)
Increase in remediation accrual	110
Balance at December 31, 2012	$ 436
Remediation payments	(68)
Increase in remediation accrual	90
Balance at December 31, 2013	$ 458

Annual expenditures are expected to continue to increase in the near future; however, they are not expected to vary significantly from the range of such expenditures experienced in the past few years. Longer term, expenditures are subject to considerable uncertainty and may fluctuate significantly.

As of December 31, 2013, the company has been notified of potential liability under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or Superfund) or similar state laws at about 420 sites around the U.S., with active remediation under way at approximately 165 of these sites. In addition, the company has resolved its liability at approximately 175 sites, either by completing remedial actions with other PRPs or by participating in "de minimis buyouts" with other PRPs whose waste, like the company's, represented only a small fraction of the total waste present at a site. The company received notice of potential liability at five new sites during 2013 compared with five and six similar notices in 2012 and 2011, respectively.

Considerable uncertainty exists with respect to environmental remediation costs, and, under adverse changes in circumstances, potential liability may range up to three times the amount accrued as of December 31, 2013. However, based on existing facts and circumstances, management does not believe that any loss, in excess of amounts accrued, related to remediation activities at any individual site will have a material impact on the financial position, liquidity or results of operations of the company.

Environmental Capital Expenditures

In 2013, the company spent approximately $70 million on environmental capital projects either required by law or necessary to meet the company's internal environmental goals. The company currently estimates expenditures for environmental-related capital projects to be approximately $115 million in 2014. In the U.S., additional capital expenditures are expected to be required over the next decade for treatment, storage and disposal facilities for solid and hazardous waste and for compliance with the Clean Air Act (CAA). Until all CAA regulatory requirements are established and known, considerable uncertainty will remain regarding estimates for future capital expenditures. However, management does not believe that the costs to comply with these requirements will have a material impact on the financial position or liquidity of the company.

Climate Change

The company believes that climate change is an important global issue that presents risks and opportunities. Expanding upon significant global greenhouse gas (GHG) emissions and other environmental footprint reductions made in the period 1990-2004, the company reduced its environmental footprint achieving in 2012 reductions of 25 percent in GHG emissions and 12 percent in water consumption versus our 2004 baselines. In addition, in 2012 the company achieved a one percent reduction in energy intensity from non-renewable resources versus a 2010 baseline. The company continuously evaluates opportunities for existing and new product and service offerings in light of the anticipated demands of a low-carbon economy. About $2 billion of the company's 2012 revenue was generated from sales of products that help direct and downstream customers reduce GHG emissions.

The company is actively engaged in the effort to develop constructive public policies to reduce GHG emissions and encourage lower carbon forms of energy. Such policies may bring higher operating costs as well as greater revenue and margin opportunities. Legislative efforts to control or limit GHG emissions could affect the company's energy source and supply choices as well as increase the cost of energy and raw materials derived from fossil fuels. Such efforts are also anticipated to provide the business community with greater certainty for the regulatory future, help guide investment decisions, and drive growth in demand for low-carbon and energy-efficient products, technologies, and services. Similarly, demand is expected to grow for products that facilitate adaptation to a changing climate.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, *continued*

At the national and regional level, there are existing efforts to address GHG emissions. Several of the company's facilities in the European Union (EU) are regulated under the EU Emissions Trading Scheme. China has begun pilot programs for trading of GHG emissions in selected areas and South Korea will begin to implement its emission trading scheme in 2015. In the EU, U.S. and Japan, policy efforts to reduce the GHG emissions associated with gases used in refrigeration and air conditioning create market opportunities for lower GHG solutions. The current unsettled policy environment in the U.S. adds an element of uncertainty to business decisions particularly those relating to long-term capital investments. If in the absence of federal legislation, states were to implement programs mandating GHG emissions reductions, the company, its suppliers and customers could be competitively disadvantaged by the added costs of complying with a variety of state-specific requirements.

In 2010, EPA launched a phased-in scheme to regulate GHG emissions first from large stationary sources under the existing Clean Air Act permitting requirements administered by state and local authorities. As a result, large capital investments may be required to install Best Available Control Technology on major new or modified sources of GHG emissions. This type of GHG emissions regulation by EPA, in the absence of or in addition to federal legislation, could result in more costly, less efficient facility-by-facility controls versus a federal program that incorporates policies that provide an economic balance that does not severely distort markets. Differences in regional or national legislation could present challenges in a global marketplace highlighting the need for coordinated global policy action. In 2013 EPA proposed more stringent regulations for new Electric Generating Units (EGU's) that may affect the long term price and supply of electricity. The precise impact is uncertain.

PFOA

The Performance Chemicals segment used a form of PFOA (collectively, perfluorooctanoic acid and its salts, including the ammonium salt) as a processing aid to manufacture some fluoropolymer resins. The Performance Materials segment used PFOA in the manufacture of certain raw materials for perfluoroelastomer parts (and some fluoroelastomers). In the fall of 2002, DuPont began producing rather than purchasing PFOA to support these manufacturing processes. PFOA is not used in the manufacture of fluorotelomers; however, it is an unintended by-product present at trace levels in some fluorotelomer-based products.

PFOA is bio-persistent and has been detected at very low levels in the blood of the general population. Significant scientific research has been and continues to be conducted to understand the exposure routes and potential hazards of PFOA. Regulatory agencies continue to review these studies to evaluate potential regulation.

In January 2006, DuPont pledged its commitment to EPA's 2010/15 PFOA Stewardship Program. The EPA program asks participants (1) to commit to achieve, no later than 2010, a 95 percent reduction in both facility emissions and product content levels of PFOA, PFOA precursors and related higher homologue chemicals and (2) to commit to working toward the elimination of PFOA, PFOA precursors and related higher homologue chemicals from emissions and products by no later than 2015. DuPont has exceeded the EPA's 2010 objective. In February 2007, DuPont announced its commitment to no longer make, use or buy PFOA by 2015, or sooner if possible.

As of the fourth quarter 2013, DuPont had already ceased the manufacture of PFOA and discontinued the use of PFOA for production of fluoropolymer resins as well as for raw materials used in the production of perfluoroelastomer parts and fluoroelastomers. In addition, the company continues to make progress in replacing fluorotelomer-based products with alternative products.

For additional information regarding PFOA matters, see Note 16 to the Consolidated Financial Statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Derivatives and Other Hedging Instruments

In the ordinary course of business, the company enters into contractual arrangements (derivatives) to hedge its exposure to foreign currency, interest rate and commodity price risks under established procedures and controls. For additional information on these derivatives and related exposures, see Note 20 to the Consolidated Financial Statements.

The following table summarizes the impacts of the company's foreign currency hedging program on the company's results of operations for the years ended December 31, 2013, 2012, and 2011, and includes the company's pro rata share of its equity affiliates' exchange gains and losses and corresponding gains and losses on foreign currency exchange contracts:

(Dollars in millions)	2013	2012	2011
Pre-tax exchange loss	$ (128)	$ (215)	$ (146)
Tax benefit	42	73	81
After-tax exchange loss	$ (86)	$ (142)	$ (65)

In addition to the contracts disclosed in Note 20 to the Consolidated Financial Statements, from time to time, the company will enter into foreign currency exchange contracts to establish with certainty the USD amount of future firm commitments denominated in a foreign currency. Decisions regarding whether or not to hedge a given commitment are made on a case-by-case basis, taking into consideration the amount and duration of the exposure, market volatility and economic trends. Foreign currency exchange contracts are also used, from time to time, to manage near-term foreign currency cash requirements.

Sensitivity Analysis

The following table illustrates the fair values of outstanding derivative contracts at December 31, 2013 and 2012, and the effect on fair values of a hypothetical adverse change in the market prices or rates that existed at December 31, 2013 and 2012. The sensitivity for interest rate swaps is based on a one percent change in the market interest rate. Foreign currency and commodity contracts sensitivities are based on a 10 percent change in market rates.

	Fair Value Asset/(Liability)		Fair Value Sensitivity	
(Dollars in millions)	2013	2012	2013	2012
Interest rate swaps	$ 29	$ 55	$ (18)	$ (29)
Foreign currency contracts	18	9	(1,000)	(659)
Commodity contracts	(1)	(1)	(2)	(3)

Since the company's risk management programs are highly effective, the potential loss in value for each risk management portfolio described above would be largely offset by changes in the value of the underlying exposure.

Concentration of Credit Risk

The company maintains cash and cash equivalents, marketable securities, derivatives and certain other financial instruments with various financial institutions. These financial institutions are generally highly rated and geographically dispersed and the company has a policy to limit the dollar amount of credit exposure with any one institution.

As part of the company's financial risk management processes, it continuously evaluates the relative credit standing of all of the financial institutions that service DuPont and monitors actual exposures versus established limits. The company has not sustained credit losses from instruments held at financial institutions.

The company's sales are not materially dependent on any single customer. As of December 31, 2013, no one individual customer balance represented more than 5 percent of the company's total outstanding receivables balance. Credit risk associated with its receivables balance is representative of the geographic, industry and customer diversity associated with the company's global businesses.

The company also maintains strong credit controls in evaluating and granting customer credit. As a result, it may require that customers provide some type of financial guarantee in certain circumstances. Length of terms for customer credit varies by industry and region.

Part II

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and supplementary data required by this Item are included herein, commencing on page F-1 of this report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

The company maintains a system of disclosure controls and procedures to give reasonable assurance that information required to be disclosed in the company's reports filed or submitted under the Securities Exchange Act of 1934 (Exchange Act) is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. These controls and procedures also give reasonable assurance that information required to be disclosed in such reports is accumulated and communicated to management to allow timely decisions regarding required disclosures.

As of December 31, 2013, the company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO), together with management, conducted an evaluation of the effectiveness of the company's disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on that evaluation, the CEO and CFO concluded that these disclosure controls and procedures are effective.

There has been no change in the company's internal control over financial reporting that occurred during the fourth quarter of 2013 that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting. The company has completed its evaluation of its internal controls and has concluded that the company's system of internal controls over financial reporting was effective as of December 31, 2013 (see page F-2).

ITEM 9B. OTHER INFORMATION

None.

Part III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information with respect to this Item is incorporated herein by reference to the Proxy, including information within the sections entitled, "Election of Directors," "Governance of the Company-Committees of the Board," "Governance of the Company-Committee Membership," "Section 16(a) Beneficial Ownership Reporting Compliance," and “Stockholder Nominations for Election of Directors.”

The company has adopted a Code of Ethics for its CEO, CFO, and Controller that may be accessed from the company's website at www.dupont.com by clicking on "Investors" and then "Corporate Governance." Any amendments to, or waiver from, any provision of the code will be posted on the company's website at the above address.

Executive Officers of the Registrant
The following is a list, as of February 5, 2014, of the company's Executive Officers:

	Age	Executive Officer Since
Chair of the Board of Directors and Chief Executive Officer:		
Ellen J. Kullman	58	2006
Other Executive Officers:		
James C. Borel	58	2004
Executive Vice President		
Benito Cachinero-Sánchez	55	2011
Senior Vice President - Human Resources		
Thomas M. Connelly, Jr.	61	2000
Executive Vice President and Chief Innovation Officer		
Nicholas C. Fanandakis	57	2009
Executive Vice President and Chief Financial Officer		
Thomas L. Sager	63	2008
Senior Vice President and General Counsel		
Mark P. Vergnano	56	2009
Executive Vice President		

The company's Executive Officers are elected or appointed for the ensuing year or for an indefinite term and until their successors are elected or appointed.

Ellen J. Kullman joined DuPont in 1988 as marketing manager and progressed through various roles as global business director and was named Vice President and General Manager of White Pigment & Mineral Products in 1995. In 2000, Mrs. Kullman was named Group Vice President and General Manager of several businesses and new business development. She became Group Vice President-DuPont Safety & Protection in 2002. In June 2006, Mrs. Kullman was named Executive Vice President and assumed leadership of Marketing & Sales along with Safety and Sustainability. She was appointed President on October 1, 2008 and became Chief Executive Officer on January 1, 2009. On December 31, 2009, she became Chair of the Board of Directors.

James C. Borel joined DuPont in 1978, and held a variety of product and sales management positions for Agricultural Products. In 1993, he transferred to Tokyo, Japan with Agricultural Products as regional manager, North Asia and was appointed regional director, Asia Pacific in 1994. In 1997, he was appointed regional director, North America and was appointed Vice President and General Manager-DuPont Crop Protection later that year. In January 2004, he was named Senior Vice President-DuPont Global Human Resources. He became Group Vice President in 2008 and was named Executive Vice President with responsibility for DuPont Crop Protection and Pioneer in October 2009. In 2011, he assumed responsibility for DuPont Nutrition & Health and in 2014, he assumed responsibility for the company’s sustainability function.

Benito Cachinero-Sánchez joined DuPont in April 2011 as Senior Vice President - Human Resources. Prior to joining DuPont, he was Corporate Vice President of Human Resources at Automatic Data Processing (ADP). Prior to ADP, he was Vice President, Human Resources for the Medical Devices & Diagnostics Group of Johnson & Johnson.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE, *continued*

Thomas M. Connelly, Jr. joined DuPont in 1977 as a research engineer. Since then, Mr. Connelly has served in various research and plant technical leadership roles, as well as product management and business director roles. Mr. Connelly served as Vice President and General Manager-DuPont Fluoroproducts from 1999 until September 2000, when he was named Senior Vice President and Chief Science and Technology Officer. In June 2006, Mr. Connelly was named Executive Vice President and Chief Innovation Officer. His current responsibilities include Integrated Operations, Science and Technology and leadership of the regions outside of the United States.

Nicholas C. Fanandakis joined DuPont in 1979 as an accounting and business analyst. Since then, Mr. Fanandakis served in a variety of plant, marketing, and product management and business director roles. Mr. Fanandakis served as Vice President and General Manager—DuPont Chemical Solutions Enterprise from 2003 until February 2007 when he was named Vice President—Corporate Plans. In January 2008, Mr. Fanandakis was named Group Vice President—DuPont Applied BioSciences. In November 2009, he was named Senior Vice President and Chief Financial Officer. In August 2010, he was named Executive Vice President and Chief Financial Officer.

Thomas L. Sager joined DuPont in 1976 as an attorney in the labor and security group. In 1998, he was named Chief Litigation Counsel and assumed oversight responsibility for all company litigation matters. He was named Vice President and Assistant General Counsel in 1999. In July 2008, he was appointed Senior Vice President and General Counsel.

Mark P. Vergnano joined DuPont in 1980 as a process engineer. He has had several assignments in manufacturing, technology, marketing, sales and business strategy. He has held assignments in various DuPont locations including Geneva, Switzerland. In February 2003 he was named Vice President and General Manager—Nonwovens and Vice President and General Manager—Surfaces and Building Innovations in October 2005. In June 2006, he was named Group Vice President of DuPont Safety & Protection. In October 2009, Mr. Vergnano was appointed Executive Vice President. Mr. Vergnano has responsibility for businesses in the Performance Chemicals segment: DuPont Chemicals & Fluoroproducts and Titanium Technologies. In January 2014, DuPont announced that Mr. Vergnano would focus on activities related to the company's announced intention to separate Performance Chemicals; DuPont also announced that Mr. Vergnano will become the chief executive officer of the new Performance Chemicals company after separation, which is expected to occur about mid-2015.

ITEM 11. EXECUTIVE COMPENSATION

Information with respect to this Item is incorporated herein by reference to the Proxy, including information within the sections entitled, "Compensation Discussion and Analysis," "Compensation of Executive Officers," "Directors' Compensation," "Compensation Committee Interlocks and Insider Participation" and "Compensation Committee Report."

Part III

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information with respect to this Item is incorporated herein by reference to the Proxy, including information within the section entitled "Ownership of Company Stock."

Securities authorized for issuance under equity compensation plans as of December 31, 2013
(Shares in thousands, except per share)

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights[2]	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans[3]
Equity compensation plans approved by security holders	27,171 [1]	$ 41.58	51,252
Equity compensation plans not approved by security holders	15 [4]	—	— [5]
Total	27,186	$ 41.58	51,252

1. Includes stock-settled time-vested and performance-based restricted stock units granted and stock units deferred under the company's Equity and Incentive Plan, Stock Performance Plan, Variable Compensation Plan and the Stock Accumulation and Deferred Compensation Plan for Directors. Performance-based restricted stock units reflect the maximum number of shares to be awarded at the conclusion of the performance cycle (200 percent of the original grant). The actual award payouts can range from zero to 200 percent of the original grant.
2. Represents the weighted-average exercise price of the outstanding stock options only; the outstanding stock-settled time-vested and performance-based restricted stock units and deferred stock units are not included in this calculation.
3. Reflects shares available pursuant to the issuance of stock options, restricted stock, restricted stock units or other stock-based awards under the amended Equity and Incentive Plan approved by the shareholders in April 2011 (see Note 19 to the company's Consolidated Financial Statements). The maximum number of shares of stock reserved for the grant or settlement of awards under the Equity and Incentive Plan (Share Limit) shall be 110,000 and shall be subject to adjustment as provided therein; provided that each share in excess of 30,000 issued under the Equity and Incentive Plan pursuant to any award settled in stock, other than a stock option or stock appreciation right, shall be counted against the foregoing Share Limit as four and one-half shares for every one share actually issued in connection with such award. (For example, if 32,000 shares of restricted stock are granted under the Equity and Incentive Plan, 39,000 shall be charged against the Share Limit in connection with that award.)
4. Includes 15 deferred stock units resulting from base salary and short-term incentive (STIP) deferrals under the Management Deferred Compensation Plan (MDCP). Under the MDCP, a select group of management or highly compensated employees can elect to defer the receipt of their base salary, STIP or Long Term Incentive (LTI) award. LTI deferrals are included in footnote 1 to the above chart. The company does not match deferrals under the MDCP. There are seven core investment options under the MDCP for base salary and STIP deferrals, including deferred stock units with dividend equivalents credited as additional stock units. In general, deferred stock units are distributed in the form of DuPont common stock and may be made in the form of lump sum at a specified future date prior to retirement or a lump sum or annual installments after separation from service. Shareholder approval of the MDCP was not required under the rules of the New York Stock Exchange.
5. There is no limit on the number of shares that can be issued under the MDCP and no further shares are available for issuance under the other equity compensation arrangements described in footnote 4 to the above chart.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information with respect to this Item is incorporated herein by reference to the Proxy, including information within the sections entitled, "Governance of the Company-Review and Approval of Transactions with Related Persons" and "Governance of the Company-Corporate Governance Guidelines," "Governance of the Company-Committees of the Board," "Governance of the Company-Committee Membership" and "Election of Directors".

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information with respect to this Item is incorporated herein by reference to the Proxy, including information within the section entitled "Ratification of Independent Registered Public Accounting Firm."

Part IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements, Financial Statement Schedules and Exhibits:

1. Financial Statements (See the Index to the Consolidated Financial Statements on page F-1 of this report).

2. Financial Statement Schedules

Schedule II—Valuation and Qualifying Accounts

(Dollars in millions)

Year Ended December 31,	2013	2012	2011
Accounts Receivable—Allowance for Doubtful Receivables			
Balance at beginning of period	$ 243	$ 292	$ 326
Additions charged to cost and expenses	72	33	73
Deductions from reserves	(46)	(64)	(107)
Amounts related to the Performance Coatings business	—	(18)	—
Balance at end of period	$ 269	$ 243	$ 292
Deferred Tax Assets—Valuation Allowance			
Balance at beginning of period	$ 1,914	$ 1,971	$ 1,666
Net charges (benefits) to income tax expense	29	(77)	73
Additions charged to other comprehensive income (loss)	(205)	10	236
Currency translation	26	10	(4)
Balance at end of period	$ 1,764	$ 1,914	$ 1,971

Financial Statement Schedules listed under SEC rules but not included in this report are omitted because they are not applicable or the required information is shown in the Consolidated Financial Statements or notes thereto incorporated by reference.

