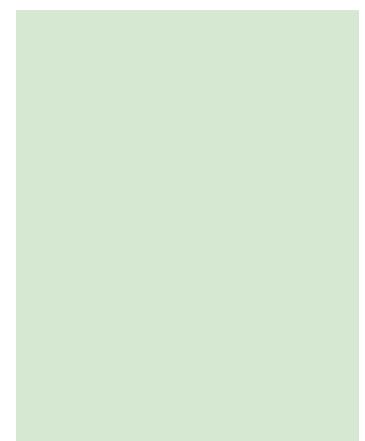
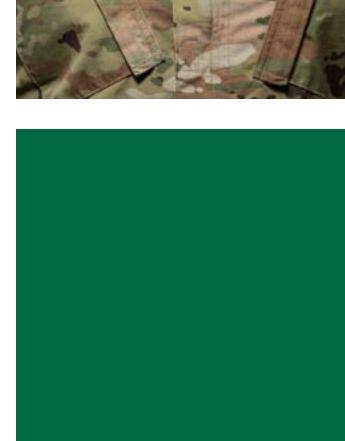
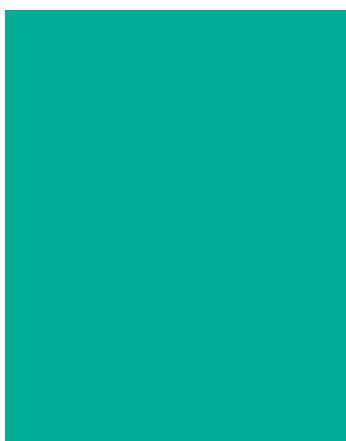
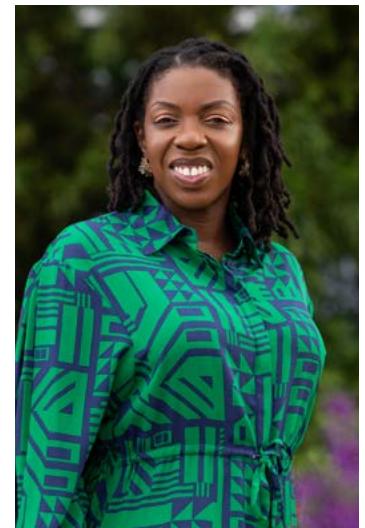


Embracing the power of inclusion



Report summary



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LETTER FROM MARK COSTA

Embracing inclusion and diversity makes us better and accelerates innovation

We have always been a company rooted in innovation — a culture that supports and builds diverse perspectives is necessary for innovation to flourish. That is why inclusion and diversity (I&D) are so important. This isn't optional at Eastman. It isn't another corporate initiative. This is core to who we are as a company and a global team, and we simply won't achieve all we want to achieve without this being part of our makeup.

Here's another important thing: Lasting change takes time and unwavering effort. We are making progress on our goals, but we are not moving as quickly in some areas as others. This won't happen overnight, and we are fully committed to long-term progress and transformation through hard work and persistence.

We have a sound I&D strategy based on four strategic pillars that foster inclusion, accelerate diversity in leadership, build inclusive teams and mitigate unconscious bias. We are executing that strategy through actionable plans that involve every leader at Eastman, and we're holding ourselves accountable to strengthen our culture. This will accelerate progress and make our company the best it can be.

Accountability at the leadership level starts with me, and I have the highest expectations of myself and our executive team. Each of our senior executives is focused on how we will achieve those goals and metrics that demonstrate progress.

Regardless of title or job, every person at Eastman is responsible for doing their part to accelerate our progress toward a more inclusive workplace. During my career here, I have learned that no team embraces responsibility the way the Eastman team does.

Technology and innovation are tools to bring about progress. But those tools are only as good as the team behind them. The team must possess diversity of thought and openness to new ideas and all perspectives. And it must be a team of people who can fully be themselves at work so that they are inspired to come together and accomplish something bigger than themselves.

That is our team, and Eastman is striving to become better each year by attracting and keeping the best talent. We are strengthening a culture that enables each of us to achieve our full creative potential so that, collectively, we fulfill our company purpose to enhance the quality of life in a material way.

We know we still have work to do, but I'm inspired by our efforts, the progress we've made and our commitment to do even more in the future.



"There has never been a better time, nor a more important time, to be part of the Eastman team. We have accomplished much in our more than 100-year history. Now Eastman has the opportunity — and the responsibility — to solve some of the world's greatest challenges through material innovation."

A handwritten signature in black ink, appearing to read "Mark Costa".

Mark Costa (he/him/his)
Board Chair and Chief Executive Officer

We embed inclusion and diversity into everything we do at Eastman

By forging a solid connection to our purpose and values and embracing the power of inclusion and belonging, we challenge conventional thinking, overcome limitations and celebrate the unique qualities of each individual.

Our commitment to inclusion and diversity is more profound than a set of initiatives, reactionary measures or a defined metric. It is reflected in our collective actions and behaviors during everyday interactions, shaping how our team members experience and embrace our core values and principles.

The ultimate objective is to foster an environment that fully harnesses the potential of our diverse global workforce, driving innovation, ensuring psychological safety and improving business outcomes.

We believe inclusion and diversity enable us to deliver on our organizational aspirations of improving the world for future generations. That is what is at stake.



"We all want to be accepted for who we are. We need to feel included. We need our voices to be heard. We want to feel connected to a great purpose."

**Kaamilya Clinkscales-Major
(she/her/hers)**

Global Head of Inclusion and Diversity

2022 accomplishments

37%

increase in ERG
memberships
in 2022

Enhanced
**inclusive benefit
offerings,**

including infertility,
surrogacy, adoption
benefits and gender
alignment services

9%

increase in hiring
racially and ethnically
diverse talent

40%

of leaders across
14 countries
have participated
in Inclusive
Leadership training

Eastman has
committed nearly
\$1 million
to base pay adjustments

Non-U.S. ERG
memberships
increased by

84%,
expanding into
all regions

Veteran self-identification
increased by

250%

Launched global
employee wellness
platform with

15%
employee utilization
within the first year

Men and women are
**promoted at
the same rate**

Increased board of directors to

33% female
representation
25% ethnically
diverse
representation



MEASURING OUR PROGRESS

Values in action

Inclusion and diversity are embedded in Eastman's core values, guiding documents and business strategy, and they are the foundation of building engaged and resilient teams that reflect our diverse society. We cultivate teams that are better equipped to navigate the challenges and opportunities that lie ahead of us. Inclusion and diversity help us boost morale and satisfaction and strengthen our organizational capabilities. When we prioritize inclusion and diversity, we fully tap into the wealth of diverse ideas, experiences and viewpoints of our team members. And that's how we fuel innovation, enhance problem-solving and, ultimately, lead to better outcomes for Eastman and our customers.

Adrian Holt (he/him/his)
Senior Vice President and Chief
Human Resources Officer

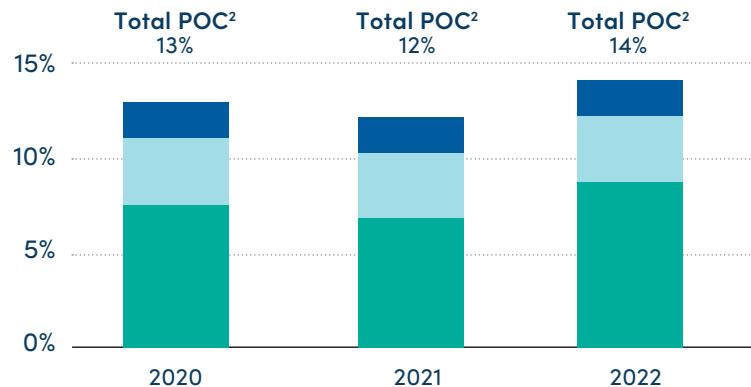
"Embracing inclusion and diversity isn't just about checking boxes. It's demonstrating a commitment to fair, transparent and sustainable practices. We're shaping a workplace culture that transforms and improves business results."



