

EASTMAN

A Better Circle

2023 SUSTAINABILITY REPORT



Report summary

At Eastman, sustainability is at the heart of our corporate strategy. This report is comprehensive in nature, and we invite you to dive in directly to the topics that interest you.



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Who is Eastman?

BUSINESS SEGMENTS

Additives & Functional Products

Advanced Materials

Chemical Intermediates

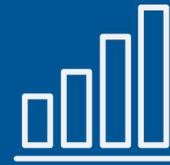
Fibers

GLOBAL HEADQUARTERS

Kingsport, Tennessee, USA



100+ YEARS
of innovation



\$10.6 BILLION
revenue in 2022



14,500
global team members



100+ COUNTRIES
where customers are served

2022 SALES REVENUE

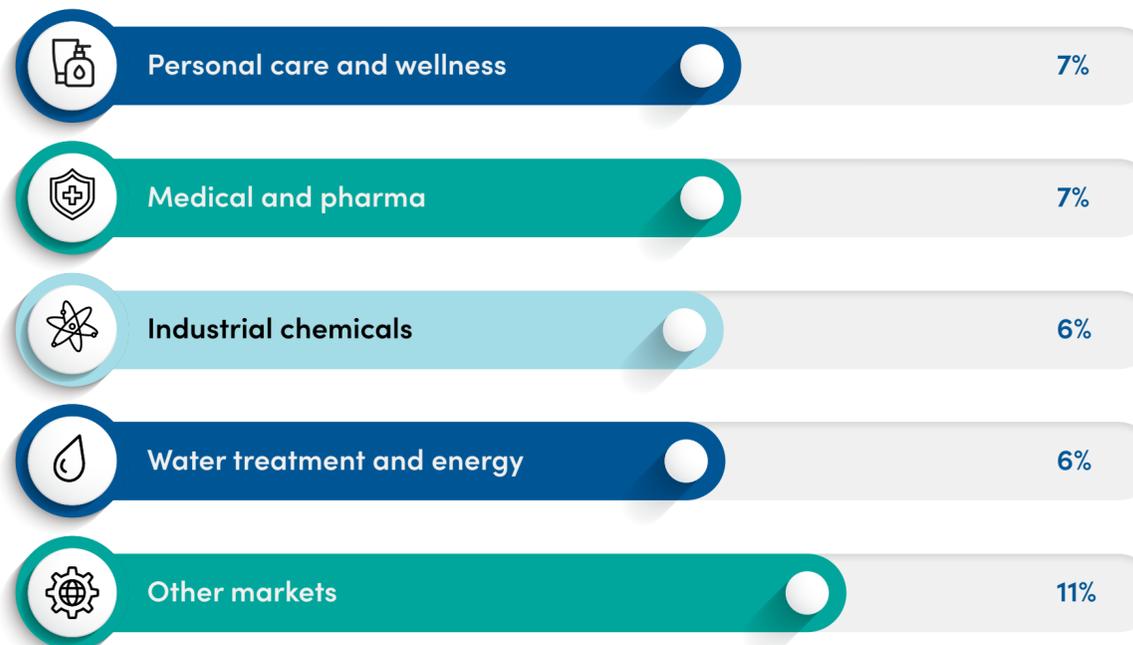
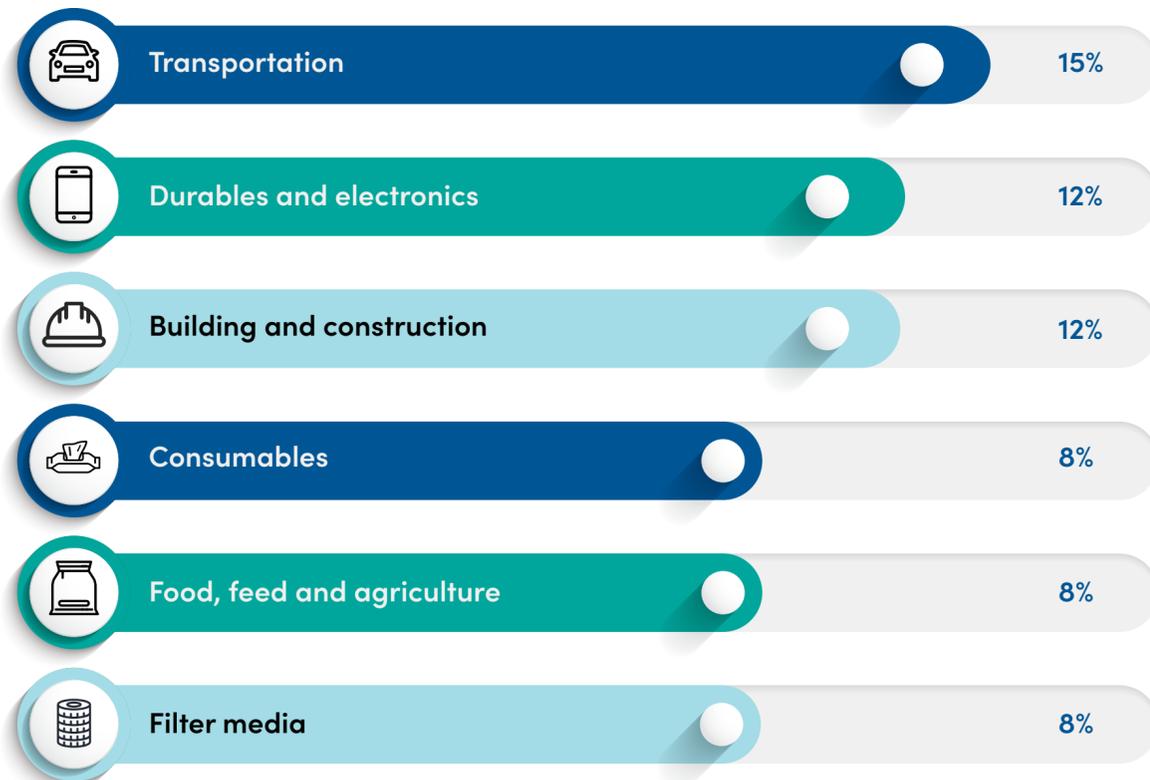
By region