Part IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES, *continued*

3. Exhibits

The following list of exhibits includes both exhibits submitted with this Form 10-K as filed with the SEC and those incorporated by reference to other filings:

Exhibit Number	Description
3.1	Company's Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the company's Annual Report on Form 10-K for the year ended December 31, 2012).
3.2	Company's Bylaws, as last amended effective August 12, 2013 (incorporated by reference to Exhibit 3.2 to the company's Quarterly Report on Form 10-Q for the period ended September 30, 2013).
4	The company agrees to provide the Commission, on request, copies of instruments defining the rights of holders of long-term debt of the company and its subsidiaries.
10.1*	The DuPont Stock Accumulation and Deferred Compensation Plan for Directors, as last amended effective January 1, 2009.
10.2*	Company's Supplemental Retirement Income Plan, as last amended effective June 4, 1996 (incorporated by reference to Exhibit 10.2 to the company's Annual Report on Form 10-K for the year ended December 31, 2011).
10.3*	Company's Pension Restoration Plan, as restated effective July 17, 2006 (incorporated by reference to Exhibit 10.3 to the company's Quarterly Report on Form 10-Q for the period ended June 30, 2011).
10.4*	Company's Rules for Lump Sum Payments, as last amended effective December 20, 2007 (incorporated by reference to Exhibit 10.4 to the company's Quarterly Report on Form 10-Q for the period ended June 30, 2011).
10.5*	Company's Stock Performance Plan, as last amended effective January 25, 2007 (incorporated by reference to Exhibit 10.5 to the company's Annual Report on Form 10-K for the year ended December 31, 2011).
10.6*	Company's Equity and Incentive Plan as amended October 23, 2013.
10.7*	Form of Award Terms under the company's Equity and Incentive Plan (incorporated by reference to Exhibit 10.7 to the company's Quarterly Report on Form 10-Q for the period ended June 30, 2013).
10.8*	Company's Retirement Savings Restoration Plan, as last amended effective January 1, 2013 (incorporated by reference to Exhibit 10.8 to the company's Annual Report on Form 10-K for the year ended December 31, 2012).
10.9*	Company's Retirement Income Plan for Directors, as last amended January 2011 (incorporated by reference to Exhibit 10.9 to the company's Quarterly Report on Form 10-Q for the period ended March 31, 2012).
10.10*	Company's Management Deferred Compensation Plan, adopted on May 2, 2008, as last amended May 12, 2010 (incorporated by reference to Exhibit 10.11 to the company's Quarterly Report on Form 10-Q for the period ended June 30, 2010).
10.11*	Company's Senior Executive Severance Plan, adopted on August 12, 2013 (incorporated by reference to Exhibit 10.11 to the company's Quarterly Report on Form 10-Q for the period ended September 30, 2013). The company agrees to furnish supplementally a copy of any omitted schedules to the Commission upon request.
10.12*	Supplemental Deferral Terms for Deferred Long Term Incentive Awards and Deferred Variable Compensation Awards.
12	Computation of Ratio of Earnings to Fixed Charges.
18.1	Preferability Letter of Independent Registered Public Accounting Firm (incorporated by reference to Exhibit 18.1 to the company's Quarterly Report on Form 10-Q for the period ended March 31, 2013).
21	Subsidiaries of the Registrant.
23	Consent of Independent Registered Public Accounting Firm.
31.1	Rule 13a-14(a)/15d-14(a) Certification of the company's Principal Executive Officer.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES, *continued*

31.2	Rule 13a-14(a)/15d-14(a) Certification of the company's Principal Financial Officer.
32.1	Section 1350 Certification of the company's Principal Executive Officer. The information contained in this Exhibit shall not be deemed filed with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the registrant under the Securities Act of 1933, as amended.
32.2	Section 1350 Certification of the company's Principal Financial Officer. The information contained in this Exhibit shall not be deemed filed with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the registrant under the Securities Act of 1933, as amended.
95	Mine Safety Disclosures.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Management contract or compensatory plan or arrangement required to be filed as an exhibit to this Form 10-K.

Signatures

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

February 5, 2014

E. I. DU PONT DE NEMOURS AND COMPANY

By: /s/ Nicholas C. Fanandakis

Nicholas C. Fanandakis
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated:

Signature	Title(s)	Date
/s/ E.J. Kullman E. J. Kullman	Chair of the Board of Directors and Chief Executive Officer and Director (Principal Executive Officer)	February 5, 2014
/s/ L. Andreotti L. Andreotti	Director	February 5, 2014
/s/ R.H. Brown R. H. Brown	Director	February 5, 2014
/s/ R.A. Brown R. A. Brown	Director	February 5, 2014
/s/ B.P. Collomb B. P. Collomb	Director	February 5, 2014
/s/ C.J. Crawford C. J. Crawford	Director	February 5, 2014
/s/ A.M. Cutler A. M. Cutler	Director	February 5, 2014
/s/ E.I. du Pont, II E. I. du Pont, II	Director	February 5, 2014
/s/ M.A. Hewson M. A. Hewson	Director	February 5, 2014
/s/ L.D. Juliber L. D. Juliber	Director	February 5, 2014
/s/ L.M. Thomas L. M. Thomas	Director	February 5, 2014
/s/ P.J. Ward P. J. Ward	Director	February 5, 2014

E.I. du Pont de Nemours and Company

Index to the Consolidated Financial Statements

Management's Reports on Responsibility for Financial Statements and Internal Control over Financial Reporting

Management's Report on Responsibility for Financial Statements

Management is responsible for the Consolidated Financial Statements and the other financial information contained in this Annual Report on Form 10-K. The financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) and are considered by management to present fairly the company's financial position, results of operations and cash flows. The financial statements include some amounts that are based on management's best estimates and judgments. The financial statements have been audited by the company's independent registered public accounting firm, PricewaterhouseCoopers LLP. The purpose of their audit is to express an opinion as to whether the Consolidated Financial Statements included in this Annual Report on Form 10-K present fairly, in all material respects, the company's financial position, results of operations and cash flows in conformity with GAAP. Their report is presented on the following page.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. The company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The company's internal control over financial reporting includes those policies and procedures that:

i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and

iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of the company's assets that could have a material effect on the financial statements.

Internal control over financial reporting has certain inherent limitations which may not prevent or detect misstatements. In addition, changes in conditions and business practices may cause variation in the effectiveness of internal controls.

Management assessed the effectiveness of the company's internal control over financial reporting as of December 31, 2013, based on criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework (1992)*. Based on its assessment and those criteria, management concluded that the company maintained effective internal control over financial reporting as of December 31, 2013.

PricewaterhouseCoopers LLP, an independent registered public accounting firm, has audited the effectiveness of the company's internal control over financial reporting as of, as stated in their report, which is presented on the following page.

Ellen J. Kullman
Chair of the Board and
Chief Executive Officer

Nicholas C. Fanandakis
Executive Vice President
and Chief Financial Officer

February 5, 2014

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of
E. I. du Pont de Nemours and Company:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, comprehensive income, equity and cash flows present fairly, in all material respects, the financial position of E. I. du Pont de Nemours and Company and its subsidiaries at December 31, 2013 and 2012, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2013 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the index appearing under Item 15(a) (2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2013, based on criteria established in *Internal Control - Integrated Framework* (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in "Management's Report on Internal Control over Financial Reporting" appearing on page F-2. Our responsibility is to express opinions on these financial statements, on the financial statement schedule and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe our audits provide a reasonable basis for our opinions.

As discussed in Note 1 to the Consolidated Financial Statements, effective January 1, 2013, the Company changed its method of valuing inventory held at a majority of its foreign and certain U.S. locations from the last-in, first-out (LIFO) method to the average cost method.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 5, 2014

E. I. du Pont de Nemours and Company
Consolidated Financial Statements

CONSOLIDATED INCOME STATEMENTS
(Dollars in millions, except per share)

For the year ended December 31,	2013	2012	2011
Net sales	$ 35,734	$ 34,812	$ 33,681
Other income, net	410	498	742
Total	36,144	35,310	34,423
Cost of goods sold	22,548	21,538	21,264
Other operating charges	3,838	4,077	3,510
Selling, general and administrative expenses	3,554	3,527	3,310
Research and development expense	2,153	2,123	1,960
Interest expense	448	464	447
Employee separation / asset related charges, net	114	493	53
Total	32,655	32,222	30,544
Income from continuing operations before income taxes	3,489	3,088	3,879
Provision for income taxes on continuing operations	626	616	647
Income from continuing operations after income taxes	2,863	2,472	3,232
Income from discontinued operations after income taxes	1,999	308	367
Net income	4,862	2,780	3,599
Less: Net income attributable to noncontrolling interests	14	25	40
Net income attributable to DuPont	$ 4,848	$ 2,755	$ 3,559
Basic earnings per share of common stock:			
Basic earnings per share of common stock from continuing operations	$ 3.07	$ 2.61	$ 3.43
Basic earnings per share of common stock from discontinued operations	2.16	0.33	0.40
Basic earnings per share of common stock	$ 5.22	$ 2.94	$ 3.82
Diluted earnings per share of common stock:			
Diluted earnings per share of common stock from continuing operations	$ 3.04	$ 2.59	$ 3.38
Diluted earnings per share of common stock from discontinued operations	2.14	0.33	0.39
Diluted earnings per share of common stock	$ 5.18	$ 2.91	$ 3.77
Dividends per share of common stock	$ 1.78	$ 1.70	$ 1.64

See Notes to the Consolidated Financial Statements beginning on page F-9.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in millions, except per share)

For the year ended December 31,	2013	2012	2011
Net income	$ 4,862	$ 2,780	$ 3,599
Other comprehensive income (loss), before tax:			
Cumulative translation adjustment	25	77	(457)
Net revaluation and clearance of cash flow hedges to earnings:			
Additions and revaluations of derivatives designated as cash flow hedges	(58)	8	10
Clearance of hedge results to earnings	(25)	(65)	96
Net revaluation and clearance of cash flow hedges to earnings	(83)	(57)	106
Pension benefit plans:			
Net gain (loss)	3,293	(1,433)	(4,069)
Prior service benefit (cost)	62	22	(2)
Reclassifications to net income:			
Amortization of prior service cost	8	13	16
Amortization of loss	957	887	613
Curtailment / settlement loss	153	7	—
Pension benefit plans, net	4,473	(504)	(3,442)
Other benefit plans:			
Net gain (loss)	513	(60)	(437)
Prior service benefit (cost)	211	857	(11)
Reclassifications to net income:			
Amortization of prior service benefit	(195)	(155)	(121)
Amortization of loss	76	94	60
Curtailment / settlement (gain) loss	(153)	3	—
Other benefit plans, net	452	739	(509)
Net unrealized gain (loss) on securities	1	(2)	2
Other comprehensive income (loss), before tax	4,868	253	(4,300)
Income tax (expense) benefit related to items of other comprehensive income	(1,665)	(121)	1,322
Other comprehensive income (loss), net of tax	3,203	132	(2,978)
Comprehensive income	8,065	2,912	621
Less: Comprehensive income attributable to noncontrolling interests	12	53	22
Comprehensive income attributable to DuPont	$ 8,053	$ 2,859	$ 599

See Notes to the Consolidated Financial Statements beginning on page F-9.

E. I. du Pont de Nemours and Company
Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS
(Dollars in millions, except per share)

December 31,	2013	2012
Assets		
Current assets		
Cash and cash equivalents	$ 8,941	$ 4,284
Marketable securities	145	123
Accounts and notes receivable, net	6,047	5,452
Inventories	8,042	7,565
Prepaid expenses	206	204
Deferred income taxes	775	613
Assets held for sale	228	3,076
Total current assets	24,384	21,317
Property, plant and equipment	32,431	31,826
Less: Accumulated depreciation	19,438	19,085
Net property, plant and equipment	12,993	12,741
Goodwill	4,713	4,616
Other intangible assets	5,096	5,126
Investment in affiliates	1,011	1,163
Deferred income taxes	2,353	3,936
Other assets	949	960
Total	$ 51,499	$ 49,859
Liabilities and Equity		
Current liabilities		
Accounts payable	$ 5,180	$ 4,853
Short-term borrowings and capital lease obligations	1,721	1,275
Income taxes	247	343
Other accrued liabilities	6,219	5,997
Liabilities related to assets held for sale	—	1,084
Total current liabilities	13,367	13,552
Long-term borrowings and capital lease obligations	10,741	10,465
Other liabilities	10,179	14,687
Deferred income taxes	926	856
Total liabilities	35,213	39,560
Commitments and contingent liabilities		
Stockholders' Equity		
Preferred stock, without par value – cumulative; 23,000,000 shares authorized; issued at December 31, 2013 and 2012:		
$4.50 Series – 1,673,000 shares (callable at $120)	167	167
$3.50 Series – 700,000 shares (callable at $102)	70	70
Common stock, $.30 par value; 1,800,000,000 shares authorized; issued at December 31, 2013 – 1,014,027,000; 2012 – 1,020,057,000	304	306
Additional paid-in capital	11,072	10,655
Reinvested earnings	16,784	14,383
Accumulated other comprehensive loss	(5,441)	(8,646)
Common stock held in treasury, at cost (Shares: December 31, 2013 and 2012 – 87,041,000)	(6,727)	(6,727)
Total DuPont stockholders' equity	16,229	10,208
Noncontrolling interests	57	91
Total equity	16,286	10,299
Total	$ 51,499	$ 49,859

See Notes to the Consolidated Financial Statements beginning on page F-9.

CONSOLIDATED STATEMENTS OF EQUITY
(Dollars in millions, except per share)

	Preferred Stock	Common Stock	Additional Paid-in Capital	Reinvested Earnings	Accumulated Other Compre-hensive Loss	Treasury Stock	Non-controlling Interests	Total Equity
2011								
Balance January 1, 2011	$ 237	$ 301	$ 9,227	$ 12,075	$ (5,790)	$ (6,727)	$ 477	$ 9,800
Sale of a majority interest in a consolidated subsidiary							(3)	(3)
Net income				3,559			40	3,599
Other comprehensive income (loss)					(2,960)		(18)	(2,978)
Common dividends ($1.64 per share)				(1,531)			(11)	(1,542)
Preferred dividends				(10)				(10)
Common stock issued - compensation plans		7	1,007					1,014
Common stock repurchased						(672)		(672)
Common stock retired		(4)	(127)	(541)		672		—
Balance December 31, 2011	$ 237	$ 304	$ 10,107	$ 13,552	$ (8,750)	$ (6,727)	$ 485	$ 9,208
2012								
Acquisitions of a noncontrolling interest in consolidated subsidiaries			(2)				(386)	(388)
Net income				2,755			25	2,780
Other comprehensive income (loss)					104		28	132
Common dividends ($1.70 per share)				(1,593)			(61)	(1,654)
Preferred dividends				(10)				(10)
Common stock issued - compensation plans		4	627					631
Common stock repurchased						(400)		(400)
Common stock retired		(2)	(77)	(321)		400		—
Balance December 31, 2012	$ 237	$ 306	$ 10,655	$ 14,383	$ (8,646)	$ (6,727)	$ 91	$ 10,299
2013								
Sale of a majority interest in a consolidated subsidiary							(34)	(34)
Acquisitions of a noncontrolling interest in consolidated subsidiaries			4					4
Net income				4,848			14	4,862
Other comprehensive income (loss)					3,205		(2)	3,203
Common dividends ($1.78 per share)				(1,658)			(12)	(1,670)
Preferred dividends				(10)				(10)
Common stock issued - compensation plans		4	628					632
Common stock repurchased						(1,000)		(1,000)
Common stock retired		(6)	(215)	(779)		1,000		—
Balance December 31, 2013	$ 237	$ 304	$ 11,072	$ 16,784	$ (5,441)	$ (6,727)	$ 57	$ 16,286

See Notes to the Consolidated Financial Statements beginning on page F-9.

E. I. du Pont de Nemours and Company
Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in millions)

For the year ended December 31,	2013	2012	2011
Operating activities			
Net income	$ 4,862	$ 2,780	$ 3,599
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation	1,280	1,376	1,283
Amortization of intangible assets	323	337	277
Other operating charges and credits – net	859	1,185	991
Contributions to pension plans	(313)	(848)	(341)
Gain on sale of business	(2,687)	—	—
(Increase) decrease in operating assets:			
Accounts and notes receivable	(883)	114	(360)
Inventories and other operating assets	(526)	(812)	(1,018)
Increase (decrease) in operating liabilities:			
Accounts payable and other operating liabilities	418	1,037	528
Accrued interest and income taxes	(154)	(320)	193
Cash provided by operating activities	3,179	4,849	5,152
Investing activities			
Purchases of property, plant and equipment	(1,882)	(1,793)	(1,843)
Investments in affiliates	(58)	(97)	(67)
Payments for businesses – net of cash acquired	(133)	(18)	(6,459)
Proceeds from sale of business - net	4,841	—	—
Proceeds from sale of assets – net	142	302	214
Net (increase) decrease in short-term financial instruments	(45)	315	2,149
Forward exchange contract settlements	40	(40)	(227)
Other investing activities – net	40	(15)	(5)
Cash provided by (used for) investing activities	2,945	(1,346)	(6,238)
Financing activities			
Dividends paid to stockholders	(1,661)	(1,594)	(1,533)
Net increase (decrease) in short-term (less than 90 days) borrowings	16	(200)	185
Long-term and other borrowings:			
Receipts	2,013	323	2,539
Payments	(1,312)	(916)	(1,163)
Repurchase of common stock	(1,000)	(400)	(672)
Proceeds from exercise of stock options	536	550	952
Payments for noncontrolling interest	(65)	(470)	—
Other financing activities – net	(1)	10	95
Cash (used for) provided by financing activities	(1,474)	(2,697)	403
Effect of exchange rate changes on cash	(88)	(13)	6
Cash classified as held for sale	—	(95)	—
Increase (decrease) in cash and cash equivalents	4,562	698	(677)
Cash and cash equivalents at beginning of year	4,379	3,586	4,263
Cash and cash equivalents at end of year	$ 8,941	$ 4,284	$ 3,586
Supplemental cash flow information:			
Cash paid during the year for			
Interest, net of amounts capitalized	$ 489	$ 501	$ 455
Income taxes	1,323	1,054	527

See Notes to the Consolidated Financial Statements beginning on page F-9.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The company follows generally accepted accounting principles in the United States of America (GAAP). The significant accounting policies described below, together with the other notes that follow, are an integral part of the Consolidated Financial Statements.

Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Consolidation

The Consolidated Financial Statements include the accounts of the company, subsidiaries in which a controlling interest is maintained and variable interest entities (VIEs) for which DuPont is the primary beneficiary. For those consolidated subsidiaries in which the company's ownership is less than 100 percent, the outside stockholders' interests are shown as noncontrolling interests. Investments in affiliates over which the company has significant influence but not a controlling interest are carried on the equity method. At December 31, 2013, the assets, liabilities and operations of VIEs for which DuPont is the primary beneficiary were not material to the Consolidated Financial Statements of the company.

The company is also involved with certain joint ventures accounted for under the equity method of accounting that are VIEs. The company is not the primary beneficiary, as the nature of the company's involvement with the VIEs does not provide it the power to direct the VIEs significant activities. Future events may require these VIEs to be consolidated if the company becomes the primary beneficiary. At December 31, 2013, the maximum exposure to loss related to the unconsolidated VIEs is not considered material to the Consolidated Financial Statements of the company.