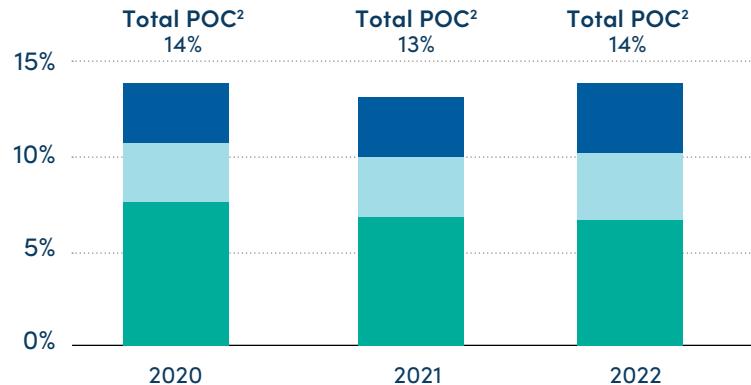
Workplace representation

We have maintained the representation of racially and ethnically diverse team members over the past two years. We will be continuing to focus our efforts on increasing representation in the coming years.

Leadership¹

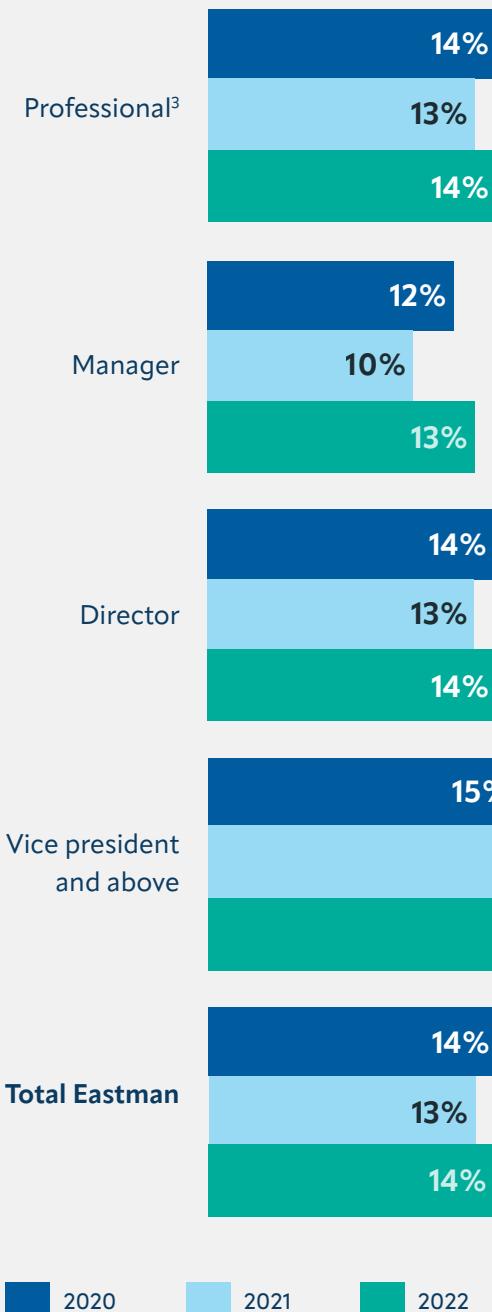


Professional³



█ Black █ Latinx █ Asian

Racial/ethnic diversity by organizational level⁴



¹ Manager and above

² POC includes Asian, Black/AA, Latinx, Native American/Pacific Islander and mixed race

³ Professional-level roles without management responsibility

⁴ Racial/ethnic data are U.S. only

MEASURING OUR PROGRESS

Workplace representation

2022 hiring¹

Our recruitment focus is yielding progress as our diversity representation in hiring exceeds our current population demographics for both race/ethnicity and gender. While we have more work to do, diversifying our external pipeline will help us continue to advance diversity at all levels of the company.



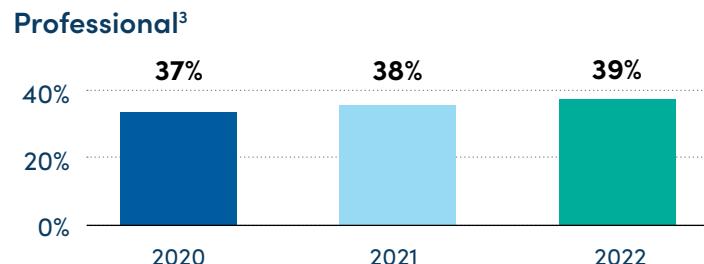
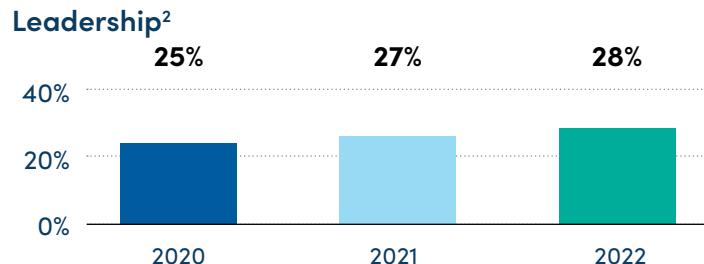
Racially/ethnically diverse



Women

For more information on Eastman's workforce representation, see the data we reported to the [U.S. Equal Employment Opportunity Commission](#).

We continue to focus on improving female representation across the company.