Basis of Presentation

Certain reclassifications of prior year's data have been made to conform to current year's presentation, including separately stating cost of goods sold and other operating charges on the Consolidated Income Statements. In the third quarter 2012, the company signed a definitive agreement to sell its Performance Coatings business (which represented a reportable segment). In accordance with GAAP, the results of Performance Coatings are presented as discontinued operations and, as such, have been excluded from continuing operations and segment results for all periods presented. The sum of the individual earnings per share amounts from continuing and discontinued operations may not equal the total company earnings per share amounts due to rounding. The assets and liabilities of Performance Coatings at December 31, 2012 are presented as held for sale in the Consolidated Balance Sheet. The cash flows and comprehensive income related to Performance Coatings have not been segregated and are included in the Consolidated Statements of Cash Flows and Comprehensive Income, respectively, for all periods presented. Amounts related to Performance Coatings are consistently included in or excluded from the Notes to the Consolidated Financial Statements based on the financial statement line item and period of each disclosure.

In November 2013, DuPont entered into a definitive agreement to sell Glass Laminating Solutions/Vinyls (GLS/Vinyls). The assets related to GLS/Vinyls at December 31, 2013 are presented as held for sale in the Consolidated Balance Sheet. The sale of GLS/Vinyls does not meet the criteria for discontinued operations and as such, earnings are included in the company's income from continuing operations.

See Note 2 to the Consolidated Financial Statements for further information relating to the above matters.

(Dollars in millions, except per share)

Revenue Recognition

The company recognizes revenue when the earnings process is complete. The company's revenues are from the sale of a wide range of products to a diversified base of customers around the world. Revenue for product sales is recognized upon delivery, when title and risk of loss have been transferred, collectability is reasonably assured and pricing is fixed or determinable. Substantially all product sales are sold FOB (free on board) shipping point or, with respect to non United States of America (U.S.) customers, an equivalent basis. Accruals are made for sales returns and other allowances based on the company's experience. The company accounts for cash sales incentives as a reduction in sales and noncash sales incentives as a charge to cost of goods sold or selling expense, depending on the nature of the incentive. Amounts billed to customers for shipping and handling fees are included in net sales and costs incurred by the company for the delivery of goods are classified as cost of goods sold in the Consolidated Income Statements. Taxes on revenue-producing transactions are excluded from net sales.

The company periodically enters into prepayment contracts with customers in the Agriculture segment and receives advance payments for product to be delivered in future periods. These advance payments are recorded as deferred revenue (classified as other accrued liabilities) or debt, depending on the nature of the program. Revenue associated with advance payments is recognized as shipments are made and title, ownership and risk of loss pass to the customer.

Licensing and royalty income is recognized in accordance with agreed upon terms, when performance obligations are satisfied, the amount is fixed or determinable and collectability is reasonably assured.

Cash and Cash Equivalents

Cash equivalents represent investments with maturities of three months or less from time of purchase. They are carried at cost plus accrued interest. The estimated fair value of the company's cash equivalents was determined using level 1 and level 2 inputs within the fair value hierarchy, as described below. The company held $5,116 and $0 of money market funds (level 1 measurements) as of December 31, 2013 and 2012, respectively. The company held $2,256 and $2,026 of other cash equivalents (level 2 measurements) as of December 31, 2013 and 2012, respectively.

Based on observed net asset values and current interest rates for similar investments with comparable credit risk and time to maturity, the fair value of the company's cash equivalents approximates its stated value as of December 31, 2013 and 2012.

Marketable Securities

Marketable securities represent investments in fixed and floating rate financial instruments with maturities greater than three months and up to twelve months at time of purchase. They are classified as held-to-maturity and recorded at amortized cost. The carrying value approximates fair value due to the short-term nature of the investments.

Fair Value Measurements

Under the accounting for fair value measurements and disclosures, a fair value hierarchy was established that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The company uses the following valuation techniques to measure fair value for its assets and liabilities:

Level 1	–	Quoted market prices in active markets for identical assets or liabilities;
Level 2	–	Significant other observable inputs (e.g. quoted prices for similar items in active markets, quoted prices for identical or similar items in markets that are not active, inputs other than quoted prices that are observable such as interest rate and yield curves, and market-corroborated inputs);
Level 3	–	Unobservable inputs for the asset or liability, which are valued based on management's estimates of assumptions that market participants would use in pricing the asset or liability.

Inventories

The company's inventories are valued at the lower of cost or market. Elements of cost in inventories include raw materials, direct labor and manufacturing overhead. Stores and supplies are valued at cost or market, whichever is lower; cost is generally determined by the average cost method.

(Dollars in millions, except per share)

As of December 31, 2013 and 2012 approximately 50 percent, 25 percent and 25 percent of the company's inventories were accounted for under the first-in first out (FIFO), last-in first out (LIFO) and average cost methods, respectively. Inventories accounted for under the FIFO method are primarily comprised of products with shorter shelf lives such as seeds, certain food-ingredients and enzymes.

Change in Accounting Policy

Effective January 1, 2013, the company changed its method of valuing inventory held at a majority of its foreign and certain U.S. locations from the LIFO method to the average cost method. The company believes that the average cost method is preferable to the LIFO method as it more clearly aligns with how the company actually manages its inventory and will improve financial reporting by better matching revenues and expenses, for these inventories. In addition, the change from LIFO to average cost will enhance the comparability of our financial results with our peer companies. As described in the guidance for accounting changes, the comparative Consolidated Financial Statements of prior periods are adjusted to apply the new accounting method retrospectively.

The following line items within the Consolidated Income Statements were affected by the change in accounting policy for the years ended December 31, 2013, 2012 and 2011:

	2013			2012			2011		
	As reported	As reported under LIFO	Change: (Decrease) /Increase	As reported	As reported under LIFO	Change: (Decrease) /Increase	As reported	As reported under LIFO	Change: (Decrease) /Increase
Cost of goods sold	$ 22,548	$ 22,578	$ (30)	$ 21,538	$ 21,511	$ 27	$ 21,264	$ 21,362	$ (98)
Income from continuing operations before income taxes	3,489	3,459	30	3,088	3,115	(27)	3,879	3,781	98
Provision for income taxes on continuing operations	626	617	9	616	622	(6)	647	626	21
Income from continuing operations after income taxes	2,863	2,842	21	2,472	2,493	(21)	3,232	3,155	77
Income from discontinued operations after income taxes	1,999	1,999	—	308	320	(12)	367	355	12
Net income	$ 4,862	$ 4,841	$ 21	$ 2,780	$ 2,813	$ (33)	$ 3,599	$ 3,510	$ 89

Income from noncontrolling interest increased by $4 for the year ended December 31, 2011, as a result of the above accounting policy change.

Basic earnings per share from continuing operations increased/(decreased) by $0.02, $(0.02) and $0.08 for the years ended December 31, 2013, 2012 and 2011 respectively, as a result of the above accounting policy change.

Diluted earnings per share from continuing operations increased/(decreased) by $0.02, $(0.02) and $0.08 for the years ended December 31, 2013, 2012 and 2011 respectively, as a result of the above accounting policy change.

Inventory and Stockholder's Equity increased by $91 and $45, respectively, as of January 1, 2011, as a result of the above accounting policy change.

There was no impact on cash provided by operating activities as a result of the above change.

Property, Plant and Equipment

Property, plant and equipment is carried at cost and is depreciated using the straight-line method. Property, plant and equipment placed in service prior to 1995 is depreciated under the sum-of-the-years' digits method or other substantially similar methods. Substantially all equipment and buildings are depreciated over useful lives ranging from 15 to 25 years. Capitalizable costs associated with computer software for internal use are amortized on a straight-line basis over 5 to 7 years. When assets are surrendered, retired, sold or otherwise disposed of, their gross carrying values and related accumulated depreciation are removed from the accounts and included in determining gain or loss on such disposals.

Maintenance and repairs are charged to operations; replacements and improvements are capitalized.

Goodwill and Other Intangible Assets

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill and indefinite-lived intangible assets are tested for impairment at least annually; however, these tests are performed more frequently when events or changes in circumstances indicate that the asset may be impaired. Impairment exists when carrying value exceeds fair value. The company's fair value methodology is based on prices of similar assets or other valuation methodologies including discounted cash flow techniques.

Definite-lived intangible assets, such as purchased and licensed technology, patents and customer lists are amortized over their estimated useful lives, generally for periods ranging from 1 to 20 years. The company continually evaluates the reasonableness of the useful lives of these assets. Once these assets are fully amortized, they are removed from the Consolidated Balance Sheets.

Impairment of Long-Lived Assets

The company evaluates the carrying value of long-lived assets to be held and used when events or changes in circumstances indicate the carrying value may not be recoverable. The carrying value of a long-lived asset is considered impaired when the total projected undiscounted cash flows from the asset are separately identifiable and are less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset. The company's fair value methodology is an estimate of fair market value which is made based on prices of similar assets or other valuation methodologies including present value techniques. Long-lived assets to be disposed of other than by sale are classified as held for use until their disposal. Long-lived assets to be disposed of by sale are classified as held for sale and are reported at the lower of carrying amount or fair market value less cost to sell. Depreciation is discontinued for long-lived assets classified as held for sale.

Research and Development

Research and development costs are expensed as incurred. Research and development expenses include costs (primarily consisting of employee costs, materials, contract services, research agreements, and other external spend) relating to the discovery and development of new products, enhancement of existing products and regulatory approval of new and existing products.

Environmental

Accruals for environmental matters are recorded in operating expenses when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Accrued liabilities do not include claims against third parties and are not discounted.

Costs related to environmental remediation and restoration are charged to expense. Other environmental costs are also charged to expense unless they increase the value of the property or reduce or prevent contamination from future operations, in which case, they are capitalized.

Asset Retirement Obligations

The company records asset retirement obligations at fair value at the time the liability is incurred. Accretion expense is recognized as an operating expense using the credit-adjusted risk-free interest rate in effect when the liability was recognized. The associated asset retirement obligations are capitalized as part of the carrying amount of the long-lived asset and depreciated over the estimated remaining useful life of the asset, generally for periods ranging from 1 to 25 years.

Litigation

The company accrues for liabilities related to litigation matters when the information available indicates that it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Legal costs such as outside counsel fees and expenses are charged to expense in the period incurred.

Insurance/Self-Insurance

The company self-insures certain risks where permitted by law or regulation, including workers' compensation, vehicle liability and employee related benefits. Liabilities associated with these risks are estimated in part by considering historical claims experience, demographic factors and other actuarial assumptions. For other risks, the company uses a combination of insurance and self-insurance, reflecting comprehensive reviews of relevant risks. A receivable for an insurance recovery is generally recognized when the loss has occurred and collection is considered probable.

Income Taxes
The provision for income taxes is determined using the asset and liability approach of accounting for income taxes. Under this approach, deferred taxes represent the future tax consequences expected to occur when the reported amounts of assets and liabilities are recovered or paid. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the year. Deferred taxes result from differences between the financial and tax basis of the company's assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Provision has been made for income taxes on unremitted earnings of subsidiaries and affiliates, except for subsidiaries in which earnings are deemed to be indefinitely invested. Investment tax credits or grants are accounted for in the period earned (the flow-through method). Interest accrued related to unrecognized tax benefits is included in miscellaneous income and expenses, net, under other income, net. Income tax related penalties are included in the provision for income taxes.

Foreign Currency Translation
The company's worldwide operations utilize the U.S. dollar or local currency as the functional currency, where applicable. For subsidiaries where the U.S. dollar (USD) is the functional currency, all foreign currency asset and liability amounts are remeasured into USD at end-of-period exchange rates, except for inventories, prepaid expenses, property, plant and equipment, goodwill and other intangible assets, which are remeasured at historical rates. Foreign currency income and expenses are remeasured at average exchange rates in effect during the year, except for expenses related to balance sheet amounts remeasured at historical exchange rates. Exchange gains and losses arising from remeasurement of foreign currency-denominated monetary assets and liabilities are included in income in the period in which they occur.

For subsidiaries where the local currency is the functional currency, assets and liabilities denominated in local currencies are translated into USD at end-of-period exchange rates and the resultant translation adjustments are reported, net of their related tax effects, as a component of accumulated other comprehensive income (loss) in equity. Assets and liabilities denominated in other than the local currency are remeasured into the local currency prior to translation into USD and the resultant exchange gains or losses are included in income in the period in which they occur. Income and expenses are translated into USD at average exchange rates in effect during the period.

Hedging and Trading Activities
Derivative instruments are reported in the Consolidated Balance Sheets at their fair values. For derivative instruments designated as fair value hedges, changes in the fair values of the derivative instruments will generally be offset in the income statement by changes in the fair value of the hedged items. For derivative instruments designated as cash flow hedges, the effective portion of any hedge is reported in accumulated other comprehensive income (loss) until it is cleared to earnings during the same period in which the hedged item affects earnings. The ineffective portion of all hedges is recognized in current period earnings. Changes in the fair values of derivative instruments that are not designated as hedges are recorded in current period earnings.

In the event that a derivative designated as a hedge of a firm commitment or an anticipated transaction is terminated prior to the maturation of the hedged transaction, gains or losses realized at termination are deferred and included in the measurement of the hedged transaction. If a hedged transaction matures, or is sold, extinguished, or terminated prior to the maturity of a derivative designated as a hedge of such transaction, gains or losses associated with the derivative through the date the transaction matured are included in the measurement of the hedged transaction and the derivative is reclassified as for trading purposes. Derivatives designated as a hedge of an anticipated transaction are reclassified as for trading purposes if the anticipated transaction is no longer probable.

Cash flows from derivative instruments accounted for as either fair value hedges or cash flow hedges are reported in the same category as the cash flows from the items being hedged. Cash flows from all other derivative instruments are generally reported as investing activities in the Consolidated Statements of Cash Flows. See Note 20 for additional discussion regarding the company's objectives and strategies for derivative instruments.

(Dollars in millions, except per share)

2. DIVESTITURES

Glass Laminating Solutions/Vinyls

In November 2013, DuPont entered into a definitive agreement to sell GLS/Vinyls, a part of Packaging & Industrial Polymers, to Kuraray Co. Ltd. for $543, plus the value of the inventories. The sale is expected to close about mid-2014 pending customary closing conditions, including timing of antitrust clearance.

The assets classified as held for sale at December 31, 2013 related to GLS/Vinyls primarily consist of inventory and property, plant and equipment.

Performance Coatings

In February 2013, the company sold its Performance Coatings business to Flash Bermuda Co. Ltd., a Bermuda exempted limited liability company formed by affiliates of The Carlyle Group (collectively referred to as "Carlyle"). The sale resulted in approximately $4,200 in after-tax proceeds and a pre-tax gain of $2,687 ($1,962 net of tax). The gain was recorded in income from discontinued operations after income taxes in the company's Consolidated Income Statements for the year ended December 31, 2013. The results of discontinued operations are summarized below:

For the year ended December 31,	2013	2012	2011
Net sales	$ 331	$ 4,218	$ 4,280
Income before income taxes	$ 2,717	$ 551	$ 518
Provision for income taxes[1]	718	243	151
Income from discontinued operations after income taxes	$ 1,999	$ 308	$ 367

1. Full year 2012 includes expense of $70 to accrue taxes associated with earnings of certain Performance Coatings subsidiaries that were previously considered permanently reinvested as these entities have been reclassified as held for sale.

The key components of the assets and liabilities classified as held for sale at December 31, 2012 related to Performance Coatings consisted of the following:

	December 31, 2012
Cash and cash equivalents	$ 95
Accounts and notes receivable, net	783
Inventories	488
Prepaid expenses	6
Deferred income taxes - current	32
Property, plant and equipment, net of accumulated depreciation	749
Goodwill	808
Other intangible assets	67
Deferred income taxes - noncurrent	14
Other assets - noncurrent	34
Total assets held for sale	$ 3,076
Accounts payable	$ 408
Income taxes	17
Other accrued liabilities	237
Other liabilities - noncurrent	388
Deferred income taxes - noncurrent	34
Total liabilities related to assets held for sale	$ 1,084

(Dollars in millions, except per share)

3. EMPLOYEE SEPARATION/ASSET RELATED CHARGES, NET

At December 31, 2013, total liabilities related to restructuring activities were $57, primarily relating to the 2012 restructuring program. In addition to the programs discussed below, a charge of $19, which included $9 recorded in employee separation / asset related charges, net and $10 recorded in other income, net, was taken in the fourth quarter 2013. This charge was a result of restructuring actions including employee separation and asset related costs related to a joint venture in the Performance Materials segment.

2012 Restructuring Program

In 2012, the company commenced a restructuring plan to increase productivity, enhance competitiveness and accelerate growth. The plan was designed to eliminate corporate costs previously allocated to the Performance Coatings business as well as utilize additional cost-cutting actions to improve competitiveness. As a result, pre-tax charges of $234 were recorded in employee separation / asset related charges, net. The 2012 charges consisted of $157 of employee separation costs, $8 of other non-personnel charges, and $69 of asset related charges, which included $30 of asset impairments and $39 of asset shut downs.

The 2012 restructuring program charges impacted segment earnings as follows: Agriculture - $11, Electronics & Communications - $9, Industrial Biosciences - $3, Nutrition & Health - $53, Performance Chemicals - $3, Performance Materials - $13, and Safety & Protection - $58, as well as Corporate expenses - $84.

In the fourth quarter 2013, the company recorded a net reduction of $(17) in the estimated costs associated with the 2012 restructuring program. This net reduction was primarily due to lower than estimated individual severance costs and workforce reductions through non-severance programs. The net reduction impacted segment earnings for the year ended December 31, 2013 as follows: Agriculture - $(2), Electronics & Communications - $2, Industrial Biosciences - $(1), Nutrition & Health - $(3), Performance Chemicals - $1, Performance Materials - $(1), and Safety & Protection - $(2), Other - (2), as well as Corporate expenses - $(9).

The actions and payments related to the 2012 restructuring program were substantially complete as of December 31, 2013.

Account balances and activity for the 2012 restructuring program are summarized below:

	Asset Related	Employee Separation Costs	Other Non-Personnel Charges[1]	Total
Charges to income in 2012	$ 69	$ 157	$ 8	$ 234
Charges to accounts:				
Payments	—	(4)	(1)	(5)
Net translation adjustment	—	1	—	1
Asset write-offs and adjustments	(69)	—	—	(69)
Balance as of December 31, 2012	$ —	$ 154	$ 7	$ 161
Payments	—	(82)	(5)	(87)
Net translation adjustment	—	(1)	—	(1)
Asset write-offs and adjustments	—	(19)	2	(17)
Balance as of December 31, 2013	$ —	$ 52	$ 4	$ 56

1. Other non-personnel charges consist of contractual obligation costs.

Asset Impairments

In the fourth quarter 2013, as a result of strategic decisions related to the thin film photovoltaic market, and during 2012, as a result of deteriorating conditions in the thin film photovoltaic market, the company determined that impairment triggering events had occurred and that assessments of the asset group related to its thin film photovoltaic modules and systems were warranted. These assessments determined that the carrying value of the asset group exceeded its fair value. As a result of the impairment tests, $129 and $150 of pre-tax impairment charges were recorded during 2013 and 2012, respectively, within the Electronics & Communications segment.

(Dollars in millions, except per share)

During 2012, as a result of strategic decisions related to deteriorating conditions within a specific industrial chemicals market, the company determined that an impairment triggering event had occurred and that an assessment of the asset group related to this industrial chemical was warranted. This assessment determined that the carrying value of the asset group exceeded its fair value. As a result of the impairment test, a $33 pre-tax impairment charge was recorded within the Performance Chemicals segment.

During 2012, as a result of deteriorating conditions in an industrial polymer market, the company determined that an impairment triggering event had occurred and that an assessment of the asset group related to this polymer product was warranted. This assessment determined that the carrying value of the asset group exceeded its fair value. As a result of the impairment test, a $92 pre-tax impairment charge was recorded within the Performance Materials segment.

The bases of the fair value for the charges above were calculated utilizing a discounted cash flow approach which included assumptions concerning future operating performance and economic conditions that may differ from actual cash flows. In connection with the matters discussed above, as of December 31, 2013 and 2012, the company had long-lived assets with a remaining net book value of approximately $90 and $150, respectively, accounted for at fair value on a nonrecurring basis after initial recognition. These nonrecurring fair value measurements were determined using level 3 inputs within the fair value hierarchy, as described in Note 1 to the Consolidated Financial Statements.

4. DANISCO ACQUISITION

In January 2011, DuPont and its wholly owned subsidiary, DuPont Denmark Holding ApS (DDHA), entered into a definitive agreement with Danisco A/S (Danisco), a global enzyme and specialty food ingredients company, for DDHA to make a public tender offer for all of Danisco's outstanding shares at a price of 665 Danish Kroner (DKK) in cash per share. On April 29, 2011, DDHA increased the price of its tender offer to acquire all of the outstanding shares of Danisco to DKK 700 in cash per share.

On May 19, 2011, the company acquired approximately 92.2 percent of Danisco's outstanding shares, excluding treasury shares, pursuant to the previously announced tender offer. From May 19, 2011 to September 22, 2011, DuPont acquired all of Danisco's remaining outstanding shares. This acquisition has established DuPont as a leader in industrial biotechnology with science-intensive innovations that address global challenges in food production and reduced fossil fuel consumption. The Danisco acquisition was valued at $6,417, plus net debt assumed of $617.

As part of the Danisco acquisition, DuPont incurred $85 in transaction related costs during 2011, which were recorded in other operating charges. In 2011, Danisco contributed net sales of $1,713 and net income attributable to DuPont of $(7), which excludes $30 after-tax ($39 pre-tax) of additional interest expense related to the debt issued to finance the acquisition. Danisco's contributions included a $125 after-tax ($175 pre-tax) charge related to the fair value step-up of inventories acquired and sold during 2011.

5. OTHER INCOME, NET

	2013	2012	2011
Cozaar®/Hyzaar® income	$ 14	$ 54	$ 282
Royalty income	187	177	189
Interest income	136	109	110
Equity in earnings of affiliates, excluding exchange gains/losses[1]	37	99	191
Gain on sale of equity method investment	9	122	—
Net gains on sales of other assets	25	130	89
Net exchange losses[1]	(128)	(215)	(146)
Miscellaneous income and expenses, net[2]	130	22	27
Other income, net	$ 410	$ 498	$ 742

1. 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 net pre-tax exchange gains and losses are recorded in other income, net and the related tax impact is recorded in provision for income taxes on continuing operations on the Consolidated Income Statements. Exchange gains (losses) related to earnings of affiliates was $4, $3 and $1 for 2013, 2012 and 2011, respectively. The $(128) net exchange loss for the year ended December 31, 2013, includes a $(33) exchange loss, associated with the devaluation of the Venezuelan bolivar.
2. Miscellaneous income and expenses, net, generally includes interest items, certain insurance recoveries and litigation settlements, and other items.

(Dollars in millions, except per share)

6. PROVISION FOR INCOME TAXES

	2013	2012	2011
Current tax expense (benefit) on continuing operations:			
U.S. federal	$ 160	$ 121	$ 353
U.S. state and local	23	16	(20)
International	677	663	482
Total current tax expense on continuing operations	860	800	815
Deferred tax expense (benefit) on continuing operations:			
U.S. federal	(193)	(105)	(143)
U.S. state and local	(65)	(46)	(4)
International	24	(33)	(21)
Total deferred tax (benefit) expense on continuing operations	(234)	(184)	(168)
Provision for income taxes on continuing operations	$ 626	$ 616	$ 647

The significant components of deferred tax assets and liabilities at December 31, 2013 and 2012, are as follows:

	2013		2012	
	Asset	Liability	Asset	Liability
Depreciation	$ —	$ 1,707	$ —	$ 1,696
Accrued employee benefits	3,754	512	5,198	167
Other accrued expenses	818	87	723	65
Inventories	275	151	231	105
Unrealized exchange gains/losses	65	—	—	37
Tax loss/tax credit carryforwards/backs	2,615	—	2,733	—
Investment in subsidiaries and affiliates	189	245	78	92
Amortization of intangibles	109	1,372	58	1,335
Other	316	159	244	265
Valuation allowance	(1,764)	—	(1,914)	—
	$ 6,377	$ 4,233	$ 7,351	$ 3,762
Net deferred tax asset	$ 2,144		$ 3,589	

An analysis of the company's effective income tax rate (EITR) on continuing operations is as follows:

	2013	2012	2011
Statutory U.S. federal income tax rate	35.0%	35.0%	35.0%
Exchange gains/losses[1]	0.8	0.1	(0.8)
Domestic operations	(3.2)	(2.3)	(2.5)
Lower effective tax rates on international operations-net[2]	(12.3)	(10.9)	(11.6)
Tax settlements	(0.2)	(2.0)	(0.2)
Sale of a business	—	—	(2.3)
U.S. research & development credit [2]	(2.2)	—	(0.9)
	17.9%	19.9%	16.7%

1. Principally reflects the impact of non-taxable exchange gains and losses resulting from remeasurement of foreign currency-denominated monetary assets and liabilities. Further information about the company's foreign currency hedging program is included in Note 20 under the heading Foreign Currency Risk.
2. On January 2, 2013, U.S. tax law was enacted which extended through 2013 (and retroactive to 2012) several expired or expiring temporary business tax provisions. In accordance with GAAP, this extension was taken into account in the quarter in which the legislation was enacted (i.e. first quarter 2013).

(Dollars in millions, except per share)

Consolidated income from continuing operations before income taxes for U.S. and international operations was as follows:

	2013	2012	2011
U.S. (including exports)	$ 962	$ 640	$ 718
International	2,527	2,448	3,161
	$ 3,489	$ 3,088	$ 3,879

The increase in pre-tax earnings from continuing operations from 2013 to 2012 is primarily driven by higher worldwide sales volume, lower Imprelis® herbicide claims, net of insurance recoveries, and lower employee separation/asset related charges in 2013, partly offset by lower local selling prices and negative currency impact. See Note 16 and Note 3 for additional information relating to Imprelis® claims and employee separation/asset related charges, respectively. In 2013 and 2012, the U.S. recorded exchange gain (loss) associated with the hedging program of $35 and $(157), respectively. While the taxation of the amounts reflected on the chart above does not correspond precisely to the jurisdiction of taxation (due to taxation in multiple countries, exchange gains/losses, etc.), it represents a reasonable approximation of the income before income taxes split between U.S. and international jurisdictions. See Note 20 for additional information regarding the company's hedging program.

Under the tax laws of various jurisdictions in which the company operates, deductions or credits that cannot be fully utilized for tax purposes during the current year may be carried forward or back, subject to statutory limitations, to reduce taxable income or taxes payable in future or prior years. At December 31, 2013, the tax effect of such carryforwards/backs, net of valuation allowance approximated $1,199. Of this amount, $1,009 has no expiration date, $19 expires after 2013 but before the end of 2018 and $171 expires after 2018.

At December 31, 2013, unremitted earnings of subsidiaries outside the U.S. totaling $15,978 were deemed to be indefinitely reinvested. No deferred tax liability has been recognized with regard to the remittance of such earnings. It is not practical to estimate the income tax liability that might be incurred if such earnings were remitted to the U.S.

Each year the company files hundreds of tax returns in the various national, state and local income taxing jurisdictions in which it operates. These tax returns are subject to examination and possible challenge by the taxing authorities. Positions challenged by the taxing authorities may be settled or appealed by the company. As a result, there is an uncertainty in income taxes recognized in the company's financial statements in accordance with accounting for income taxes and accounting for uncertainty in income taxes. It is reasonably possible that changes to the company's global unrecognized tax benefits could be significant, however, due to the uncertainty regarding the timing of completion of audits and possible outcomes, a current estimate of the range of increases or decreases that may occur within the next twelve months cannot be made.

(Dollars in millions, except per share)

The company and/or its subsidiaries files income tax returns in the U.S. federal jurisdiction, and various states and non-U.S. jurisdictions. With few exceptions, the company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2004. A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

	2013	2012	2011
Total unrecognized tax benefits as of January 1	$ 805	$ 800	$ 693
Gross amounts of decreases in unrecognized tax benefits as a result of tax positions taken during the prior period	(28)	(94)	(82)
Gross amounts of increases in unrecognized tax benefits as a result of tax positions taken during the prior period	76	73	170
Gross amounts of increases in unrecognized tax benefits as a result of tax positions taken during the current period	92	78	79
Amount of decreases in the unrecognized tax benefits relating to settlements with taxing authorities	(19)	(29)	(6)
Reduction to unrecognized tax benefits as a result of a lapse of the applicable statute of limitations	(6)	(10)	(32)
Exchange gain (loss)	(19)	(13)	(22)
Total unrecognized tax benefits as of December 31	$ 901	$ 805	$ 800
Total unrecognized tax benefits that, if recognized, would impact the effective tax rate	$ 778	$ 693	$ 683
Total amount of interest and penalties recognized in the Consolidated Income Statements	$ 16	$ 4	$ 7
Total amount of interest and penalties recognized in the Consolidated Balance Sheets	$ 122	$ 116	$ 113

(Dollars in millions, except per share)

7. EARNINGS PER SHARE OF COMMON STOCK

Set forth below is a reconciliation of the numerator and denominator for basic and diluted earnings per share calculations for the periods indicated:

	2013	2012	2011
Numerator:			
Income from continuing operations after income taxes attributable to DuPont	$ 2,849	$ 2,447	$ 3,192
Preferred dividends	(10)	(10)	(10)
Income from continuing operations after income taxes available to DuPont common stockholders	$ 2,839	$ 2,437	$ 3,182
Income from discontinued operations after income taxes	$ 1,999	$ 308	$ 367
Net income available to common stockholders	$ 4,838	$ 2,745	$ 3,549
Denominator:			
Weighted-average number of common shares outstanding – Basic	925,984,000	933,275,000	928,417,000
Dilutive effect of the company's employee compensation plans	7,163,000	8,922,000	12,612,000
Weighted average number of common shares outstanding – Diluted	933,147,000	942,197,000	941,029,000

The weighted-average number of common shares outstanding in 2013 decreased as a result of the company's repurchase and retirement of its common stock, partially offset by the issuance of new shares from the company's equity compensation plans. The weighted-average number of common shares outstanding in 2012 increased as a result of the issuance of new shares from the company's equity compensation plans, partially offset by the company's repurchase and retirement of its common stock (see Notes 19 and 17, respectively).

The following average number of stock options are antidilutive and therefore, are not included in the diluted earnings per share calculation:

	2013	2012	2011
Average number of stock options	2,596,000	12,158,000	4,361,000

The change in the average number of stock options that were antidilutive in 2013 and 2012 was primarily due to changes in the company's average stock price.

(Dollars in millions, except per share)

8. ACCOUNTS AND NOTES RECEIVABLE, NET

December 31,	2013	2012
Accounts receivable – trade[1]	$ 4,575	$ 4,069
Notes receivable – trade[1,2]	195	131
Other[3]	1,277	1,252
	$ 6,047	$ 5,452

1. Accounts and notes receivable – trade are net of allowances of $269 in 2013 and $243 in 2012. Allowances are equal to the estimated uncollectible amounts. That estimate is based on historical collection experience, current economic and market conditions, and review of the current status of customers' accounts.
2. Notes receivable – trade primarily consists of receivables within the Agriculture segment for deferred payment loan programs for the sale of seed products to customers. These loans have terms of one year or less and are primarily concentrated in North America. The company maintains a rigid pre-approval process for extending credit to customers in order to manage overall risk and exposure associated with credit losses. As of December 31, 2013 and 2012, there were no significant past due notes receivable, nor were there any significant impairments related to current loan agreements.
3. Other includes receivables in relation to Cozaar®/Hyzaar® interests, fair value of derivative instruments, value added tax, general sales tax and other taxes.

Accounts and notes receivable are carried at amounts that approximate fair value.

9. INVENTORIES

December 31,	2013	2012
Finished products	$ 4,645	$ 4,449
Semifinished products	2,576	2,407
Raw materials, stores and supplies	1,360	1,313
	8,581	8,169
Adjustment of inventories to a LIFO basis	(539)	(604)
	$ 8,042	$ 7,565

10. PROPERTY, PLANT AND EQUIPMENT

December 31,	2013	2012
Buildings	$ 5,283	$ 5,490
Equipment	24,714	24,090
Land	671	691
Construction	1,763	1,555
	$ 32,431	$ 31,826

(Dollars in millions, except per share)

11. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill

The following table summarizes changes in the carrying amount of goodwill for the years ended December 31, 2013 and 2012, by reportable segment:

	Balance as of December 31, 2013	Goodwill Adjustments and Acquisitions	Balance as of December 31, 2012	Goodwill Adjustments and Acquisitions	Balance as of December 31, 2011
Agriculture	$ 330	$ 99	$ 231	$ (1)	$ 232
Electronics & Communications	149	—	149	—	149
Industrial Biosciences	898	8	890	24	866
Nutrition & Health	2,315	1	2,314	(8)	2,322
Performance Chemicals	185	—	185	—	185
Performance Coatings	—	—	—	(809)	809
Performance Materials	388	(13)	401	(3)	404
Safety & Protection	448	2	446	—	446
Total	$ 4,713	$ 97	$ 4,616	$ (797)	$ 5,413

Changes in goodwill in 2013 primarily relate to goodwill associated with an acquisition in the Agriculture segment. Changes in goodwill in 2012 primarily relate to goodwill associated with the Performance Coatings business that was reclassified as held for sale (see Note 2). In 2013 and 2012, the company performed impairment tests for goodwill and determined that no goodwill impairments existed.

(Dollars in millions, except per share)

Other Intangible Assets

The following table summarizes the gross carrying amounts and accumulated amortization of other intangible assets by major class:

	December 31, 2013			December 31, 2012		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Intangible assets subject to amortization (Definite-lived)						
Customer lists	$ 1,818	$ (393)	$ 1,425	$ 1,847	$ (330)	$ 1,517
Patents	519	(160)	359	525	(127)	398
Purchased and licensed technology	1,999	(1,129)	870	1,929	(1,016)	913
Trademarks	43	(17)	26	57	(29)	28
Other[1]	242	(106)	136	206	(98)	108
	4,621	(1,805)	2,816	4,564	(1,600)	2,964
Intangible assets not subject to amortization (Indefinite-lived)						
In-process research and development	43	—	43	62	—	62
Microbial cell factories[2]	306	—	306	306	—	306
Pioneer germplasm[3]	1,050	—	1,050	975	—	975
Trademarks/tradenames	881	—	881	819	—	819
	2,280	—	2,280	2,162	—	2,162
Total	$ 6,901	$ (1,805)	$ 5,096	$ 6,726	$ (1,600)	$ 5,126

1. Primarily consists of sales and grower networks, marketing and manufacturing alliances and noncompetition agreements.
2. Microbial cell factories, derived from natural microbes, are used to sustainably produce enzymes, peptides and chemicals using natural metabolic processes. The company recognized the microbial cell factories as an intangible asset upon the acquisition of Danisco. This intangible asset is expected to contribute to cash flows beyond the foreseeable future and there are no legal, regulatory, contractual, or other factors which limit its useful life.
3. Pioneer germplasm is the pool of genetic source material and body of knowledge gained from the development and delivery stage of plant breeding. The company recognized germplasm as an intangible asset upon the acquisition of Pioneer. This intangible asset is expected to contribute to cash flows beyond the foreseeable future and there are no legal, regulatory, contractual, or other factors which limit its useful life.

The aggregate pre-tax amortization expense from continuing operations for definite-lived intangible assets was $323, $312 and $253 for 2013, 2012 and 2011, respectively. The estimated aggregate pre-tax amortization expense from continuing operations for 2014, 2015, 2016, 2017 and 2018 is $371, $377, $339, $212 and $209, respectively, which are primarily reported in cost of goods sold.

12. SHORT-TERM BORROWINGS AND CAPITAL LEASE OBLIGATIONS

December 31,	2013	2012
Other loans-various currencies	44	20
Long-term debt payable within one year	1,674	1,252
Capital lease obligations	3	3
	$ 1,721	$ 1,275

The estimated fair value of the company's short-term borrowings, including interest rate financial instruments, was determined using level 2 inputs within the fair value hierarchy, as described in Note 1 to the Consolidated Financial Statements. Based on quoted market prices for the same or similar issues, or on current rates offered to the company for debt of the same remaining maturities, the fair value of the company's short-term borrowings was $1,730 and $1,300 at December 31, 2013 and 2012, respectively.

(Dollars in millions, except per share)

Unused bank credit lines were approximately $4,400 and $4,300 at December 31, 2013 and 2012, respectively. These lines are available to support short-term liquidity needs and general corporate purposes including letters of credit. Outstanding letters of credit were $352 and $503 at December 31, 2013 and 2012, respectively. These letters of credit support commitments made in the ordinary course of business.

The weighted-average interest rate on short-term borrowings outstanding at December 31, 2013 and 2012 was 3.0% and 4.8%, respectively. The decrease in the interest rate for 2013 was primarily due to long-term debt maturing within one year.

13. OTHER ACCRUED LIABILITIES

December 31,	2013	2012
Compensation and other employee-related costs	$ 1,045	$ 1,092
Deferred revenue	2,839	2,706
Employee benefits (Note 18)	335	367
Discounts and rebates	328	318
Derivative instruments	105	131
Miscellaneous	1,567	1,383
	$ 6,219	$ 5,997

Deferred revenue principally includes advance customer payments within the Agriculture segment. Miscellaneous other accrued liabilities principally includes accrued plant and operating expenses, accrued litigation costs, employee separation costs in connection with the company's restructuring programs, the estimated value of certain guarantees and accrued environmental remediation costs.

(Dollars in millions, except per share)

14. LONG-TERM BORROWINGS AND CAPITAL LEASE OBLIGATIONS

December 31,	2013	2012
U.S. dollar:		
Medium-term notes due 2013 – 2041[1,2]	$ 121	$ 374
5.00% notes due 2013[2]	—	250
5.00% notes due 2013[2]	—	749
5.875% notes due 2014[2]	170	170
1.75% notes due 2014[2]	400	400
Floating rate notes due 2014[2,3]	600	600
4.875% notes due 2014[2]	500	499
3.25% notes due 2015[4]	1,028	1,054
4.75% notes due 2015	400	400
1.95% notes due 2016	498	497
2.75% notes due 2016	500	499
5.25% notes due 2016	599	599
6.00% notes due 2018[5]	1,361	1,383
5.75% notes due 2019	499	499
4.625% notes due 2020	997	997
3.625% notes due 2021	999	999
4.25% notes due 2021	499	499
2.80% notes due 2023	1,250	—
6.50% debentures due 2028	299	299
5.60% notes due 2036	395	395
4.90% notes due 2041	494	493
4.15% notes due 2043	749	—
Other loans (average interest rate of 4.2 percent)[2]	33	36
Other loans-various currencies[2]	1	2
	12,392	11,693
Less short-term portion of long-term debt	1,674	1,252
	10,718	10,441
Capital lease obligations	23	24
Total	$ 10,741	$ 10,465

1. Average interest rates on medium-term notes at December 31, 2013 and 2012 were 0.0% and 4.0%, respectively.
2. Includes long-term debt due within one year.
3. Interest rate on floating rate notes at December 31, 2013 and 2012 was 0.7%.
4. At December 31, 2013 and 2012, the company had outstanding interest rate swap agreements with gross notional amounts of $1,000. Over the remaining terms of the notes, the company will receive fixed payments equivalent to the underlying debt and pay floating payments based on USD LIBOR (London Interbank Offered Rate). The fair value of outstanding swaps was an asset of $29 and $55 at December 31, 2013 and 2012, respectively.
5. During 2008, the interest rate swap agreement associated with these notes was terminated. The gain will be amortized over the remaining life of the bond, resulting in an effective yield of 3.85%.