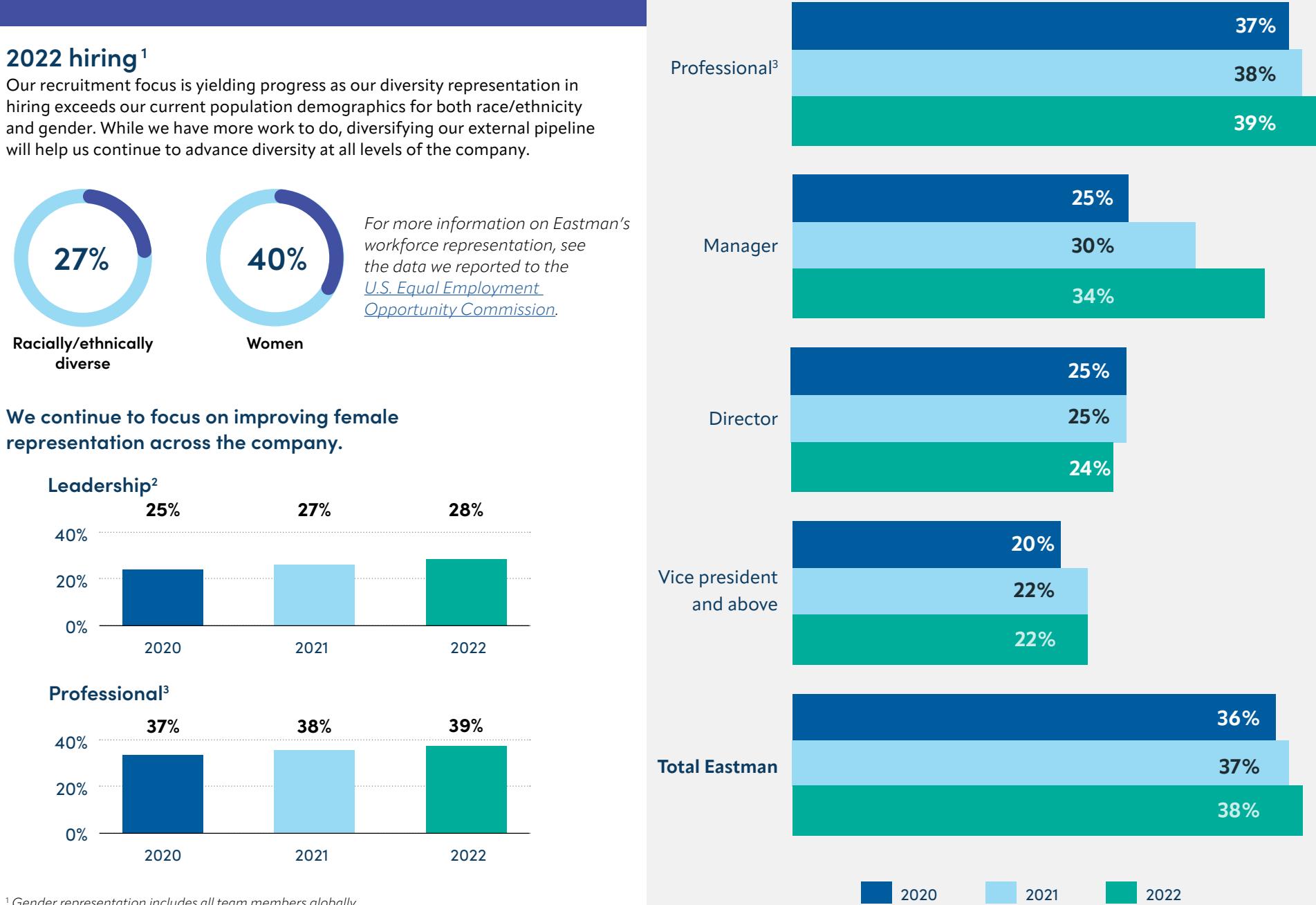


¹ Gender representation includes all team members globally.

² Manager and above

³ Professional-level roles without management responsibility

Women by organizational level



Breaking barriers in manufacturing

When Katrien De Keukeleere applied to Eastman in 2017, she knew she was qualified to work in manufacturing as a chemist. She had a doctorate in chemistry and was excited about the role and the company. She also knew the manufacturing industry was predominantly male.

At Eastman, however, she felt accepted from the beginning and respected based on her qualifications.

De Keukeleere is now a production manager at Eastman's Ghent South site in Belgium. She's responsible for three production lines that create Eastman Saflex™ advanced interlayers, which enhance glass safety, security and more. She brings a unique perspective to her team with experience in organic and physical chemistry research, and she's used her skills since her first role at Eastman in the engineering department.

While De Keukeleere has never personally felt that being a woman in manufacturing — particularly in a leadership role — was an oddity at Eastman, the materials industry is still predominately male. That is why Eastman is striving to increase the number of women in operations and leadership roles in an effort to continue to reach gender parity.

De Keukeleere often sees fewer women than men apply for manufacturing operator roles. She believes there are several reasons why women go into manufacturing less often, including their education preferences, societal norms and balancing shift work with personal or family life.

De Keukeleere also thinks women in every industry may be hesitant to apply for new roles because they think they won't check every box even when they have the experience and training.

"It's not always someone else who's putting the weight on our shoulders," she said. "Sometimes we do it ourselves because of our upbringing and what we're used to. But the world is changing, and we want to empower women to seek roles in manufacturing, leadership or any other space that men have traditionally held. Even though a small part of yourself might be hesitant, you just need to go for it and be confident in yourself. If you don't apply, you'll never know."

De Keukeleere is an example of that at Eastman and at home.

"I have two daughters, so I hope I can make them confident women who know what they want and aren't scared to do it," she said.



Eastman is actively promoting diversity and inclusion in its leadership team. In 2022, there was a 13% increase in female leader hires, a 24% increase in Asian leader hires and double the number of Black leaders hired compared to the previous year. Additionally, women were promoted at a rate similar to men, with 18% of females and 17% of males receiving promotions. Eastman is committed to creating an inclusive work environment that values the contributions of all team members.





"We feel inclusion is critical to establishing a culture of belonging."

Michelle Caveness (she/her/hers)
Vice President, Tennessee Operations
and Global Operations Support



LEADERSHIP ENGAGEMENT

Supporting a diverse workforce

Inclusion and diversity are at the forefront of Michelle Caveness's thoughts and actions. As the leader of our largest manufacturing site in Kingsport, Tennessee, and several sites in other regions, Caveness works to ensure progress in strengthening the culture for her team of more than 4,000 Eastman team members and those who visit the site.

She has good reason to focus on inclusion with her leaders and team. The Kingsport workforce is rapidly diversifying as a generational wave of team members with decades of experience and expertise has retired or is nearing retirement. Harnessing the energy and potential of the next generation to create belonging is critical to the health and safety of all.

"We have been hiring, and our workforce is diversifying. And we are all really accountable for the culture of inclusion — of belonging — that we develop," she said. "You need that culture where everybody raises concerns and addresses risks in an open way. If you don't have that, you lose the benefit of a diverse workforce."

"If a leader doesn't create an environment where people speak up, it can lead to safety risks for that team member or the people working around them and missed opportunities to improve manufacturing. It's what creates a path to solutions where others see barriers."

For the past year, Caveness and her leadership team spent ample time in workshops and discussions with supervisors on inclusive leadership, and she champions a manufacturing I&D council.

There's a significant indicator of progress. Through October 2023, the Kingsport manufacturing site was tracking toward its best safety performance ever. That covers a century of operations.

"Our safety has improved 70% over last year, and I'm proud of the work by the entire Tennessee operations team," Caveness said. Caveness's leadership for I&D extends beyond her site. She serves as an advisory board member for Catalysts, the Eastman Resource Group that promotes equity and inclusion for women throughout our company, and also works with The Manufacturing Institute on its Women MAKE America program, which provides resources for women professionals and maintains an annual awards program to recognize the top women in science and technical fields. Caveness is a previous winner.

"We're trying to equip women with the understanding of how leadership opportunities play out across different industries and equip them with the background and confidence to understand how they can leverage their strengths to support the future of manufacturing," she said.

LEADERSHIP ENGAGEMENT

Training our leaders



Eastman's Inclusive Leadership course helps mitigate unconscious bias and foster an inclusive culture by giving leaders practical tools to build high-performing teams. To date, 400 leaders across 14 countries have completed the course, and 90% of them have personal inclusion action plans in place.

"We bring our outside experiences to our role as leaders, role models and team members. That's real life, and it's what makes Eastman stronger."

"The Inclusive Leadership course was a journey of reflection about what we each bring to the company. We learned how to encourage our team members — of all backgrounds and strengths — so we can experience new perspectives and learn from one another."

"We are innovative people at a materials company. We are empowering our people to bring their experiences and ideas together in a safe space."