In 2013, the company issued $1,250 of 2.80% Notes due February 15, 2023 and $750 of 4.15% Notes due February 15, 2043.

Maturities of long-term borrowings are $1,429, $1,597, $0 and $1,361 for the years 2015, 2016, 2017 and 2018, respectively, and $6,331 thereafter.

(Dollars in millions, except per share)

The estimated fair value of the company's long-term borrowings, including interest rate financial instruments, was determined using level 2 inputs within the fair value hierarchy, as described in Note 1 to the Consolidated Financial Statements. Based on quoted market prices for the same or similar issues, or on current rates offered to the company for debt of the same remaining maturities, the fair value of the company's long-term borrowings was $11,130 and $11,715 at December 31, 2013 and 2012, respectively.

15. OTHER LIABILITIES

December 31,	2013	2012
Employee benefits:		
Accrued other long-term benefit costs (Note 18)	$ 2,530	$ 3,271
Accrued pension benefit costs (Note 18)	5,575	9,303
Accrued environmental remediation costs	374	353
Miscellaneous	1,700	1,760
	$ 10,179	$ 14,687

Miscellaneous includes asset retirement obligations, litigation accruals, tax contingencies, royalty payables and certain obligations related to divested businesses.

16. COMMITMENTS AND CONTINGENT LIABILITIES

Guarantees

Indemnifications

In connection with acquisitions and divestitures, the company has indemnified respective parties against certain liabilities that may arise in connection with these transactions and business activities prior to the completion of the transaction. The term of these indemnifications, which typically pertain to environmental, tax and product liabilities, is generally indefinite. In addition, the company indemnifies its duly elected or appointed directors and officers to the fullest extent permitted by Delaware law, against liabilities incurred as a result of their activities for the company, such as adverse judgments relating to litigation matters. If the indemnified party were to incur a liability or have a liability increase as a result of a successful claim, pursuant to the terms of the indemnification, the company would be required to reimburse the indemnified party. The maximum amount of potential future payments is generally unlimited.

Obligations for Equity Affiliates & Others

The company has directly guaranteed various debt obligations under agreements with third parties related to equity affiliates, customers and suppliers. At December 31, 2013, the company had directly guaranteed $561 of such obligations. This amount represents the maximum potential amount of future (undiscounted) payments that the company could be required to make under the guarantees. The company would be required to perform on these guarantees in the event of default by the guaranteed party.

The company assesses the payment/performance risk by assigning default rates based on the duration of the guarantees. These default rates are assigned based on the external credit rating of the counterparty or through internal credit analysis and historical default history for counterparties that do not have published credit ratings. For counterparties without an external rating or available credit history, a cumulative average default rate is used.

(Dollars in millions, except per share)

In certain cases, the company has recourse to assets held as collateral, as well as personal guarantees from customers and suppliers. Assuming liquidation, these assets are estimated to cover approximately 54% of the $376 of guaranteed obligations of customers and suppliers. Set forth below are the company's guaranteed obligations at December 31, 2013:

	Short-Term	Long-Term	Total
Obligations for customers and suppliers[1]:			
Bank borrowings (terms up to 7 years)	$ 309	$ 66	$ 375
Leases on equipment and facilities (terms up to 5 years)	—	1	1
Obligations for equity affiliates[2]:			
Bank borrowings (terms up to 1 year)	185	—	185
Total	$ 494	$ 67	$ 561

1 Existing guarantees for customers and suppliers, as part of contractual agreements.
2 Existing guarantees for equity affiliates' liquidity needs in normal operations.

Operating Leases
The company uses various leased facilities and equipment in its operations. The terms for these leased assets vary depending on the lease agreement.

Future minimum lease payments (including residual value guarantee amounts) under non-cancelable operating leases are $288, $262, $239, $208 and $180 for the years 2014, 2015, 2016, 2017 and 2018, respectively, and $347 for subsequent years and are not reduced by non-cancelable minimum sublease rentals due in the future in the amount of $1. Net rental expense under operating leases was $303, $316 and $268 in 2013, 2012 and 2011, respectively.

Asset Retirement Obligations
The company has recorded asset retirement obligations primarily associated with closure, reclamation and removal costs for mining operations related to the production of titanium dioxide in Performance Chemicals. The company's asset retirement obligation liabilities were $63 and $64 at December 31, 2013 and 2012.

Imprelis®
The company has received claims and has been served with multiple lawsuits alleging that the use of Imprelis® herbicide caused damage to certain trees. Sales of Imprelis® were suspended in August 2011 and the product was last applied during the 2011 spring application season. The lawsuits seeking class action status have been consolidated in multidistrict litigation in federal court in Philadelphia, Pennsylvania.

In February 2013, the court granted preliminary approval of a class action settlement. The settlement incorporates the company's existing claims process and provides certain additional relief. The proposed settlement class includes affected property owners and lawn care companies who do not "opt out" of the settlement. As part of the settlement, DuPont has paid $7 in plaintiffs' attorney fees and expenses. In addition, DuPont is providing a warranty against new damage, if any, caused by the use of Imprelis® on class members' properties through May 2015. The settlement notification process began on March 25, 2013 and ended on June 28, 2013 which was also the last day to “opt out” of the settlement or file a new claim. The final approval hearing was held on September 27, 2013 and on October 17, 2013, the court issued an order approving the settlement. One class member has appealed the order. In addition, about 125 individual actions encompassing about 400 claims for property damage have been filed in state court in various jurisdictions. DuPont has removed most of these cases to federal court in Philadelphia, Pennsylvania. Once removed to federal court, the individual actions remain stayed pending further action by the court.

The company has established review processes to verify and evaluate damage claims. There are several variables that impact the evaluation process including the number of trees on a property, the species of tree with reported damage, the height of the tree, the extent of damage and the possibility for trees to naturally recover over time. Upon receiving claims, DuPont verifies their accuracy and validity which often requires physical review of the property.

At December 31, 2013, DuPont had recorded charges of $1,175, within other operating charges, which represents the company's best estimate of the loss associated with resolving these claims. The year ended December 31, 2013, included net charges of $352, consisting of a $425 charge offset by $73 of insurance recoveries. The years ended December 31, 2012 and 2011, included charges of $575 and $175, respectively. At December 31, 2013, DuPont had accruals of $489 related to these claims. The company has an applicable insurance program with a deductible equal to the first $100 of costs and expenses. The insurance program limits are $725 for costs and expenses in excess of the $100. DuPont has submitted and will continue to submit requests for payment to its insurance carriers for costs associated with this matter. The company has begun to receive payment from its insurance carriers and continues to seek recovery although the timing and outcome remain uncertain.

Litigation

The company is subject to various legal proceedings arising out of the normal course of its business including product liability, intellectual property, commercial, environmental and antitrust lawsuits. It is not possible to predict the outcome of these various proceedings. Except as otherwise noted, management does not anticipate their resolution will have a materially adverse effect on the company's consolidated financial position or liquidity. However, the ultimate liabilities could be significant to results of operations in the period recognized.

PFOA

DuPont used PFOA (collectively, perfluorooctanoic acids and its salts, including the ammonium salt), as a processing aid to manufacture some fluoropolymer resins at various sites around the world including its Washington Works plant in West Virginia. At December 31, 2013, DuPont has accruals of $15 related to the PFOA matters discussed below.

The accrual includes charges related to DuPont's obligations under agreements with the U.S. Environmental Protection Agency and voluntary commitments to the New Jersey Department of Environmental Protection. These obligations include surveying, sampling and testing drinking water in and around certain company sites and offering treatment or an alternative supply of drinking water if tests indicate the presence of PFOA in drinking water at or greater than the national Provisional Health Advisory.

Drinking Water Actions

In August 2001, a class action, captioned Leach v DuPont, was filed in West Virginia state court alleging that residents living near the Washington Works facility had suffered, or may suffer, deleterious health effects from exposure to PFOA in drinking water.

DuPont and attorneys for the class reached a settlement in 2004 that binds about 80,000 residents. In 2005, DuPont paid the plaintiffs' attorneys' fees and expenses of $23 and made a payment of $70, which class counsel designated to fund a community health project. The company funded a series of health studies which were completed in October 2012 by an independent science panel of experts (the "C8 Science Panel"). The studies were conducted in communities exposed to PFOA to evaluate available scientific evidence on whether any probable link exists, as defined in the settlement agreement, between exposure to PFOA and human disease.

The C8 Science Panel found probable links, as defined in the settlement agreement, between exposure to PFOA and pregnancy-induced hypertension, including preeclampsia; kidney cancer; testicular cancer; thyroid disease; ulcerative colitis; and diagnosed high cholesterol.

In May 2013, a panel of three independent medical doctors released its initial recommendations for screening and diagnostic testing of eligible class members. The medical panel is expected to address monitoring and may make additional recommendations in a subsequent report. The medical panel has not communicated its anticipated schedule for completion. The company is obligated to fund up to $235 for a medical monitoring program for eligible class members. In January 2012, the company put $1 in an escrow account to fund medical monitoring as required by the settlement agreement. The court has appointed a Medical Monitoring Director to implement the medical panel's recommendations who is in the process of setting up a program. Testing has not yet begun and no money has been disbursed from the fund. While it is probable that the company will incur losses related to funding the medical monitoring program, such losses cannot be reasonably estimated due to uncertainties surrounding implementation.

In addition, the company must continue to provide water treatment designed to reduce the level of PFOA in water to six area water districts, including the Little Hocking Water Association (LHWA), and private well users.

Additional Actions

An Ohio action brought by the LHWA is ongoing. In addition to general claims of PFOA contamination of drinking water, the action claims "imminent and substantial endangerment to health and or the environment" under the Resource Conservation and Recovery Act (RCRA). DuPont denies these claims and is defending itself vigorously.

Class members may pursue personal injury claims against DuPont only for those human diseases for which the C8 Science Panel determined a probable link exists. At December 31, 2013, eighty-three lawsuits alleging personal injury including five lawsuits alleging wrongful death from exposure to PFOA in drinking water are pending in federal court in Ohio and West Virginia. This is an increase in pending cases of fifty-seven over year end 2012. These cases have been consolidated for discovery purposes in multi-district litigation in Ohio federal court. DuPont denies the allegations in these lawsuits and is defending itself vigorously.

While DuPont believes that it is reasonably possible that it could incur losses related to these additional actions, a range of such losses, if any, cannot be reasonably estimated at this time.

Monsanto Patent Dispute

On August 1, 2012, a St. Louis, Missouri jury awarded $1,000 in damages to Monsanto on its claims that the company willfully infringed Monsanto's RE 39,247 patent directed to Roundup® Ready® 1 glyphosate herbicide tolerance soybean seed technology.

Monsanto alleged that by combining Pioneer's Optimum® GAT® trait with Monsanto's patented Roundup® Ready® trait, Pioneer violated its 2002 Amended and Restated Roundup® Ready® Soybean License Agreement and, in doing so, infringed Monsanto's RE 39,247 patent. The company has never sold soybeans containing a combination of the Optimum® GAT® and Roundup® Ready® traits and discontinued in 2011 its commercialization efforts for such soybeans.

In March 2013, Pioneer and Monsanto entered into technology license agreements. As part of those agreements, the company received, among other things, a non-exclusive royalty bearing license in the United States and Canada for Monsanto's Genuity® Roundup Ready 2 Yield® glyphosate tolerance trait and its dicamba tolerance trait for soybeans, post-patent regulatory access and maintenance support for Roundup Ready® 1 glyphosate tolerance trait for soybeans, Genuity® Roundup Ready 2 glyphosate tolerance trait for corn and YieldGard® corn borer insect resistance trait. The agreements require the company to make a series of up-front and variable payments subject to Monsanto delivering enabling soybean genetic material. Total annual fixed royalty payments of $802 contemplated under the arrangement for trait technology, associated data and soybean lines to support commercial introduction are expected to come due in years 2014 - 2017. Additionally, beginning in 2018, DuPont will pay royalties on a per unit basis related to the Genuity® Roundup Ready 2 Yield® and dicamba tolerance traits for the life of the license, subject to annual minimum payments through 2023 totaling $950.

In a separate agreement, the company agreed to dismiss with prejudice its antitrust claims against Monsanto in exchange for a dismissal with prejudice of Monsanto's patent infringement claims and the related damages verdict. Accordingly, as of the first quarter 2013 this matter was resolved, but for the court-ordered sanctions against the company for "fraud against the court." The court unsealed the order in November 2012. The parties agreed to present the sanctions and related rulings for immediate appeal and those matters are presently on appeal.

Titanium Dioxide Antitrust Litigation

In February 2010, two suits were filed in Maryland federal district court alleging conspiracy among DuPont, Huntsman International LLC, Kronos Worldwide Inc., Millenium Inorganics Chemicals Inc. and others to fix prices of titanium dioxide sold in the United States between March 2002 and the present. The cases were subsequently consolidated and in August 2012, the court certified a class consisting of U.S. customers that have directly purchased titanium dioxide since February 1, 2003.

During the third quarter 2013, DuPont and plaintiffs agreed to settle this matter, subject to court approval. In connection therewith, the company has recorded charges of $72, within other operating charges, at December 31, 2013. The settlement explicitly acknowledges that DuPont denies all allegations and does not admit liability. The court entered the order granting final approval to the settlement on December 13, 2013. The settlement was paid in January 2014.

Environmental

The company is also subject to contingencies pursuant to environmental laws and regulations that in the future may require the company to take further action to correct the effects on the environment of prior disposal practices or releases of chemical or petroleum substances by the company or other parties. The company accrues for environmental remediation activities consistent with the policy set forth in Note 1. Much of this liability results from the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, often referred to as Superfund), RCRA and similar state and global laws. These laws require the company to undertake certain investigative, remediation and restoration activities at sites where the company conducts or once conducted operations or at sites where company-generated waste was disposed. The accrual also includes estimated costs related to a number of sites identified by the company for which it is probable that environmental remediation will be required, but which are not currently the subject of enforcement activities.

Remediation activities vary substantially in duration and cost from site to site. These activities, and their associated costs, depend on the mix of unique site characteristics, evolving remediation technologies, diverse regulatory agencies and enforcement policies, as well as the presence or absence of potentially responsible parties. At December 31, 2013, the Consolidated Balance Sheet included a liability of $458, relating to these matters and, in management's opinion, is appropriate based on existing facts and circumstances. The average time frame, over which the accrued or presently unrecognized amounts may be paid, based on past history, is estimated to be 15-20 years. Considerable uncertainty exists with respect to these costs and, under adverse changes in circumstances, potential liability may range up to three times the amount accrued as of December 31, 2013.

17. STOCKHOLDERS' EQUITY

Share Repurchase Program

In January 2014, the company's Board of Directors authorized a $5,000 share buyback plan that will replace the company's 2011 plan. There is no required completion date for purchases under the 2014 plan.

In December 2012, the company's Board of Directors authorized a $1,000 share buyback plan. In February 2013, the company entered into an accelerated share repurchase (ASR) agreement with a financial institution under which the company used $1,000 of the proceeds from the sale of Performance Coatings for the purchase of shares of common stock. The 2012 $1,000 share buyback plan was completed in the second quarter 2013 through the ASR agreement, under which the company purchased and retired 20.4 million shares.

During 2012, the company purchased and retired 7.8 million shares at a total cost of $400. These purchases completed the 2001 $2,000 share buyback plan and began purchases under a $2,000 share buyback plan authorized by the company's Board of Directors in April 2011. Under the completed 2001 plan, the company purchased a total of 42.0 million shares. Under the 2011 plan, the company has purchased 5.5 million shares at a total cost of $284 as of December 31, 2013.

Common stock held in treasury is recorded at cost. When retired, the excess of the cost of treasury stock over its par value is allocated between reinvested earnings and additional paid-in capital.

(Dollars in millions, except per share)

Set forth below is a reconciliation of common stock share activity for the years ended December 31, 2013, 2012 and 2011:

Shares of common stock	Issued	Held In Treasury
Balance January 1, 2011	1,004,351,000	(87,041,000)
Issued	22,650,000	—
Repurchased	—	(13,837,000)
Retired	(13,837,000)	13,837,000
Balance December 31, 2011	1,013,164,000	(87,041,000)
Issued	14,671,000	—
Repurchased	—	(7,778,000)
Retired	(7,778,000)	7,778,000
Balance December 31, 2012	1,020,057,000	(87,041,000)
Issued	14,370,000	—
Repurchased	—	(20,400,000)
Retired	(20,400,000)	20,400,000
Balance December 31, 2013	1,014,027,000	(87,041,000)

Noncontrolling Interest

In May 2012, the company completed the acquisition of the remaining 28 percent interest in the Solae, LLC joint venture from Bunge Limited for $447. As the purchase of the remaining interest did not result in a change of control, the difference between the carrying value of the noncontrolling interest of $378 and the consideration paid, net of taxes of $78, was recorded as a $9 increase to additional paid-in capital.

(Dollars in millions, except per share)

Other Comprehensive Income

A summary of the pre-tax, tax, and after-tax effects of the components of other comprehensive income for the years ended December 31, 2013, 2012, and 2011 is provided as follows:

For the year ended December 31,	2013			2012			2011			Affected Line Item in Consolidated Income Statements[1]
	Pre-Tax	Tax	After-Tax	Pre-Tax	Tax	After-Tax	Pre-Tax	Tax	After-Tax	
Cumulative translation adjustment	$ 25	$ —	$ 25	$ 77	$ —	$ 77	$ (457)	$ —	$ (457)	
Net revaluation and clearance of cash flow hedges to earnings:										
Additions and revaluations of derivatives designated as cash flow hedges	(58)	22	(36)	8	(6)	2	10	(5)	5	See (2) below
Clearance of hedge results to earnings:										
Foreign currency contracts	(1)	—	(1)	(21)	8	(13)	15	(5)	10	Net sales
Commodity contracts	(24)	10	(14)	(44)	20	(24)	81	(31)	50	Cost of goods sold
Net revaluation and clearance of cash flow hedges to earnings	(83)	32	(51)	(57)	22	(35)	106	(41)	65	
Pension benefit plans:										
Net gain (loss)	3,293	(1,136)	2,157	(1,433)	437	(996)	(4,069)	1,402	(2,667)	See (2) below
Prior service benefit (cost)	62	(22)	40	22	(8)	14	(2)	—	(2)	See (2) below
Reclassifications to net income:										
Amortization of prior service cost	8	(2)	6	13	(4)	9	16	(5)	11	See (3) below
Amortization of loss	957	(331)	626	887	(305)	582	613	(210)	403	See (3) below
Curtailment loss	1	—	1	2	—	2	—	—	—	See (3) below
Settlement loss	152	(45)	107	5	(2)	3	—	—	—	See (3) below
Pension benefit plans, net	4,473	(1,536)	2,937	(504)	118	(386)	(3,442)	1,187	(2,255)	
Other benefit plans:										
Net gain (loss)	513	(184)	329	(60)	17	(43)	(437)	151	(286)	See (2) below
Prior service benefit (cost)	211	(72)	139	857	(299)	558	(11)	4	(7)	See (2) below
Reclassifications to net income:										
Amortization of prior service benefit	(195)	69	(126)	(155)	54	(101)	(121)	43	(78)	See (3) below
Amortization of loss	76	(27)	49	94	(33)	61	60	(21)	39	See (3) below
Curtailment (gain) loss	(154)	54	(100)	3	(1)	2	—	—	—	See (3) below
Settlement loss	1	—	1	—	—	—	—	—	—	See (3) below
Other benefit plans, net	452	(160)	292	739	(262)	477	(509)	177	(332)	
Net unrealized (loss) gain on securities	1	(1)	—	(2)	1	(1)	2	(1)	1	
Other comprehensive income (loss)	$ 4,868	$(1,665)	$ 3,203	$ 253	$ (121)	$ 132	$ (4,300)	$1,322	$ (2,978)	

1 Represents the income statement line item within the Consolidated Income Statement affected by the pre-tax reclassification out of other comprehensive income (loss).