Elvira Cavaleiro Neves (she/her/hers)
Latin America Leader and Advanced Interlayers

LEADERSHIP ENGAGEMENT

Holding our leaders accountable



"Inclusion and diversity are central to the success of our innovation-driven growth strategy. We're committed to innovating sustainable material solutions to some of the world's most significant challenges, and meeting those challenges takes incredible talent. Attracting, growing and developing top talent from diverse backgrounds is an essential enabler of our strategy."

"Inclusion and diversity business reviews increase transparency and accountability and drive alignment with our core values and strategic ambitions. As a technology organization and as a company, we have taken several actions to accelerate our journey. It's important to track progress so that we know what's working and where we need to work harder to improve."

"That's why business reviews are so important. They instill a sense of ownership and drive continual improvement and a review-and-adjust mindset, giving senior leaders visibility into the actions we're taking and the tangible results of those actions."

Chris Killian (he/him/his)
Senior Vice President and Chief Technology Officer
and Executive Sponsor of Connect ERG

Organizations throughout Eastman are following a plan to increase I&D. Here's how the technology organization is driving positive change:



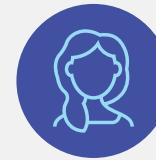
Ensuring diverse hiring teams and candidate pools to enhance selection and hiring practices



Targeting senior-level mentorship and sponsorship for diverse talent



Hosting gender diversity workshops to build action plans



Addressing women in STEM with an initiative to increase their participation in invention and patenting

BOARD DIVERSITY

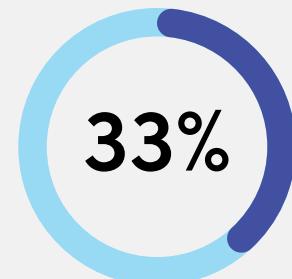
Our I&D commitment starts at the top

Eastman has assembled a diverse board of directors who are committed to effective corporate governance and global business strategy oversight. Board members have extensive leadership experience and unique insights, skills and backgrounds that drive robust conversations around oversight and delivering value to our customers and shareholders.

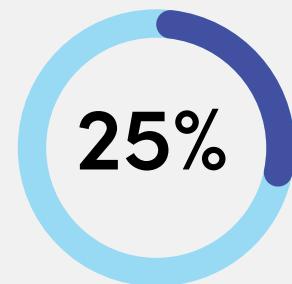
The wide-ranging representation of our board includes diversity of thought, industry, gender, race and ethnicity, generations, and expertise. This leads to better business oversight and long-term value creation. It also ensures that we approach problem-solving and market opportunities with a broad range of ideas and perspectives. Board diversity encourages open and honest discussions to ensure underrepresented viewpoints are heard and recognized and that we challenge the parameters of our thinking and decision-making. Eastman is actively working toward greater diversity on its board, with women currently accounting for 33% of members and 25% of the board being racially/ethnically diverse.

Meet our two newest board members: Eric Butler and Linnie Haynesworth. Butler possesses deep operational discipline and extensive corporate management experience in the industrial sector. Haynesworth brings valuable expertise in cybersecurity, intelligence and technology. These thought leaders enhance the rich perspectives and insights the board projects in its governance and oversight.

Board member Kim Ann Mink is a great example of I&D leadership coming from the top and our commitment to increasing leadership diversity. She led a professional development workshop with our Catalysts ERG leadership team and ERG chairs, focusing on career mapping, development plans and the value of constructive feedback. Her valuable insights, lessons from her career journey and coaching helped workshop participants identify areas of personal growth to advance their careers and reach desired milestones.



representation of women
on Eastman's board



representation of racially/
ethnically diverse on
Eastman's board

Board members



Eric Butler



Linnie Haynesworth



Kim Ann Mink



Julie Holder



Humberto Alfonso



Renée Hornbaker



**Building an inclusive workplace
for long-term success**



"When we feel psychologically safe at work, we are the best version of ourselves. We're inspired to collaborate and innovate. With innovation at the core of our strategy, it's important our team members feel empowered to share ideas, challenge the status quo and ask the hard questions — without fear that they will be dismissed, shut down or experience negative consequences. And creating that environment takes a commitment from each of us in every circumstance, every day."

Kellye Walker (she/her/hers)
Executive Vice President, Chief Legal Officer and Corporate Secretary and Executive Sponsor of the APEX ERG

Psychological safety empowers and inspires our team members

Safety is a core value of our company, and it's not just about numbers. It's about putting people first, including our team members, our neighbors who grant us the privilege to operate in their communities, and our families and loved ones who depend on us to ensure we all go home safely every day. If we're going to work safely, we must feel safe.

When team members feel included, are treated as fully integrated and are respected for who they uniquely are, they experience psychological safety. When team members feel psychologically safe, they feel heard and know they're valued and appreciated for their contributions. They begin to see the integral role they play in our success as a company, whether that means creating innovative solutions to the world's biggest challenges, maintaining the safety and wellness of our teams and communities, or sustaining our high-performance culture from a foundation of honesty and integrity.



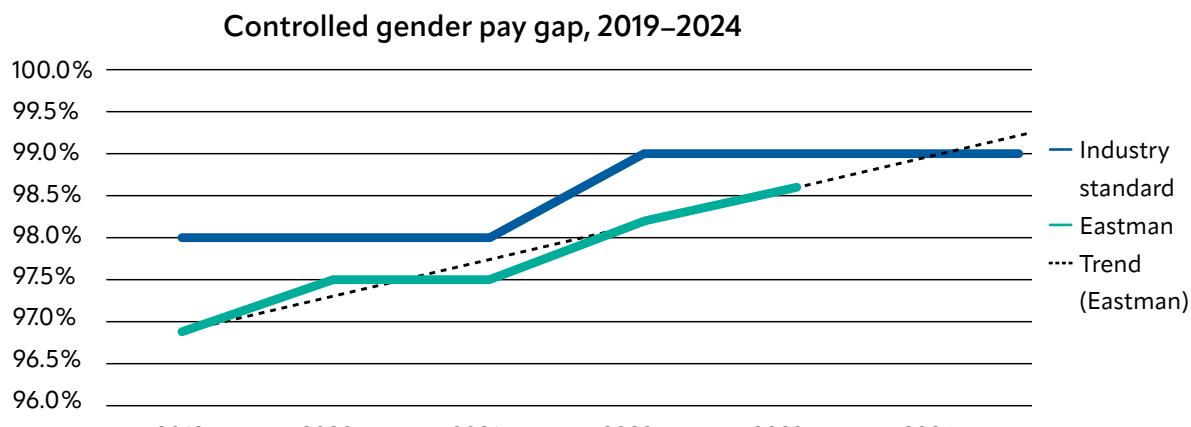
Eastman is committed to equal pay and continuing to take action to close gaps

Since 2019, Eastman's compensation and legal teams have worked in collaboration with third-party experts to conduct an annual pay equity analysis. A statistical model analyzing gender, ethnic origin and age — while controlling for variables, including but not limited to benchmark job, job level and multiple years of performance data — is in line with best industry practices worldwide.

Eastman is ahead of most companies in analysis frequency and the vast demographic gap metrics we are monitoring and adjusting. We are a leader in terms of taking action that has led to significant improvement in our pay gap numbers. To date, Eastman has committed nearly \$1 million to base pay adjustments designed to ensure equitable pay considerations for all team members.

Gender pay gap summary

The controlled gender pay gap represents the typical female salary as a percentage of the typical male salary for similarly situated employees. Female employees at Eastman earn on average 98.6 cents on the dollar compared to their similarly situated male counterparts, and Eastman's controlled gap has narrowed significantly in a short timeframe. We are comfortable with our trend over the past several years in closing Eastman's controlled pay gap. Eastman is committed to minimizing the gender pay gap by consistently analyzing pay equity to ensure equitable pay practices at all levels of the organization.



Industry standard source data: 2023 Gender Pay Gap Report (GPGR) | PayScale Research



I&D councils: A peer-led approach to addressing opportunities in our strategy

Eastman's inclusion and diversity councils are empowering team members across the company and finding opportunities in our I&D strategy.

The councils began forming in 2021 to meet inclusion and diversity needs for various Eastman organizations. They're led by volunteers who are passionate about Eastman's I&D initiatives and want to enact intentional and effective change. The councils help bolster our efforts by promoting a safe, collaborative and innovative work environment.

Because the councils represent specific organizations within the company, they bring unique perspectives. Council members better understand the culture and values of their organizations, so they can find solutions and programs that support the overall Eastman I&D strategy yet are tailored to the organization's team members. Councils are driven by a goal to build high-performing teams that support team members' needs and lead to success.

The 10 councils, which represent Eastman's various business divisions and functions, meet regularly to identify and address gaps in their organization's I&D strategy through intentional programs and initiatives. They are designed to increase diversity representation, enhance talent development and engagement, drive cultural awareness and competencies, and build a sense of belonging and inclusion for every team member.



I&D council mission

To facilitate improved awareness, understanding and appreciation of our differences through a customized action plan to increase diversity, inclusion and equity.



Signature leadership development programs help women leaders recognize and optimize their talents

Eastman's partnership with Signature Leaders is one of many tools used to strengthen the community of female leaders and talent pipelines. Our Signature leadership development programs consist of immersive learning experiences tailored to empower women in leadership positions as they navigate career transitions. The primary objective of each program is to enhance the leadership capabilities of female talent by helping them recognize and optimize the value and unique perspective they bring to the company and their teams.

A key component is to provide tools and resources women leaders can use to face challenges they may encounter. This includes cultivating professional networks within and outside the organization and crafting a personal brand they can employ to effectively exert their influence. Participants also continue partnerships within a high-level peer group consisting of multidisciplinary and cross-industry global leaders following program completion. This diverse network of peers provides a platform for knowledge sharing, learning and professional development.

To date, more than 235 Eastman women at the professional level have successfully completed Signature programs, with a significant number of them subsequently achieving and/or showcasing exceptional performance in leadership roles.

Leadership Exploration and Development program accelerates racial and ethnic diversity in leadership

Leadership Exploration and Development (LEAD) program is an extensive 16-month learning journey designed to support our diverse and underrepresented talent in their pursuit of advanced leadership roles. It is a combination of a structured curriculum, workshops, coaching, networking events and individualized skills development to broaden participants' critical leadership skills and provide visibility and access to senior leaders. The program has a capstone project in which cohorts demonstrate mastery of their newly acquired capabilities. The capstone is championed by a senior leader and centers on a real-world business challenge, giving the team an opportunity to use their leadership, research acumen, planning and management. Its final stage highlights the roadmap, process and outcomes in an oral presentation to the executive team. Overall, the LEAD program is aimed at cultivating a pipeline of diverse and talented leaders by providing a comprehensive curriculum, valuable experiences, and preparation for career advancement.



"Improving diversity in leadership across our workforce is a gradual process. While acquiring talented individuals is crucial, nurturing and developing the capabilities of talent within Eastman is equally important. To foster the growth of our talent, it is vital to provide them with the necessary support to excel with confidence."

**Jasmine Crumsey Forde
(she/her/hers)**
**Talent Development and
Sustainability Manager**



"We wanted to educate leaders to encourage their people to bring their authentic selves to the table and contribute ideas," Carberry said. "It made a difference. There's been a real change."

Leslie Carberry (she/her/hers)
Product Manager, Plastics



A model for progress

Plastics division doubles number of women in leadership roles

Leslie Carberry's time in Eastman's plastics division has provided her with a distinct perspective. "The landscape looks different than when I got here in 2019," said Carberry, a product manager for plastics. "This organization is a prime example of an Eastman team that formed an intentional approach to increasing diversity in leadership and delivered remarkable progress."

In the last three years, the number of women in leadership roles in the plastics division has doubled.

"A thing that really interested me about coming to plastics was that even though there wasn't a lot of female leadership at the time, the organization's leadership recognized that by adding gender diversity, we could boost our performance," Carberry said, citing Division President Scott Ballard's approach to hiring and promotions. "Scott has made a concerted effort to ensure we are marketing our jobs to both male and female candidates. We are not making hiring choices based on gender but rather ensuring all qualified candidates undergo a fair and equitable recruitment process free from biases."

Marti Harrison, human resources director for plastics, said the division's rapid growth in the past three years presented an opportunity.

"There is a real partnership between the plastics leadership team, HR, talent acquisition — everyone works together to lean in and say, 'Let's make sure we have a pool of candidates that are well qualified and that we're seeking talent in places we haven't before,' Harrison said. "Another thing continues to make a difference. When we started this effort, all hiring managers went through unconscious bias training. And we made sure that we had a diverse interview team, even reaching outside the plastics division to reinforce this approach as we built the interview teams. That's become our standard practice and has made our hiring process stronger."

An inclusive, global view

Naia™ team sees I&D as critical to building a stronger team

The inclusion and diversity of the Eastman Naia™ team was captured perfectly in one presentation slide used by Ruth Farrell at a team town hall late in 2023.

The Eastman textiles leadership team is comprised of an equal mix of women and men with team members of seven nationalities spread across six locations.

As general manager of Eastman textiles, Farrell leads our Naia™ team. Guided by a goal to make sustainable textiles accessible to all, the business established Naia™ sustainability goals, including I&D goals, in 2020. Over the past two years, the percentage of women in leadership roles has increased by 50%.

Eastman's fibers division established an I&D council two years ago and keeps I&D centrally focused, from recruitment strategy to leadership team building. The business remains on track for its goal to annually publish and commit to improving its inclusion and diversity profile.

North American region



Latin American region



Europe, Middle East, and Africa region



Asia Pacific region



"Our team has a truly global view – working together is culturally enriching, everyone comes with different experiences," Farrell said. "We have a huge amount of respect for each other and our diverse perspectives bring unique ideas and thinking. Together we are stronger and have a lot of fun, too!"