2 These amounts represent changes in accumulated other comprehensive income excluding changes due to reclassifying amounts to the Consolidated Income Statements.

3 These accumulated other comprehensive income components are included in the computation of net periodic benefit cost of the company's pension and other long-term employee benefit plans. See Note 18 for additional information.

Tax (expense) benefit recorded in Stockholders' Equity was $(1,617), $(70) and $1,365 for the years 2013, 2012 and 2011, respectively. Included in these amounts were tax benefits of $48, $51 and $43 for the years 2013, 2012 and 2011, respectively, associated with stock compensation programs. The remainder consists of amounts recorded within other comprehensive income (loss) as shown in the table above.

(Dollars in millions, except per share)

The changes and after-tax balances of components comprising accumulated other comprehensive income (loss) are summarized below:

	Cumulative Translation Adjustment	Net Revaluation and Clearance of Cash Flow Hedges to Earnings	Pension Benefit Plans	Other Benefit Plans	Unrealized Gain (Loss) on Securities	Total
2011						
Balance January 1, 2011	$ 213	$ (31)	$ (6,032)	$ 58	$ 2	$ (5,790)
Other comprehensive income (loss) before reclassifications	(457)	12	(2,658)	(293)	1	(3,395)
Amounts reclassified from accumulated other comprehensive income (loss)	—	60	414	(39)	—	435
Balance December 31, 2011	$ (244)	$ 41	$ (8,276)	$ (274)	$ 3	$ (8,750)
2012						
Other comprehensive income (loss) before reclassifications	77	(1)	(1,006)	514	(1)	(417)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(37)	596	(38)	—	521
Balance December 31, 2012	$ (167)	$ 3	$ (8,686)	$ 202	$ 2	$ (8,646)
2013						
Other comprehensive income (loss) before reclassifications	27	(36)	2,197	468	—	2,656
Amounts reclassified from accumulated other comprehensive income (loss)	—	(15)	740	(176)	—	549
Balance December 31, 2013	$ (140)	$ (48)	$ (5,749)	$ 494	$ 2	$ (5,441)

18. LONG-TERM EMPLOYEE BENEFITS

The company offers various long-term benefits to its employees. Where permitted by applicable law, the company reserves the right to change, modify or discontinue the plans.

Defined Benefit Pensions

The company has both funded and unfunded noncontributory defined benefit pension plans covering a majority of the U.S. employees hired prior to January 1, 2007. The benefits under these plans are based primarily on years of service and employees' pay near retirement. The company's funding policy is consistent with the funding requirements of federal laws and regulations. Pension coverage for employees of the company's non-U.S. consolidated subsidiaries is provided, to the extent deemed appropriate, through separate plans. Obligations under such plans are funded by depositing funds with trustees, covered by insurance contracts, or remain unfunded.

Other Long-term Employee Benefits

The parent company and certain subsidiaries provide medical, dental and life insurance benefits to pensioners and survivors. The associated plans for retiree benefits are unfunded and the cost of the approved claims is paid from company funds. Essentially all of the cost and liabilities for these retiree benefit plans are attributable to the U.S. parent company plans. The non-Medicare eligible retiree medical plan is contributory with pensioners and survivors' contributions adjusted annually to achieve a 50/50 target sharing of cost increases between the company and pensioners and survivors. In addition, limits are applied to the company's portion of the retiree medical cost coverage. For Medicare eligible pensioners and survivors the company provides a company-funded Health Reimbursement Arrangement (HRA). Beginning January 1, 2015, eligible employees who retire on and after that date will receive the same one-time life insurance benefit payment, regardless of age. The majority of U.S. employees hired on or after January 1, 2007 are not eligible to participate in the post retirement medical, dental and life insurance plans.

The company also provides disability benefits to employees. Employee disability benefit plans are insured in many countries. However, primarily in the U.S., such plans are generally self-insured. Obligations and expenses for self-insured plans are reflected in the figures below.

(Dollars in millions, except per share)

Summarized information on the company's pension and other long-term employee benefit plans is as follows:

	Pension Benefits		Other Benefits	
Obligations and Funded Status at December 31,	**2013**	**2012**	**2013**	**2012**
Change in benefit obligation				
Benefit obligation at beginning of year	$ 29,179	$ 27,083	$ 3,532	$ 4,379
Service cost	271	277	29	37
Interest cost	1,088	1,165	130	174
Plan participants' contributions	23	24	33	110
Actuarial (gain) loss	(2,104)	2,245	(515)	60
Benefits paid	(1,626)	(1,593)	(240)	(371)
Amendments	(62)	(22)	(211) [1]	(857) [2]
Net effects of acquisitions/divestitures	(480)	—	(4)	—
Benefit obligation at end of year	$ 26,289	$ 29,179	$ 2,754	$ 3,532
Change in plan assets				
Fair value of plan assets at beginning of year	$ 19,399	$ 17,794	$ —	$ —
Actual gain on plan assets	2,714	2,326	—	—
Employer contributions	313	848	207	261
Plan participants' contributions	23	24	33	110
Benefits paid	(1,626)	(1,593)	(240)	(371)
Net effects of acquisitions/divestitures	(209)	—	—	—
Fair value of plan assets at end of year	$ 20,614	$ 19,399	$ —	$ —
Funded status				
U.S. plans with plan assets	$ (3,546)	$ (6,625)	$ —	$ —
Non-U.S. plans with plan assets	(686)	(1,443)	—	—
All other plans	(1,443) [3]	(1,712) [3]	(2,754)	(3,532)
Total	$ (5,675)	$ (9,780)	$ (2,754)	$ (3,532)
Amounts recognized in the Consolidated Balance Sheets consist of:				
Other assets	$ 11	$ 5	$ —	$ —
Other accrued liabilities (Note 13)	(111)	(110)	(224)	(257)
Other liabilities (Note 15)	(5,575)	(9,303)	(2,530)	(3,271)
Liabilities related to assets held for sale	—	(372)	—	(4)
Net amount recognized	$ (5,675)	$ (9,780)	$ (2,754)	$ (3,532)

1. Primarily due to amendments in 2013 to the company's U.S. parent company retiree life insurance plan for employees retiring on and after January 1, 2015 and subsidiaries retiree health care plans.
2. Primarily due to an amendment in 2012 to the company's U.S. parent company retiree medical and dental plans for Medicare eligible pensioners and survivors from the company sponsored group plans to a company-funded Health Reimbursement Arrangement (HRA).
3. Includes pension plans maintained around the world where funding is not customary.

(Dollars in millions, except per share)

The pre-tax amounts recognized in accumulated other comprehensive loss are summarized below:

	Pension Benefits		Other Benefits	
December 31,	**2013**	**2012**	**2013**	**2012**
Net loss	$ (8,640)	$ (13,042)	$ (647)	$ (1,233)
Prior service benefit (cost)	9	(62)	1,433	1,567
	$ (8,631)	$ (13,104)	$ 786	$ 334

The accumulated benefit obligation for all pension plans was $24,685 and $27,243 at December 31, 2013 and 2012, respectively.

Information for pension plans with projected benefit obligation in excess of plan assets	2013	2012
Projected benefit obligation	$ 26,158	$ 29,043
Accumulated benefit obligation	24,574	27,130
Fair value of plan assets	20,472	19,258

Information for pension plans with accumulated benefit obligations in excess of plan assets	2013	2012
Projected benefit obligation	$ 25,350	$ 28,925
Accumulated benefit obligation	23,906	27,064
Fair value of plan assets	19,744	19,179

	Pension Benefits		
Components of net periodic benefit cost (credit) and amounts recognized in other comprehensive income	**2013**	**2012**	**2011**
Net periodic benefit cost			
Service cost	$ 271	$ 277	$ 249
Interest cost	1,088	1,165	1,253
Expected return on plan assets	(1,524)	(1,517)	(1,475)
Amortization of loss	957	887	613
Amortization of prior service cost	8	13	16
Curtailment loss	1	2	—
Settlement loss	152	5	—
Net periodic benefit cost[1]	$ 953	$ 832	$ 656
Changes in plan assets and benefit obligations recognized in other comprehensive income			
Net (gain) loss	$ (3,293)	$ 1,433	$ 4,069
Amortization of loss	(957)	(887)	(613)
Prior service (benefit) cost	(62)	(22)	2
Amortization of prior service cost	(8)	(13)	(16)
Curtailment loss	(1)	(2)	—
Settlement loss	(152)	(5)	—
Total (benefit) loss recognized in other comprehensive income	$ (4,473)	$ 504	$ 3,442
Noncontrolling interest	—	(1)	(11)
Accumulated other comprehensive income assumed from purchase of noncontrolling interest	—	25	—
Total (benefit) loss recognized in other comprehensive income, attributable to DuPont	$ (4,473)	$ 528	$ 3,431
Total recognized in net periodic benefit cost and other comprehensive income	$ (3,520)	$ 1,360	$ 4,087

1. The above amounts include net periodic benefit cost relating to discontinued operations for 2013, 2012 and 2011 of $3, $42 and $41, respectively.

(Dollars in millions, except per share)

The estimated pre-tax net loss and prior service cost for the defined benefit pension plans that will be amortized from accumulated other comprehensive loss into net periodic benefit cost during 2014 are $597 and $3, respectively.

	Other Benefits		
Components of net periodic benefit cost (credit) and amounts recognized in other comprehensive income	**2013**	**2012**	**2011**
Net periodic benefit cost			
Service cost	$ 29	$ 37	$ 33
Interest cost	130	174	212
Amortization of loss	76	94	60
Amortization of prior service benefit	(195)	(155)	(121)
Curtailment (gain) loss	(154)	3	—
Settlement loss	1	—	—
Net periodic benefit (credit) cost[1]	$ (113)	$ 153	$ 184
Changes in plan assets and benefit obligations recognized in other comprehensive income			
Net (gain) loss	$ (513)	$ 60	$ 437
Amortization of loss	(76)	(94)	(60)
Prior service (benefit) cost	(211)	(857)	11
Amortization of prior service benefit	195	155	121
Curtailment gain (loss)	154	(3)	—
Settlement loss	(1)	—	—
Total (benefit) loss recognized in other comprehensive income	$ (452)	$ (739)	$ 509
Accumulated other comprehensive income assumed from purchase of noncontrolling interest	—	1	—
Total (benefit) loss recognized in other comprehensive income, attributable to DuPont	$ (452)	$ (738)	$ 509
Total recognized in net periodic benefit cost and other comprehensive income	$ (565)	$ (585)	$ 693

1. The above amounts include net periodic benefit cost relating to discontinued operations for 2013, 2012 and 2011 of $0, $2 and $2, respectively.

The estimated pre-tax net loss and prior service benefit for the other long-term employee benefit plans that will be amortized from accumulated other comprehensive loss into net periodic benefit cost during 2014 are $55 and $(212), respectively.

	Pension Benefits		Other Benefits	
Weighted-average assumptions used to determine benefit obligations at December 31,	**2013**	**2012**	**2013**	**2012**
Discount rate	4.58%	3.89%	4.60%	3.85%
Rate of compensation increase[1]	4.22%	4.13%	—%	4.40%

1. The rate of compensation increase represents the single annual effective salary increase that an average plan participant would receive during the participant's entire career at the company.

	Pension Benefits			Other Benefits		
Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31,	**2013**	**2012**	**2011**	**2013**	**2012**	**2011**
Discount rate	3.90%	4.32%	5.32%	3.85%	4.49%	5.50%
Expected return on plan assets	8.39%	8.61%	8.73%	—%	—%	—%
Rate of compensation increase	4.14%	4.18%	4.24%	4.40%	4.40%	4.50%

(Dollars in millions, except per share)

For determining U.S. pension plans' net periodic benefit costs, the discount rate, expected return on plan assets and the rate of compensation increase were 4.10 percent, 8.75 percent and 4.40 percent for 2013.

In connection with the planned sale of the Performance Coatings business (See Note 2), the company updated the discount rate and expected return on plan assets for the U.S. pension plans during 2012. For determining the U.S. pension plans' net periodic benefit costs, the weighted discount rate, weighted expected return on plan assets and the rate of compensation increase were 4.38 percent, 8.96 percent and 4.40 percent for 2012. With the continuing challenges in the global economy, the company lowered its long-term expected return on plan assets during 2012.

For determining U.S. pension plans' net periodic benefit costs, the discount rate, expected return on plan assets and the rate of compensation increase were 5.50 percent, 9.00 percent and 4.50 percent for 2011.

In the U.S., the discount rate is developed by matching the expected cash flow of the benefit plans to a yield curve constructed from a portfolio of high quality fixed-income instruments provided by the plan's actuary as of the measurement date. For non-U.S. benefit plans, the company utilizes prevailing long-term high quality corporate bond indices to determine the discount rate applicable to each country at the measurement date.

The long-term rate of return on assets in the U.S. was selected from within the reasonable range of rates determined by historical real returns (net of inflation) for the asset classes covered by the investment policy, expected performance, and projections of inflation over the long-term period during which benefits are payable to plan participants. Consistent with prior years, the long-term rate of return on plan assets in the U.S. reflects the asset allocation of the plan and the effect of the company's active management of the plans' assets. For non-U.S. plans, assumptions reflect economic assumptions applicable to each country.

Assumed health care cost trend rates at December 31,	2013	2012
Health care cost trend rate assumed for next year	7%	8%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5%	5%
Year that the rate reaches the ultimate trend rate	2022	2016

Assumed health care cost trend rates have a modest effect on the amount reported for the health care plan. A one-percentage point change in assumed health care cost trend rates would have the following effects:

	1-Percentage Point Increase	1-Percentage Point Decrease
Increase (decrease) on total of service and interest cost	$ 7	$ (6)
Increase (decrease) on post-retirement benefit obligation	87	(75)

(Dollars in millions, except per share)

Plan Assets

All pension plan assets in the U.S. are invested through a single master trust fund. The strategic asset allocation for this trust fund is selected by management, reflecting the results of comprehensive asset liability modeling. The general principles guiding U.S. pension asset investment policies are those embodied in the Employee Retirement Income Security Act of 1974 (ERISA). These principles include discharging the company's investment responsibilities for the exclusive benefit of plan participants and in accordance with the "prudent expert" standard and other ERISA rules and regulations. The company establishes strategic asset allocation percentage targets and appropriate benchmarks for significant asset classes with the aim of achieving a prudent balance between return and risk. Strategic asset allocations in other countries are selected in accordance with the laws and practices of those countries. Where appropriate, asset liability studies are utilized in this process. U.S. plan assets and a portion of non-U.S. plan assets are managed by investment professionals employed by the company. The remaining assets are managed by professional investment firms unrelated to the company. The company's pension investment professionals have discretion to manage the assets within established asset allocation ranges approved by senior management of the company. Additionally, pension trust funds are permitted to enter into certain contractual arrangements generally described as "derivatives." Derivatives are primarily used to reduce specific market risks, hedge currency and adjust portfolio duration and asset allocation in a cost-effective manner.

The weighted-average target allocation for plan assets of the company's U.S. and non-U.S. pension plan is summarized as follows:

Target allocation for plan assets at December 31,	2013	2012
U.S. equity securities	27%	28%
Non-U.S. equity securities	21	21
Fixed income securities	32	29
Hedge funds	2	2
Private market securities	11	13
Real estate	7	7
Total	100%	100%

Equity securities include varying market capitalization levels. U.S. equity investments are primarily large-cap companies. Fixed income investments include corporate-issued, government-issued and asset-backed securities. Corporate debt investments include a range of credit risk and industry diversification. U.S. fixed income investments are weighted heavier than non-U.S fixed income securities. Other investments include hedge funds, real estate and private market securities such as interests in private equity and venture capital partnerships.

Fair value calculations may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

(Dollars in millions, except per share)

The tables below presents the fair values of the company's pension assets by level within the fair value hierarchy, as described in Note 1, as of December 31, 2013 and 2012, respectively.

	Fair Value Measurements at December 31, 2013			
Asset Category	**Total**	**Level 1**	**Level 2**	**Level 3**
Cash and cash equivalents	$ 3,076	$ 3,073	$ 3	$ —
U.S. equity securities[1]	4,432	4,383	22	27
Non-U.S. equity securities	4,005	3,965	37	3
Debt – government-issued	1,970	396	1,574	—
Debt – corporate-issued	1,961	376	1,566	19
Debt – asset-backed	925	51	870	4
Hedge funds	435	—	1	434
Private market securities	2,882	—	5	2,877
Real estate	1,179	73	—	1,106
Derivatives – asset position	97	18	79	—
Derivatives – liability position	(78)	(7)	(71)	—
	$ 20,884	$ 12,328	$ 4,086	$ 4,470
Pension trust receivables[2]	200			
Pension trust payables[3]	(470)			
Total	$ 20,614			

	Fair Value Measurements at December 31, 2012			
Asset Category	**Total**	**Level 1**	**Level 2**	**Level 3**
Cash and cash equivalents	$ 2,613	$ 2,584	$ 29	$ —
U.S. equity securities[1]	3,647	3,604	25	18
Non-U.S. equity securities	3,928	3,842	86	—
Debt – government-issued	1,714	443	1,271	—
Debt – corporate-issued	2,236	378	1,831	27
Debt – asset-backed	1,059	40	1,017	2
Hedge funds	389	—	2	387
Private market securities	2,926	—	4	2,922
Real estate	1,236	82	—	1,154
Derivatives – asset position	129	6	123	—
Derivatives – liability position	(80)	(1)	(79)	—
	$ 19,797	$ 10,978	$ 4,309	$ 4,510
Pension trust receivables[2]	312			
Pension trust payables[3]	(710)			
Total	$ 19,399			

1. The company's pension plans directly held $648 (3 percent of total plan assets) and $449 (2 percent of total plan assets) of DuPont common stock at December 31, 2013 and 2012, respectively.
2. Primarily receivables for investment securities sold.
3. Primarily payables for investment securities purchased.

(Dollars in millions, except per share)

The company's pension plans hold Level 3 assets which are primarily ownership interests in investment partnerships and trusts that own private market securities and real estate. Fair value is generally based on the company's units of ownership and net asset value of the investment entity or the company's share of the investment entity's total equity. The table below presents a rollforward of activity for these assets for the years ended December 31, 2013 and 2012:

	Level 3 Assets							
	Total	U.S. Equity Securities	Non-U.S. Equity Securities	Debt-Corporate Issued	Debt-Asset-Backed	Hedge Funds	Private Market Securities	Real Estate
Beginning balance at December 31, 2011	$ 4,500	$ 28	$ —	$ 30	$ 4	$ 392	$ 2,959	$ 1,087
Realized gain (loss)	14	(3)	—	—	—	(6)	23	—
Change in unrealized gain (loss)	253	(8)	—	(10)	—	17	179	75
Purchases, sales and settlements, net	(134)	(1)	—	7	(2)	(16)	(114)	(8)
Transfers (out) in of Level 3	(123)	2	—	—	—	—	(125)	—
Ending balance at December 31, 2012	$ 4,510	$ 18	$ —	$ 27	$ 2	$ 387	$ 2,922	$ 1,154
Realized gain (loss)	42	—	—	—	—	3	39	—
Change in unrealized gain (loss)	192	5	1	(8)	—	22	95	77
Purchases, sales and settlements, net	(278)	6	1	(1)	—	22	(181)	(125)
Transfers in (out) of Level 3	4	(2)	1	1	2	—	2	—
Ending balance at December 31, 2013	$ 4,470	$ 27	$ 3	$ 19	$ 4	$ 434	$ 2,877	$ 1,106

Cash Flow

Contributions

The company made a contribution of $500 to its principal U.S. pension plan in 2012 and no contributions were made in 2011 or 2013. No contributions are expected to be made to the principal U.S. pension plan in 2014. The company contributed $313 and $207 to its pension plans other than the principal U.S. pension plan and its other long-term employee benefit plans, respectively, in 2013. The company expects to contribute approximately $344 and $224 to its pension plans other than the principal U.S. pension plan and its other long-term employee benefit plans, respectively, in 2014.