Ruth Farrell (she/her/hers)
General Manager, Textiles

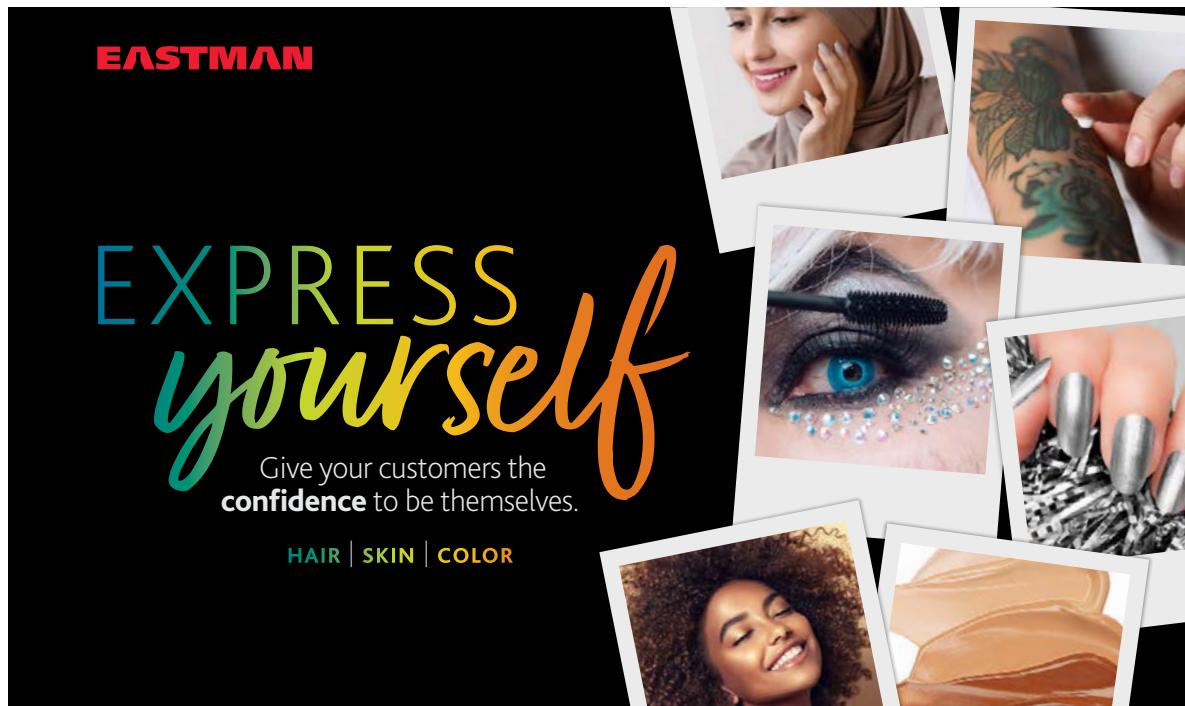


Express yourself: Marketing specialty cosmetics ingredients for everyone

Eastman's portfolio of specialty ingredients empowers formulators to create products that meet emerging consumer expectations for beauty, sustainability, comfort and self-expression. With that in mind, the Eastman care chemicals team saw an opportunity to market to all cosmetics consumers without being limited to a single characteristic, group or preference.

Eastman's "Express yourself" marketing campaign challenged the team to redefine the beauty narrative at the New York Society of Cosmetic Chemists (NYSCC) Suppliers' Day and at in-cosmetics Global trade show. It promoted the technical attributes of Eastman personal care ingredients through a sample kit of inclusive formulations, including a halal hair pomade, a tattoo protection sunscreen stick, a makeup foundation in various skin tones, a gender-neutral brow gel and colorful mascara.

More than 100 sample kits were given to trade show visitors, and the campaign was welcomed by brands looking to increase their I&D strategies. Following the shows, 252 people registered for the "Express yourself" webinar, representing brands, contract manufacturers and labs around the world who wanted to learn more about the Eastman portfolio. The campaign has identified 365 potential customers.



"We took a new approach to this campaign — one that was bolder than anything Eastman had done before. 'Express yourself' helped us show cosmetics brands the many ways we can help them reach all customers, no matter how they define 'beauty.'"

Fernando Sanchez (he/him/his)
Marketing Innovation Director



Sandeep Bangaru: Inclusion and empathy are critical to build circularity

The world has a plastic waste problem that is exacerbated by the fact that the basic recycling method most of the world has used for decades, mechanical recycling, can't recycle most kinds of plastic. Eastman is delivering a solution now: molecular recycling. Our advanced form of recycling can process that hard-to-recycle plastic, complementing mechanical recycling and enabling us to set a goal of recycling 250 million pounds of plastic by 2025 and double that amount by 2030.

Molecular recycling, which takes materials that have historically been landfilled or incinerated and transforms them into new materials that can be reused again and again, is still in its nascent phase. Remaking the recycling system will take the right people — and a lot of them. It will require talent with a diverse set of skills to support its development and advocate for the transformation to a circular economy.

"On so many fronts, what we're trying to do in building this circular economy is blazing new ground," said Sandeep Bangaru, vice president of our circular platform. "From a public policy perspective, where we're adopting something new that promotes outcomes that are really good for the environment, this would seem pretty straightforward. But it's surprisingly hard because there's no playbook. When it comes to developing the ecosystem of waste collection and sortation and the end-market demand for circular products and new business models, there's so much new going on in all of this. We don't have a reference for what good looks like because it hasn't been done before."

"With everything so new, the circular platform is a space where diversity of thought and perspective is incredibly important. When we're in brainstorming or workshops, if we're only collecting the ideas of senior leaders in the corporate headquarters, the same voices or the loudest voices or the same teams, I think we're destined not to succeed. We must have diversity of thought."



"This is about innovation. And I think, fundamentally, innovation is about solving consumer needs. It takes empathy to understand that consumer need, which comes back to perspective. I do think that valuing diverse perspectives is incredibly important to being able to relate to and have that empathy for a variety of different needs. That's where inclusion — listening and taking into account all of the voices at the table — is critical and a huge opportunity for us with the circular platform."

Sandeep Bangaru (he/him/his)
Vice President, Circular Platform

Our communities



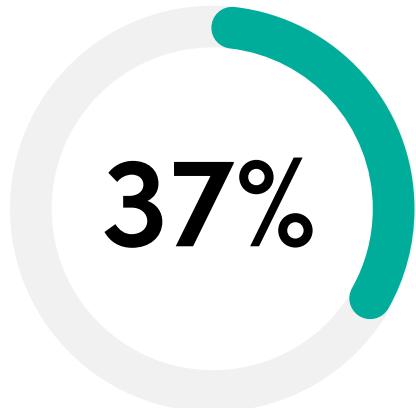
Eastman Resource Groups

Eastman Resource Groups (ERGs) help build awareness and understanding of the value and unique qualities of the diverse team member populations across our company. They are vital to achieving our I&D strategic pillars and creating an inclusive culture.

ERGs have been well established for several years, and in 2022, we focused on elevating and celebrating these groups. We provided our ERG leaders with the tools needed to examine their approach and mindsets when developing strategy to focus on maximizing resources on high-priority, high-impact efforts.

We witnessed significant progress. ERG membership increased 37% in 2022, and member engagement increased by 8%. We established new global chapters in India, Mexico and Brazil, and ERGs also augmented their strategies and structures to align to our company's I&D strategy and support business priorities.

And our ERGs consistently demonstrate how Eastman people are committed to making a difference. Our resource groups were involved in numerous projects that positively impacted our communities, colleagues, families and friends.



37%

increase in global ERG membership in 2022



APEX

Accelerates Eastman's growth by promoting inclusion, representation and empowerment of Asian and Pacific Islander team members and allies



CATALYSTS

Catalyze equity and inclusion of women+ throughout Eastman



CONNECT

Promotes the inclusion, development and advancement of African American and Black team members throughout the company



EQUALITY

Ensures LGBTQ+ team members and their allies are visible, fully accepted and empowered to be authentic in all aspects of employment



EVETS

Supports an environment where military veterans and active reservists are fully engaged and their unique skills are integrated and valued



MOSAIC

Leverages the unique backgrounds, skill sets, and talents of Latinos and Hispanics to drive innovation and business growth

APEX



APEX expanded and focused on global inclusivity with efforts to grow in the Asia Pacific region and North America, adding a second chapter in Martinsville, Virginia, and creating a new strategic pillar: community influence. The group held more than 35 engagement opportunities, including a Lunar New Year celebration and sponsorship of the Tri-Cities (Tennessee) Chinese Association New Year's celebration in collaboration with the Tri-Cities (Tennessee) Chinese Association, an Asian cultural day at an elementary school, and an AAPI heritage month global celebration to attract and develop talent and enhance its presence in the community.