Estimated Future Benefit Payments

The following benefit payments, which reflect future service, as appropriate, are expected to be paid:

	Pension Benefits	Other Benefits
2014	$ 1,620	$ 224
2015	1,611	219
2016	1,618	214
2017	1,639	209
2018	1,648	205
Years 2019-2023	8,482	937

Defined Contribution Plan

The company sponsors several defined contribution plans, which cover substantially all U.S. employees. The most significant is the U.S. parent company's Retirement Savings Plan (the Plan), which reflects the 2009 merger of the Retirement Savings Plan and the Savings and Investment Plan. This Plan includes a non-leveraged Employee Stock Ownership Plan (ESOP). Employees are not required to participate in the ESOP and those who do are free to diversify out of the ESOP. The purpose of the Plan is to provide retirement savings benefits for employees and to provide employees an opportunity to become stockholders of the company. The Plan is a tax qualified contributory profit sharing plan, with cash or deferred arrangement and any eligible employee of the company may participate. The company contributes 100 percent of the first 6 percent of the employee's contribution election and also contributes 3 percent of each eligible employee's eligible compensation regardless of the employee's contribution.

(Dollars in millions, except per share)

The company's contributions to the U.S. parent company's defined contribution plans were $208, $212 and $210 for the years ended December 31, 2013, 2012 and 2011, respectively. The company's matching contributions vest immediately upon contribution. The 3 percent nonmatching company contribution vests for employees with at least three years of service. In addition, the company made contributions to other defined contribution plans of $105, $124 and $84 for the years ended December 31, 2013, 2012 and 2011, respectively. Included in the company's contributions are amounts related to discontinued operations of $2, $30 and $29 for the years ended December 31, 2013, 2012 and 2011, respectively. The company expects to contribute about $320 to its defined contribution plans in 2014.

19. COMPENSATION PLANS

The total stock-based compensation cost included in the Consolidated Income Statements was $129, $105 and $113 for 2013, 2012 and 2011, respectively. The income tax benefits related to stock-based compensation arrangements were $43, $35 and $37 for 2013, 2012 and 2011, respectively.

In April 2011, the shareholders approved amendments to the DuPont Equity and Incentive Plan (EIP). The EIP provides for equity-based and cash incentive awards to certain employees, directors, and consultants. Under the amended EIP, the maximum number of shares reserved for the grant or settlement of awards is 110 million shares, provided that each share in excess of 30 million that is issued with respect to any award that is not an option or stock appreciation right will be counted against the 110 million share limit as four and one-half shares. At December 31, 2013, approximately 51 million shares were authorized for future grants under the company's EIP. The company satisfies stock option exercises and vesting of time-vested restricted stock units (RSUs) and performance-based restricted stock units (PSUs) with newly issued shares of DuPont common stock.

The company's Compensation Committee determines the long-term incentive mix, including stock options, RSUs and PSUs and may authorize new grants annually.

Stock Options

The exercise price of shares subject to option is equal to the market price of the company's stock on the date of grant. Options granted prior to 2004 expire 10 years from date of grant; options granted between 2004 and 2008 serially vested over a three-year period and carry a six-year option term. Stock option awards granted between 2009 and 2013 expire seven years after the grant date. The plan allows retirement eligible employees to retain any granted awards upon retirement provided the employee has rendered at least six months of service following grant date.

For purposes of determining the fair value of stock options awards, the company uses the Black-Scholes option pricing model and the assumptions set forth in the table below. The weighted-average grant-date fair value of options granted in 2013, 2012 and 2011 was $10.40, $11.81 and $12.32, respectively.

	2013	2012	2011
Dividend yield	3.6%	3.2%	3.2%
Volatility	34.86%	34.87%	33.26%
Risk-free interest rate	1.0%	0.9%	2.3%
Expected life (years)	5.3	5.3	5.3

The company determines the dividend yield by dividing the current annual dividend on the company's stock by the option exercise price. A historical daily measurement of volatility is determined based on the expected life of the option granted. The risk-free interest rate is determined by reference to the yield on an outstanding U.S. Treasury note with a term equal to the expected life of the option granted. Expected life is determined by reference to the company's historical experience.

Stock option awards as of December 31, 2013, and changes during the year then ended were as follows:

	Number of Shares (in thousands)	Weighted Average Exercise Price (per share)	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Outstanding, December 31, 2012	33,359	$ 39.70		
Granted	5,758	$ 47.68		
Exercised	(13,012)	$ 36.31		
Forfeited	(253)	$ 50.10		
Cancelled	(4,281)	$ 50.64		
Outstanding, December 31, 2013	21,571	$ 41.58	4.14	$ 505,136
Exercisable, December 31, 2013	11,765	$ 35.02	2.95	$ 352,427

The aggregate intrinsic values in the table above represent the total pre-tax intrinsic value (the difference between the company's closing stock price on the last trading day of 2013 and the exercise price, multiplied by the number of in-the-money options) that would have been received by the option holders had all option holders exercised their in-the-money options at year end. The amount changes based on the fair market value of the company's stock. Total intrinsic value of options exercised for 2013, 2012 and 2011 were $230, $147 and $216, respectively. In 2013, the company realized a tax benefit of $74 from options exercised.

As of December 31, 2013, $34 of total unrecognized compensation cost related to stock options is expected to be recognized over a weighted-average period of 1.73 years.

RSUs and PSUs

The company issues RSUs that serially vest over a three-year period and, upon vesting, convert one-for-one to DuPont common stock. A retirement eligible employee retains any granted awards upon retirement provided the employee has rendered at least six months of service following the grant date. Additional RSUs are also granted periodically to key senior management employees. These RSUs generally vest over periods ranging from two to five years. The fair value of all stock-settled RSUs is based upon the market price of the underlying common stock as of the grant date.

The company also grants PSUs to senior leadership. In 2013, there were 313,324 PSUs granted. Vesting for PSUs granted in 2011, 2012 and 2013 is equally based upon corporate revenue growth relative to peer companies and total shareholder return (TSR) relative to peer companies. Performance and payouts are determined independently for each metric. The actual award, delivered as DuPont common stock, can range from zero percent to 200 percent of the original grant. The grant-date fair value of the PSUs granted in 2013, subject to the TSR metric, was $59.05, estimated using a Monte Carlo simulation. The grant-date fair value of the PSUs, subject to the revenue metric, was based upon the market price of the underlying common stock as of the grant date.

Non-vested awards of RSUs and PSUs as of December 31, 2013 and 2012 are shown below. The weighted-average grant-date fair value of RSUs and PSUs granted during 2013, 2012 and 2011 was $48.06, $47.17 and $53.19, respectively.

	Number of Shares (in thousands)	Weighted Average Grant Date Fair Value (per share)
Nonvested, December 31, 2012	3,120	$ 49.42
Granted	2,439	$ 48.06
Vested	(1,744)	$ 43.22
Forfeited	(50)	$ 43.69
Nonvested, December 31, 2013	3,765	$ 52.41

As of December 31, 2013, there was $73 of unrecognized stock-based compensation expense related to nonvested awards. That cost is expected to be recognized over a weighted-average period of 2.14 years. The total fair value of stock units vested during 2013, 2012 and 2011 was $75, $68 and $74, respectively.

(Dollars in millions, except per share)

Other Cash-based Awards

Cash awards under the EIP plan may be granted to employees who have contributed most to the company's success, with consideration being given to the ability to succeed to more important managerial responsibility. Such awards were $60, $60 and $85 for 2013, 2012 and 2011, respectively. The amounts of the awards are dependent on company earnings and are subject to maximum limits as defined under the governing plans.

In addition, the company has other variable compensation plans under which cash awards may be granted. These plans include the company's regional and local variable compensation plans and Pioneer's Annual Reward Program. Such awards were $317, $379 and $386 for 2013, 2012 and 2011, respectively.

20. DERIVATIVES AND OTHER HEDGING INSTRUMENTS

Objectives and Strategies for Holding Derivative Instruments

In the ordinary course of business, the company enters into contractual arrangements (derivatives) to reduce its exposure to foreign currency, interest rate and commodity price risks. The company has established a variety of derivative programs to be utilized for financial risk management. These programs reflect varying levels of exposure coverage and time horizons based on an assessment of risk.

Derivative programs have procedures and controls and are approved by the Corporate Financial Risk Management Committee, consistent with the company's financial risk management policies and guidelines. Derivative instruments used are forwards, options, futures and swaps. The company has not designated any nonderivatives as hedging instruments.

The company's financial risk management procedures also address counterparty credit approval, limits and routine exposure monitoring and reporting. The counterparties to these contractual arrangements are major financial institutions and major commodity exchanges. The company is exposed to credit loss in the event of nonperformance by these counterparties. The company utilizes collateral support annex agreements with certain counterparties to limit its exposure to credit losses. The company's derivative assets and liabilities are reported on a gross basis in the Consolidated Balance Sheets. The company anticipates performance by counterparties to these contracts and therefore no material loss is expected. Market and counterparty credit risks associated with these instruments are regularly reported to management.

The notional amounts of the company's derivative instruments were as follows:

December 31,	2013	2012
Derivatives designated as hedging instruments:		
Interest rate swaps	$ 1,000	$ 1,000
Foreign currency contracts	1,107	1,083
Commodity contracts	606	753
Derivatives not designated as hedging instruments:		
Foreign currency contracts	9,553	6,733
Commodity contracts	281	242

Foreign Currency Risk

The company's objective in managing exposure to foreign currency fluctuations is to reduce earnings and cash flow volatility associated with foreign currency rate changes. Accordingly, the company enters into various contracts that change in value as foreign exchange rates change to protect the value of its existing foreign currency-denominated assets, liabilities, commitments and cash flows.

The company routinely uses forward exchange contracts to offset its net exposures, by currency, related to the foreign currency-denominated monetary assets and liabilities of its operations. The primary business objective of this hedging program is to maintain an approximately balanced position in foreign currencies so that exchange gains and losses resulting from exchange rate changes, net of related tax effects, are minimized. The company also uses foreign currency exchange contracts to offset a portion of the company's exposure to certain foreign currency-denominated revenues so that gains and losses on these contracts offset changes in the USD value of the related foreign currency-denominated revenues. The objective of the hedge program is to reduce earnings and cash flow volatility related to changes in foreign currency exchange rates.

(Dollars in millions, except per share)

Interest Rate Risk
The company uses interest rate swaps to manage the interest rate mix of the total debt portfolio and related overall cost of borrowing. Interest rate swaps involve the exchange of fixed for floating rate interest payments to effectively convert fixed rate debt into floating rate debt based on USD LIBOR. Interest rate swaps allow the company to achieve a target range of floating rate debt.

Commodity Price Risk
Commodity price risk management programs serve to reduce exposure to price fluctuations on purchases of inventory such as copper, corn, soybeans and soybean meal. The company enters into over-the-counter and exchange-traded derivative commodity instruments to hedge the commodity price risk associated with energy feedstock and agricultural commodity exposures.

Fair Value Hedges
Interest Rate Swaps
At December 31, 2013, the company maintained a number of interest rate swaps, which were implemented at the time debt instruments were issued. All interest rate swaps qualify for the shortcut method of hedge accounting, thus there is no ineffectiveness related to these hedges.

Cash Flow Hedges
Foreign Currency Contracts
The company uses foreign currency exchange instruments such as forwards and options to offset a portion of the company's exposure to certain foreign currency-denominated revenues so that gains and losses on these contracts offset changes in the USD value of the related foreign currency-denominated revenues.

Commodity Contracts
The company enters into over-the-counter and exchange-traded derivative commodity instruments, including options, futures and swaps, to hedge the commodity price risk associated with energy feedstock and agriculture commodity exposures.

While each risk management program has a different time maturity period, most programs currently do not extend beyond the next two-year period. Cash flow hedge results are reclassified into earnings during the same period in which the related exposure impacts earnings. Reclassifications are made sooner if it appears that a forecasted transaction will not materialize. The following table summarizes the after-tax effect of cash flow hedges on accumulated other comprehensive income (loss) for the years ended December 31, 2013 and 2012:

December 31,	2013	2012
Beginning balance	$ 3	$ 41
Additions and revaluations of derivatives designated as cash flow hedges	(36)	(1)
Clearance of hedge results to earnings	(15)	(37)
Ending balance	$ (48)	$ 3

During the next 12 months, the after-tax amount expected to be reclassified from accumulated other comprehensive income (loss) into earnings is $(36).

(Dollars in millions, except per share)

Derivatives not Designated in Hedging Relationships

Foreign Currency Contracts

The company routinely uses forward exchange contracts to reduce its net exposure, by currency, related to foreign currency-denominated monetary assets and liabilities of its operations so that exchange gains and losses resulting from exchange rate changes are minimized. The netting of such exposures precludes the use of hedge accounting; however, the required revaluation of the forward contracts and the associated foreign currency-denominated monetary assets and liabilities intends to achieve a minimal earnings impact, after taxes. Additionally, the company utilized cross-currency swaps to hedge foreign currency fluctuations on long-term intercompany loans. These swaps matured during 2013.

In 2012, the company initiated a program to utilize forward exchange contracts to reduce the net exposure related to foreign currency-denominated monetary assets and liabilities of its discontinued operations.

Commodity Contracts

The company utilizes options, futures and swaps that are not designated as hedging instruments to reduce exposure to commodity price fluctuations on purchases of inventory such as corn, soybeans and soybean meal.

Fair Values of Derivative Instruments

The table below presents the fair values of the company's derivative assets and liabilities within the fair value hierarchy, as described in Note 1, as of December 31, 2013 and 2012.

		Fair Value at December 31 Using Level 2 Inputs	
	Balance Sheet Location	**2013**	**2012**
Asset derivatives:			
Derivatives designated as hedging instruments:			
Interest rate swaps[1]	Other assets	$ 29	$ 55
Foreign currency contracts	Accounts and notes receivable, net	6	7
		35	62
Derivatives not designated as hedging instruments:			
Foreign currency contracts[2]	Accounts and notes receivable, net	86	88
Total asset derivatives[3]		$ 121	$ 150
Cash collateral[1,2]	Other accrued liabilities	$ 30	$ 44
Liability derivatives:			
Derivatives designated as hedging instruments:			
Foreign currency contracts	Other accrued liabilities	$ 4	$ 10
Derivatives not designated as hedging instruments:			
Foreign currency contracts	Other accrued liabilities	70	76
Commodity contracts	Other accrued liabilities	1	1
		71	77
Total liability derivatives[3]		$ 75	$ 87

1. Cash collateral held as of December 31, 2013 and 2012 represents $17 and $13, respectively, related to interest rate swap derivatives designated as hedging instruments.
2 Cash collateral held as of December 31, 2013 and 2012 represents $13 and $31, respectively, related to foreign currency derivatives not designated as hedging instruments.
3 The company's derivative assets and liabilities subject to enforceable master netting arrangements totaled $54 at December 31, 2013 and $40 at December 31, 2012.

(Dollars in millions, except per share)

Effect of Derivative Instruments

	Amount of Gain (Loss) Recognized in OCI[1] (Effective Portion)			Amount of Gain (Loss) Recognized in Income[2]			
	2013	2012	2011	2013	2012	2011	Income Statement Classification
Derivatives designated as hedging instruments:							
Fair value hedges:							
Interest rate swaps	$ —	$ —	$ —	$ (26)	$ (11)	$ 26	Interest expense[3]
Cash flow hedges:							
Foreign currency contracts	9	(2)	(6)	1	21	(15)	Net sales
Commodity contracts	(67)	7	23	24	44	(81)	Cost of goods sold
	(58)	5	17	(1)	54	(70)	
Derivatives not designated as hedging instruments:							
Foreign currency contracts	—	—	—	35	(157)	(133)	Other income, net[4]
Commodity contracts	—	—	—	(10)	(22)	3	Cost of goods sold
Interest rate swaps	—	—	—	—	—	(1)	Interest expense
	—	—	—	25	(179)	(131)	
Total derivatives	$ (58)	$ 5	$ 17	$ 24	$ (125)	$ (201)	

1. OCI is defined as other comprehensive income (loss).
2. For cash flow hedges, this represents the effective portion of the gain (loss) reclassified from accumulated OCI into income during the period. For the years ended December 31, 2013, 2012 and 2011, there was no material ineffectiveness with regard to the company's cash flow hedges.
3. Gain (loss) recognized in income of derivative is offset to $0 by gain (loss) recognized in income of the hedged item.
4. Gain (loss) recognized in other income, net, was partially offset by the related gain (loss) on the foreign currency-denominated monetary assets and liabilities of the company's operations, which were $(163), $(58) and $(13) for 2013, 2012 and 2011, respectively.

(Dollars in millions, except per share)

21. GEOGRAPHIC INFORMATION

	Net Sales[1]			Net Property[2]		
	2013	**2012**	**2011**	**2013**	**2012**	**2011**
United States	$ 13,763	$ 13,284	$ 12,234	$ 8,598	$ 8,512	$ 8,668
Canada	$ 1,025	$ 921	$ 880	$ 142	$ 149	$ 173
EMEA[3]						
Belgium	$ 257	$ 257	$ 304	$ 136	$ 133	$ 190
Denmark	88	83	83	280	320	323
Finland	72	69	65	166	170	176
France	749	765	774	269	243	252
Germany	1,502	1,557	1,736	152	161	337
Italy	728	764	824	38	33	35
Luxembourg	86	75	74	250	252	250
Russia	365	355	357	7	7	8
Spain	369	331	390	270	269	266
Switzerland	105	111	116	129	79	69
The Netherlands	278	290	277	308	289	237
United Kingdom	506	516	493	87	96	110
Other	3,274	2,867	2,624	290	251	349
Total EMEA	$ 8,379	$ 8,040	$ 8,117	$ 2,382	$ 2,303	$ 2,602
Asia Pacific						
Australia	$ 251	$ 269	$ 247	$ 16	$ 20	$ 19
China/Hong Kong	2,987	2,944	2,996	356	423	628
India	740	745	815	131	111	97
Japan	1,292	1,577	1,749	85	101	106
Korea	623	662	694	49	61	64
Malaysia	143	108	99	52	53	52
Singapore	184	154	186	74	55	42
Taiwan	579	594	654	135	135	133
Thailand	299	324	309	30	26	24
Other	677	650	599	66	62	63
Total Asia Pacific	$ 7,775	$ 8,027	$ 8,348	$ 994	$ 1,047	$ 1,228
Latin America						
Argentina	$ 435	$ 406	$ 403	$ 45	$ 43	$ 40
Brazil	2,565	2,363	2,072	394	348	394
Mexico	1,070	1,044	972	421	307	276
Other	722	727	655	17	32	31
Total Latin America	$ 4,792	$ 4,540	$ 4,102	$ 877	$ 730	$ 741
Total	$ 35,734	$ 34,812	$ 33,681	$ 12,993	$ 12,741	$ 13,412

1. Net sales are attributed to countries based on the location of the customer.
2. Includes property, plant and equipment less accumulated depreciation.
3. Europe, Middle East, and Africa (EMEA).

22. SEGMENT INFORMATION

The company consists of 13 businesses which are aggregated into eight reportable segments based on similar economic characteristics, the nature of the products and production processes, end-use markets, channels of distribution and regulatory environment. The company's reportable segments are Agriculture, Electronics & Communications, Industrial Biosciences, Nutrition & Health, Performance Chemicals, Performance Materials, Safety & Protection and Pharmaceuticals. The company includes certain embryonic businesses not included in the reportable segments, such as pre-commercial programs, and nonaligned businesses in Other.