Catalysts

This year, Catalysts support for and empowerment of women was felt at a host of events around the globe. Women's History Month and International Women's Day global events included a global leader panel. A new chapter was launched in Hyderabad, India, and additional chapters are in the works for Latin America and other U.S. sites. In the Kingsport community, Catalysts members participated in a Habitat for Humanity home build for a single mother, as part of the community and culture initiatives.



Connect

Members of Connect participated in the Martin Luther King Jr. Parade in Longview, Texas, and Kingsport, Tennessee. In five cities — Kingsport; Martinsville, Virginia; Springfield, Massachusetts; and Longview and Texas City, Texas — the ERG held the annual Black History Month Oratorical Contest for high school students. Connect also sponsored Juneteenth celebrations in Kingsport, Martinsville, Longview and Texas City. Connect members developed robust mentoring programs for students at historically Black colleges and universities and participants in the Future of STEM Scholars Initiative (FOSSI). They also played key roles in a visit to the Martinsville site by North Carolina A&T students.



Equality

This year, Equality focused on creating a culture of belonging through global events that humanized the rich texture of the LGBTQ+ community, such as the panel discussions "LGBTQ+ Identities and Family Dynamics" and "National Coming Out Day — Coming Out at Work." Eastman is the title sponsor of the TriPride Festival in the Tri-Cities in Tennessee, One Love Longview in Texas and Pride East Texas. With the support of Equality's Longview chapter, Eastman Longview received a lifetime achievement award for its commitment to inclusion and diversity. Equality was named Eastman Resource Group of the Year in 2022.

EVETS

EVETS held its annual Supplies for Soldiers drive in late 2022 and collected more than 50,000 donated items from Eastman team members and the community. Supplies for Soldiers shipped 541 boxes to support 315 deployed U.S. service members who weren't able to be with their families during the holiday season. As part of its mission to create an environment where military veterans are fully engaged and their unique skills are valued and integrated, veteran self-identification increased by 250% in 2022.

Mosaic

Mosaic led a toy drive for the nonprofit Asociación Mexicana de Ayuda a Niños con Cáncer, I.A.P. (AMANC), which provides free and comprehensive support services to underprivileged children and adolescents battling cancer. Mosaic members in Longview provided both financial and in-kind donations as well as volunteer support for a number of community organizations, including the Asbury House Child Enrichment Center and the East Texas Literacy Council. Mosaic members in Kingsport support their local community by volunteering as translators and interpreters for area schools as well as showcasing Latinx culture through booths at area cultural festivities such as Fun Fest and the Latino Corazon Music Festival. In response to Hurricane Fiona, Mosaic partnered with the Eastman Foundation to donate \$50,000 in relief funding to nonprofit organizations in Puerto Rico.

Strengthening strategies

Eastman's ERG leaders have embraced new practices that have sparked renewed enthusiasm and dedication to fulfilling their I&D objectives.

Within the ERG communities, there is a shared commitment to address unconscious bias, foster an inclusive culture, build inclusive teams and accelerate diversity in leadership. However, each ERG had its own unique approach to achieving these commitments.

Recognizing the need for a unified effort, the ERG leadership collaborated to identify their priorities, align with Eastman's overarching corporate I&D strategy and maintain a focus on innovation and safety.

With a shared playbook and the same tools, leadership capabilities increased. This unity allowed leaders to maximize existing resources, resulting in a more significant impact while also effectively delegating priorities to their membership. The new practices have enhanced creativity and reduced burnout, empowering leaders to perform their professional roles while serving as catalysts for action.



“Our strategic alignment is paying off! Collaboration within and across our ERGs has seen a significant impact. By working together toward common goals, we've boosted our efficiency, productivity and consistency. We're focused on building engagement, advocacy and community. Globally, 100 leaders are driving our mission of catalyzing equity and inclusion of women+ throughout Eastman. We're proud of our Catalysts team and dedicated to the sustainability of our ERGs.”

Kara Wilson (she/her/hers)
Organization Effectiveness Consultant

Intern to APEX cofounder

At her intern orientation in 2018, Stephanie Yeap learned about Eastman Resource Groups and their mission to create an inclusive culture and help underrepresented groups grow professionally. While they ranged from serving the LGBTQ+ community to African Americans to military veterans and more, there wasn't a group for the Asian and Pacific Islander community.

"I'm used to being one of a few, if not the only, Asian person," Yeap said. "In that moment, it felt like more of the same."

So she did something about it.

She began asking around to learn how to start a group and get people on board. Along the way, she found others with the same goals. When COVID-19 began and incidents of Asian hate escalated, they were more determined than ever to create a safe community. In 2021, the Asian and Pacific Islander resource group, Asian Pacific Excellence (APEX), was created.

APEX refers to being at the top of something. Its mission is to help Asians and Pacific Islanders reach their career potential and to educate, connect and celebrate people in that community. APEX organizes community outreach, cultural events, educational chats and trivia events.

"APEX has really helped me tenfold to embrace my identity and better understand my community, because I didn't really get to grow up with the large Asian community," Yeap said. "The best benefit of all is that I am able to actually embrace my culture. Now, I actively consume Asian media like movies, music, TV shows, books and local cultural events." [Learn more.](#)



"The thought to create a community started from day one as an intern to when I joined the company as a full-time employee. I really cared about inclusion and diversity, but could tell there were a lot of hurdles we would have to overcome to get to where we wanted to be."

Stephanie Yeap (she/her/hers)
Senior Data Scientist



Expanding global reach

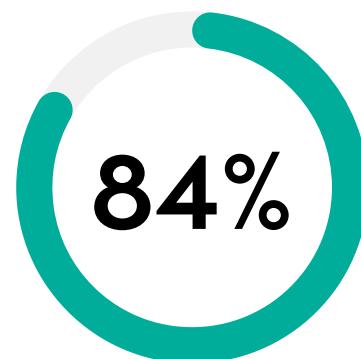
The global expansion of the six Eastman Resource Groups (ERG) continues. The launch of a Catalysts chapter (women+ ERG) in India and Mosaic chapter (Hispanic and Latino ERG) in Latin America over the past year contributed to an 84% increase in non-U.S. ERG membership in 2022.

"The goal of ERG chapters is to foster belonging at the site-specific or regional level," said Emily Smith, inclusion and diversity program manager. "Events are hosted to spur cohesion and awareness across cultures," she said, pointing to a recent Pride Month cake-decorating contest in Europe as one example.

"They build a sense of connection among team members in a location while building international connections through the global ERG membership," she said.

Resource groups help Eastman team members participate in and, in some cases, lead new initiatives, according to Ana Martinez Orozco, HR manager for our sites in Mexico. She credits the groups with helping her team evolve along with the culture, which ultimately bolsters morale and retention.

"ERGs also provide cultural education and awareness, both for members and group allies," Smith said. "Those allies can take part in global events that welcome all Eastman team members and show us how their co-workers worldwide live and work."



increase in non-U.S. ERG membership in 2022.



"We want to create a great environment and a great culture, and the ERGs really help with that. Also, it gives people a purpose. It isn't just about working in a company. It's also to connect — to integrate. I've seen also how the top leaders are engaged. That's important."