Major products by segment include: Agriculture (corn hybrids and soybean varieties, herbicides, fungicides and insecticides); Electronics & Communications (photopolymers and electronic materials); Industrial Biosciences (enzymes and bio-based materials); Nutrition & Health (cultures, emulsifiers, texturants, natural sweeteners and soy-based food ingredients); Performance Chemicals (fluorochemicals, fluoropolymers, specialty and industrial chemicals, and white pigments); Performance Materials (engineering polymers, packaging and industrial polymers, films and elastomers); Safety & Protection (nonwovens, aramids and solid surfaces); and Pharmaceuticals (representing the company's interest in the collaboration relating to Cozaar®/Hyzaar® antihypertensive drugs, which is reported as other income). The company operates globally in substantially all of its product lines.

In general, the accounting policies of the segments are the same as those described in Note 1. Exceptions are noted as follows and are shown in the reconciliations below. Segment sales include transfers to another business segment. Products are transferred between segments on a basis intended to reflect, as nearly as practicable, the market value of the products. Segment net assets includes net working capital, net property, plant and equipment, and other noncurrent operating assets and liabilities of the segment. Affiliate net assets (pro rata share) excludes borrowing and other long-term liabilities. Depreciation and amortization includes depreciation on research and development facilities and amortization of other intangible assets, excluding write-down of assets. Prior years' data have been reclassified to reflect the current organizational structure.

Effective January 1, 2013, to better indicate operating performance, the company eliminated the allocation of non-operating pension and other postretirement employee benefit costs from segment pre-tax operating income (loss) (PTOI). Segment PTOI is defined as income (loss) from continuing operations before income taxes excluding non-operating pension and other postretirement employee benefit costs, exchange gains (losses), corporate expenses and interest. Certain reclassifications of prior year data have been made to conform to current year classifications.

(Dollars in millions, except per share)

	Agriculture	Electronics & Communications	Industrial Biosciences	Nutrition & Health	Performance Chemicals	Performance Materials	Safety & Protection	Pharma-ceuticals	Other	Total
2013										
Segment sales	$ 11,739	$ 2,549	$ 1,224	$ 3,473	$ 6,703	$ 6,468	$ 3,884	$ —	$ 6	$ 36,046
Less: Transfers	11	15	13	—	196	73	4	—	—	312
Net sales	11,728	2,534	1,211	3,473	6,507	6,395	3,880	—	6	35,734
PTOI	2,132	203	170	305	924	1,281	694	32	(372)	5,369
Depreciation and amortization	358	105	81	271	242	173	198	—	1	1,429
Equity in earnings of affiliates	36	22	2	—	19	(16)	23	—	(49)	37
Segment net assets	5,883	1,435	2,640	6,455	3,933	3,724 [1]	3,138	(3)	156	27,361
Affiliate net assets	281	145	48	7	169	492	106	—	21	1,269
Purchases of property, plant and equipment	485	73	77	138	424	184	109	—	112	1,602
2012										
Segment sales	$ 10,426	$ 2,701	$ 1,180	$ 3,422	$ 7,188	$ 6,447	$ 3,825	$ —	$ 5	$ 35,194
Less: Transfers	5	17	11	—	247	91	11	—	—	382
Net sales	10,421	2,684	1,169	3,422	6,941	6,356	3,814	—	5	34,812
PTOI	1,669	222	159	270	1,778	1,121	562	62	(474)	5,369
Depreciation and amortization	337	113	79	288	245	182	197	—	1	1,442
Equity in earnings of affiliates	30	19	1	—	28	42	32	—	(53)	99
Segment net assets	4,756	1,622	2,602	6,641	3,910	3,770	3,153	(18)	77	26,513
Affiliate net assets	389	151	53	8	180	567	106	—	14	1,468
Purchases of property, plant and equipment	432	71	80	148	389	186	118	—	7	1,431
2011										
Segment sales	$ 9,166	$ 3,173	$ 705	$ 2,460	$ 7,794	$ 6,815	$ 3,934	$ —	$ 40	$ 34,087
Less: Transfers	1	19	7	—	257	109	13	—	—	406
Net sales	9,165	3,154	698	2,460	7,537	6,706	3,921	—	40	33,681
PTOI	1,566	438	2	76	2,114	1,079	661	289	(344)	5,881
Depreciation and amortization	295	99	47	207	252	199	172	—	2	1,273
Equity in earnings of affiliates	58	19	(3)	—	43	74	47	—	(47)	191
Segment net assets	4,975	1,954	2,542	6,279	3,812	3,757	3,239	35	75	26,668
Affiliate net assets	330	197	52	1	201	445	111	—	34	1,371
Purchases of property, plant and equipment	420	198	61	115	326	197	208	—	5	1,530

1. Includes assets held for sale related to GLS/Vinyls of $228 as of December 31, 2013. See Note 2 for additional information.

(Dollars in millions, except per share)

Reconciliation to Consolidated Financial Statements

PTOI to income from continuing operations before income taxes	2013	2012	2011
Total segment PTOI	$ 5,369	$ 5,369	$ 5,881
Non-operating pension and other postretirement employee benefit costs	(539)	(654)	(540)
Net exchange losses, including affiliates	(128)	(215)	(146)
Corporate expenses	(765)	(948)	(869)
Interest expense	(448)	(464)	(447)
Income from continuing operations before income taxes	$ 3,489	$ 3,088	$ 3,879

Segment net assets to total assets at December 31,	2013	2012	2011
Total segment net assets	$ 27,361	$ 26,513	$ 26,668
Corporate assets[1]	13,498	10,261	9,637
Liabilities included in segment net assets	10,640	10,009	9,250
Assets related to discontinued operations[2]	—	3,076	3,088
Total assets	$ 51,499	$ 49,859	$ 48,643

1. Pension assets are included in corporate assets.
2. See Note 1 for additional information on the presentation of the Performance Coatings which met the criteria for discontinued operations during 2012.

Other items[1]	Segment Totals	Adjustments	Consolidated Totals
2013			
Depreciation and amortization	$ 1,429	$ 174	$ 1,603
Equity in earnings of affiliates	37	4	41
Affiliate net assets	1,269	(258)	1,011
Purchases of property, plant and equipment	1,602	280	1,882
2012			
Depreciation and amortization	$ 1,442	$ 271	$ 1,713
Equity in earnings of affiliates	99	3	102
Affiliate net assets	1,468	(305)	1,163
Purchases of property, plant and equipment	1,431	362	1,793
2011			
Depreciation and amortization	$ 1,273	$ 287	$ 1,560
Equity in earnings of affiliates	191	1	192
Affiliate net assets	1,371	(254)	1,117
Purchases of property, plant and equipment	1,530	313	1,843

1. See Note 1 for additional information on the presentation of the Performance Coatings business which met the criteria for discontinued operations during 2012.

(Dollars in millions, except per share)

Additional Segment Details

2013 included the following pre-tax benefits (charges):

Agriculture[1,3]	$ (351)
Electronics & Communications[3,4]	(131)
Industrial Biosciences[3]	1
Nutrition & Health[3]	6
Performance Chemicals[2,3]	(74)
Performance Materials[3]	(16)
Safety & Protection[3]	4
Other[3]	5
	$ (556)

1. Included charges of $(425), offset by $73 of insurance recoveries, recorded in Other operating charges associated with the company's process to fairly resolve claims related to the use of Imprelis®. See Note 16 for additional information.
2. Included a $(72) charge recorded in Other operating charges related to the titanium dioxide antitrust litigation. See Note 16 for additional information.
3. Included a net $(3) restructuring adjustment consisting of a $16 benefit associated with prior year restructuring programs and a $(19) charge associated with restructuring actions related to a joint venture. The majority of the $16 net reduction recorded in Employee separation/asset related charges, net was due to the achievement of work force reductions through non-severance programs associated with the 2012 restructuring program. The charge of $(19) included $(9) recorded in Employee separation/asset related charges, net and $(10) recorded in Other income, net and was the result of restructuring actions related to a joint venture within the Performance Materials segment. Pre-tax amounts by segment were: Agriculture - $1, Electronics & Communications - $(2), Industrial Biosciences - $1, Nutrition & Health - $6, Performance Chemicals - $(2), Performance Materials - $(16), Safety & Protection - $4; and Other - $5. See Note 3 for additional information.
4. Included a $(129) impairment charge recorded in Employee separation/asset related charges, net related to an asset grouping within the Electronics & Communications segment. See Note 3 for additional information.

2012 included the following pre-tax benefits (charges):

Agriculture[1,2,3]	$ (469)
Electronics & Communications[3,4,5]	(37)
Industrial Biosciences[3]	(3)
Nutrition & Health[3]	(49)
Performance Chemicals[3,5]	(36)
Performance Materials[3,5]	(104)
Safety & Protection[3]	(58)
Other[3,6]	(126)
	$ (882)

1. Included a $(575) charge recorded in Other operating charges associated with the company's process to fairly resolve claims related to the use of Imprelis®. See Note 16 for additional information.
2. Included a $117 gain recorded in Other income, net associated with the sale of a business.
3. Included a $(134) restructuring charge recorded in Employee separation/asset related charges, net primarily as a result of the company's plan to eliminate corporate costs previously allocated to Performance Coatings and cost-cutting actions to improve competitiveness, partially offset by a reversal of prior year restructuring accruals. Charges by segment were: Agriculture - $(11); Electronics & Communications - $(9); Industrial Biosciences - $(3); Nutrition & Health - $(49); Performance Chemicals - $(3); Performance Materials - $(12); Safety & Protection - $(58); and Other - $11. See Note 3 for additional information.
4. Included a $122 gain recorded in Other income, net associated with the sale of an equity method investment.
5. Included a $(275) impairment charge recorded in Employee separation/asset related charges, net related to asset groupings, which impacted the segments as follows: Electronics & Communications - $(150); Performance Chemicals - $(33); and Performance Materials - $(92). See Note 3 for additional information.
6. Included a $(137) charge in Other operating charges primarily related to the company's settlement of litigation with INVISTA.

(Dollars in millions, except per share)

2011 included the following pre-tax benefits (charges):

Agriculture[1,2]	$ (225)
Industrial Biosciences[3,4]	(79)
Nutrition & Health[3,4]	(126)
Performance Materials[4,5]	47
Other[4]	(28)
	$ (411)

1. Included a $(50) charge recorded in Research and development expense in connection with a milestone payment associated with a Pioneer licensing agreement. Since this milestone was reached before regulatory approval was secured by Pioneer, it was charged to Research and development expense.
2. Included a $(175) charge recorded in Other operating charges associated with the company's process to fairly resolve claims associated with the use of Imprelis®. See Note 16 for additional information.
3. Included a $(182) charge for transaction related costs and the fair value step-up of inventories that were acquired as part of the Danisco transaction, which impacted the segments as follows: Industrial Biosciences - $(70) and Nutrition & Health - $(112).
4. Included a $(53) restructuring charge primarily related to severance and related benefit costs associated with the Danisco acquisition impacting the segments as follows: Industrial Biosciences - $(9); Nutrition & Health - $(14); Performance Materials - $(2); and Other - $(28).
5. Included a $49 benefit recorded in Other income, net associated with the sale of a business.

(Dollars in millions, except per share)

23. QUARTERLY FINANCIAL DATA

Unaudited	For the quarter ended			
	March 31,	June 30,	September 30,	December 31,
2013				
Net sales	$ 10,408	$ 9,844	$ 7,735	$ 7,747
Cost of goods sold	6,193	6,057	5,165	5,133
Income from continuing operations before income taxes	1,774 [3]	1,365 [3,4]	228 [3,6]	122 [3,7,8]
Net income	3,355 [2]	1,034 [5]	288	185
Basic earnings per share of common stock from continuing operations[1]	1.48	1.11	0.28	0.19
Diluted earnings per share of common stock from continuing operations[1]	1.47	1.10	0.28	0.19
2012				
Net sales	$ 10,180	$ 9,917	$ 7,390	$ 7,325
Cost of goods sold	5,935	5,844	4,779	4,980
Income (loss) from continuing operations before income taxes	1,801 [9]	1,496 [9,10,11]	(175) [9,12,13]	(34) [9, 12, 13,14]
Net income	1,504	1,175	8	93
Basic earnings (loss) per share of common stock from continuing operations[1]	1.49	1.16	(0.05)	—
Diluted earnings (loss) per share of common stock from continuing operations[1]	1.48	1.15	(0.05)	—

1. Earnings per share for the year may not equal the sum of quarterly earnings per share due to changes in average share calculations.
2. First quarter 2013 included a net tax benefit of $42 consisting of a $68 benefit for the 2013 extension of certain U.S business tax provisions offset by a $(26) charge related to the global distribution of Performance Coatings cash proceeds.
3. First and second quarter 2013 included charges of $(35) and $(80), respectively, recorded in Other operating charges associated with the company's process to fairly resolve claims related to the use of Imprelis®. Third and fourth quarter 2013 included charges of $(65) and $(245), respectively, offset by $25 and $48 of insurance recoveries, respectively. See description in Note 16 for further details.
4. Second quarter 2013 included a charge of $(11) in Other income, net related to interest on a prior year tax position.
5. Second quarter 2013 included a charge of $(49) associated with a change in accrual for a prior year tax position (inclusive of a benefit associated with interest on a prior year tax position) offset by a $33 benefit for an enacted tax law change.
6. Third quarter 2013 included a $(72) charge recorded in Other operating charges related to the titanium dioxide antitrust litigation. See description in Note 16 for further details.
7. Fourth quarter 2013 included a net $5 restructuring adjustment consisting of a $24 benefit associated with prior year restructuring programs and a $(19) charge associated with restructuring actions related to a joint venture. The majority of the $24 net reduction recorded in Employee separation/asset related charges, net was due to the achievement of work force reductions through non-severance programs associated with the 2012 restructuring program. The charge of $(19) included $(9) recorded in Employee separation/asset related charges, net and $(10) recorded in Other income, net and was the result of restructuring actions related to a joint venture within the Performance Materials segment. See Note 3 for additional information.
8. Fourth quarter 2013 included a $(129) impairment charge recorded in Employee separation/asset related charges, net related to an asset grouping within the Electronics & Communications segment. See Note 3 for additional information.
9. First quarter, second quarter, third quarter, and fourth quarter 2012 included charges of $(50), $(265), $(125), and $(135), respectively, recorded in Other operating charges associated with the company's process to fairly resolve claims related to the use of Imprelis®. See description in Note 16 for further details.
10. Second quarter 2012 included a $(137) charge recorded in Other operating charges primarily related to the company's settlement of litigation with INVISTA.
11. Second quarter 2012 included a pre-tax gain of $122 recorded in Other income, net associated with the sale of an equity method investment in the Electronics & Communications segment.
12. Third quarter 2012 included a $(152) restructuring charge recorded in Employee separation/asset related charges, net related to the 2012 restructuring program. Fourth quarter 2012 included a net $(66) charge recorded in Employee separation/asset related charges, net related to costs associated with the 2012 restructuring program partially offset by a reversal of prior years restructuring accruals. See description in Note 3 for further details.
13. Third and fourth quarter 2012 included asset impairment charges of $(242) and $(33), respectively, recorded in Employee separation/asset related charges, net related to certain asset groupings. See descriptions in Note 3 for further details.
14. Fourth quarter 2012 included a pre-tax gain of $117 recorded in Other income, net associated with the sale of a business within the Agriculture segment.

24. SUBSEQUENT EVENTS

In January 2014, the company's Board of Directors authorized a $5,000 share buyback plan. See Note 17 for additional details.

Information for Investors

Corporate Headquarters
E. I. du Pont de Nemours and Company
1007 Market Street
Wilmington, DE 19898
Telephone: 302 774-1000
E-mail: http://www.dupont.com (click on Contact)

2014 Annual Meeting
The annual meeting of the shareholders will be held at 10:30 a.m., on Wednesday, April 23, in The DuPont Theatre in the DuPont Building, 1007 Market Street, Wilmington, Delaware.

Stock Exchange Listings
DuPont common stock (Symbol DD) is listed on the New York Stock Exchange, Inc. (NYSE) and on certain foreign exchanges. Quarterly high and low market prices are shown in Item 5 of the Form 10-K.
DuPont preferred stock is listed on the New York Stock Exchange, Inc. (Symbol DDPrA for $3.50 series and Symbol DDPrB for $4.50 series).

Dividends
Holders of the company's common stock are entitled to receive dividends when they are declared by the Board of Directors. While it is not a guarantee of future conduct, the company has continuously paid a quarterly dividend since the fourth quarter 1904. Dividends on common stock and preferred stock are usually declared in January, April, July and October. When dividends on common stock are declared, they are usually paid mid March, June, September and December. Preferred dividends are paid on or about the 25th of January, April, July and October.

Shareholder Services
Inquiries from shareholders about stock accounts, transfers, certificates, dividends (including direct deposit and reinvestment), name or address changes and electronic receipt of proxy materials may be directed to DuPont's stock transfer agent:
Computershare Trust Company, N.A.
P.O. Box 30170
College Station, TX, 77842-3170
or call: in the United States and Canada
888 983-8766 (toll-free)
other locations-781 575-2724
for the hearing impaired-
TDD: 800 952-9245 (toll-free)
or visit Computershare's home page at
http://www.computershare.com/investor

Independent Registered Public Accounting Firm
PricewaterhouseCoopers LLP
Two Commerce Square, Suite 1700
2001 Market Street
Philadelphia, PA 19103

Investor Relations
Institutional investors and other representatives of financial institutions should contact:
E. I. du Pont de Nemours and Company
DuPont Investor Relations
1007 Market Street-D-11020
Wilmington, DE 19898
or call 302 774-4994

Bondholder Relations
E. I. du Pont de Nemours and Company
DuPont Finance
1007 Market Street-D-8028
Wilmington, DE 19898
or call 302 774-0564
or 302 774-8802

DuPont on the Internet
Financial results, news and other information about DuPont can be accessed from the company's website at **http://www.dupont.com**. This site includes important information on products and services, financial reports, news releases, environmental information and career opportunities. The company's periodic and current reports filed with the SEC are available on its website, free of charge, as soon as reasonably practicable after being filed.

Product Information/Referral
From the United States and Canada:
800 441-7515 (toll-free)
From other locations: 302 774-1000
On the Internet: http://www.dupont.com (click on Contact)

Printed Reports Available to Shareholders
The following company reports may be obtained, without charge:
1. 2013 Annual Report to the Securities and Exchange Commission, filed on Form 10-K;
2. Proxy Statement for 2014 Annual Meeting of Stockholders; and
3. Quarterly reports to the Securities and Exchange Commission, filed on Form 10-Q

Requests should be addressed to:
DuPont Inquiry Management Center
CRP-735 (second floor)
974 Centre Road
Wilmington, DE 19805
or call 302 774-1000
E-mail: http://www.dupont.com (click on Contact)

Services for Shareholders

Online Account Access
Registered shareholders may access their accounts and obtain online answers to stock transfer questions by signing up for Internet access by visiting http://www.computershare.com/investor. Shareholders have the option to request direct deposit of stock dividends, and electronic delivery of account statements and 1099-DIV tax forms.

Dividend Reinvestment Plan
An automatic dividend reinvestment plan is available to all registered shareholders. Common or preferred dividends can be automatically reinvested in DuPont common stock. Participants also may add cash for the purchase of additional shares. A detailed account statement is mailed after each investment. Your account can also be viewed over the Internet if you have Online Account Access (see above). To enroll in the plan, please contact Computershare (listed above).

Online Delivery of Proxy Materials
Shareholders may request their proxy materials electronically in 2014 by visiting **http://enroll.icsdelivery.com/dd.**

Direct Deposit of Dividends
Registered shareholders who would like their dividends directly deposited in a U.S. bank account should contact Computershare (listed above).