Ana Martinez Orozco (she/her/hers)
Eastman HR Manager in Santo Toribio, Mexico



OUR COMMUNITIES

Where we work

Growth at Eastman's Hyderabad Operations Center (HOC) has accelerated in recent years. That surge has ignited a recent wave of innovation under the leadership of Swaroopa Rani Akula, head of HOC.

HOC serves as a shared services center for our global company, supporting various functions such as information technology, finance, supply chain, procurement and engineering. Over the last eight years, the HOC office has grown from 4 to more than 450 team members and is a microcosm of the global organization. The team expansion created opportunities to evolve as strategic development partners.

These initiatives have shifted from transactional connections based on function to a more cohesive vision for HOC. Team members are now actively engaged beyond their individual roles and contributing to cross-functional solutions for the organization, most recently through strategy day, dedicated to collaboration and alignment.

With 21 years of industry experience building high-performance cultures, Akula is passionate about inclusion and diversity. She not only serves as an advocate in this space but also focuses on developing leaders who can be strong advocates within their teams through coaching, mentoring and creating a robust network. One specific area of focus is the advancement of women at all levels of the organization, supported by the newly established Catalysts Eastman Resource Group chapter at HOC. A part of its mission is to catalyze equity and inclusion of women+ throughout Eastman, focusing on building engagement and a culture of advocacy.

This transformation is cultivating a high-performing culture of inclusion, where every individual can thrive and contribute their best. By fostering a supportive and inclusive environment, HOC team members are reaching new heights of success and achieving extraordinary results together.

The HOC leadership team initiated several key projects, including:

- Talent development programs focused on enhancing skills and capabilities
- Establishing a psychologically safe culture of feedback and recognition
- Elevating Eastman's brand presence
- Introducing Eastman Resource Groups
- Increasing operational efficiency in alignment with Eastman's efficiency and effectiveness focus



Swaroopa Rani Akula (she/her/hers)
Head of Hyderabad Operations Center





"I've found ways to actively plug into the community to enjoy all that it has to offer and to give of my time and talents to make it even better. Our community is only as strong as those who occupy it."

Derika Vidale (she/her/hers)
Digital Manager of Sustainability

OUR COMMUNITIES

Community focus and impact

Derika Vidale, digital manager of sustainability, exemplifies our commitment to sustainable communities.

Derika participated in Leadership Kingsport (Class of 2023), a development program hosted by the Kingsport Chamber of Commerce since 1983. The program aims to improve community involvement by graduating more civic-minded students. Derika graduated with a new perspective on Kingsport, becoming a well-informed and more active citizen with opportunities to contribute to its future.

The experience of Leadership Kingsport allowed Derika to meet new people, visit new places and learn new things, which inspired her to become more engaged in the community. Her increased patronage of local small businesses, more avid support of the agricultural-rich community and local farmers, and regular volunteerism at the food bank are a few of the ways she went from just existing in Kingsport to actively living in Kingsport.

Derika was chosen to give the graduation remarks, an honor given to the person best exemplifying the transformational attributes of the program. In her address, she said, "I recall hearing many of our classmates speak about how they loved it here. I, too, wanted to feel the same way, so I decided to use my Leadership Kingsport experience to see the city through their eyes."

Her experience in the program delivered on that goal. She encouraged fellow classmates, community members and Eastman team members to get out of their comfort zones, expand their horizons and realize that they'll get out of the community what they put into it. She credits Leadership Kingsport with helping her uncover her purpose in the community.



OUR COMMUNITIES

S.A.F.E. pledge

In 2022, Eastman signed the S.A.F.E. pledge in Kingsport, Tennessee, as part of our commitment to foster a more inclusive community that treats everyone equally, regardless of race, color, national origin, age, sex, sexual orientation, gender identity, cognitive and physical abilities, or belief system.

Supporting Acceptance For Everyone (S.A.F.E.) — created by the nonprofit Diversity, Equity & Inclusion (DEI) Alliance of Northeast Tennessee and Southwest Virginia — is a registry of regional businesses and organizations that pledge to honor and promote the principles of diversity, equity and inclusion.

S.A.F.E. intentionally seeks out and highlights businesses and organizations that value and practice DEI principles so marginalized people and their allies are better able to choose establishments that align with their values and provide a safe space.

Whitney Holt, global public affairs representative and Equality ERG chairperson, summed up what signing the pledge signals. "Inclusion cannot stop at the Eastman doors. Signing the pledge told the region that Eastman means what it says about its inclusion and diversity efforts and ambitions."

In 2023, Eastman took further steps to support the pledge by working with the DEI Alliance to develop a toolkit for community leaders that provides resources and guidance on how organizations can support the S.A.F.E. program.

Eastman supports HBCU students, FOSSI to fill talent pipeline

Mark Costa has an eye for talent and understands its importance to innovation and technological advancement. Costa, the board chair and CEO of Eastman, believes the Future of STEM Scholars Initiative (FOSSI) is critical to widening the pipeline for top talent and increasing the inclusion and diversity that is vital for innovation.

Created in 2020, FOSSI provides scholarships to students pursuing STEM degrees at historically Black colleges and universities (HBCUs).

"FOSSI's role in clearing pathways to ensure the workforce of the future includes STEM talent from underrepresented groups is vital to delivering technological advancements in the chemical and materials sector," said Costa, who assumed the FOSSI vice chair position in early 2023. He will become chair in 2025.

The Eastman Foundation's financial support of FOSSI and HBCUs is rooted in the belief that everyone should have the opportunity to pursue a STEM (science, technology, engineering and math) degree. FOSSI was created in response to a recognized lack of diversity in the chemical industry. Established by the HBCU Week Foundation, the American Chemistry Council and the American Institute of Chemical Engineers, FOSSI provides \$40,000 scholarships to students pursuing preferred STEM degrees at HBCUs. The program also offers leadership development, mentorship and internship opportunities. To learn more about FOSSI and applying for scholarships, visit www.FutureOfSTEMScholars.org.





Our commitments



We commit to:



No differences in promotion or turnover rates across key demographics



Continue to ensure pay equity (audited by third party) and no differences in inclusion scores across key demographics



Continue to focus on increasing the representation of racially and ethnically diverse employees



Continue to focus on increasing the representation of female team members



Continue to remove barriers to inclusion for LGBTQ+ team members



Global recognition

Eastman's efforts to foster inclusion and diversity have been recognized by premier organizations around the world. Following are some of the awards we received recently. Click the logos to learn more about why we were chosen. If you're reading this on paper, please visit the rating organization's website.



Global recognition



Minority Engineer Magazine Top 50 Employer

2022 Readers' Choice Award for positive working environment for engineers who are members of minority groups and diverse cultures



America's Most Just Companies 2022

Ranked 97 overall and No. 3 in the chemical industry for commitment to addressing key environmental, social and governance issues



HRC Foundation Best Places to Work for LGBTQ+ Equality 2022

Scored 100 for corporate policies and practices related to LGBTQ+ workplace equality



Brandon Hall Award

A gold award of excellence for Best Learning Program in the Unconscious Bias Award category



2022 VETS Indexes Recognized Employer

For recruiting, hiring, retaining, developing and supporting veterans and the military-connected community



DiversityINC Noteworthy Companies

Awarded to companies whose data indicates they have the potential to make the DiversityInc top 50 list



2024 Military Friendly®

Awarded the 2024 Military Friendly Company designation for recruiting, hiring and training of veterans



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