North America | **\$4.7 billion**

Europe, Middle East, Africa | **\$2.8 billion**

Latin America | **\$616 million**

Asia Pacific | **\$2.4 billion**



AWARDS AND RECOGNITION

[Click here](#) to view a full listing of awards and recognitions.



LETTER FROM MARK COSTA

Progress on A Better Circle

We launched our updated sustainability strategy to build A Better Circle three years ago, and continuous, steady progress is yielding substantive results. I am excited to share that progress in our 2023 sustainability report, which offers results and key highlights that reaffirm our commitment to the principles of the United Nations Global Compact.

The power of Eastman innovation gives us the opportunity — and responsibility — to help create a more sustainable future for all. Global waste, climate change and caring for a growing society are among the greatest challenges our world faces, and our company is uniquely positioned to provide solutions that make a real difference.

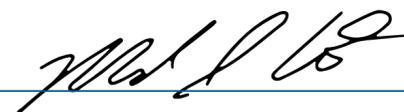
We are targeting the end of 2023 to begin operating one of the world's largest material-to-material molecular recycling facilities in Kingsport, Tennessee. We will recycle complex polyester plastic waste that would otherwise go to landfill or incineration. Instead of being wasted, these materials will become Eastman Renew products with certified recycled content — enabling us to make more sustainable choices for many of the products that touch our daily lives.

Dozens of major brands have already adopted Eastman Renew materials, and you can read about several of those successful partnerships in this report. As we make significant progress toward enabling a circular economy, we're investing approximately \$2.25 billion to build three molecular recycling facilities. In addition to the Kingsport plant, we plan to build a [facility in France](#) and another at a second U.S. site that will be announced before the end of this year. PepsiCo has agreed to purchase Renew materials from the second U.S. plant, and we are collaborating with some of the world's largest consumer brands for additional Renew partnerships.

We are continuing to make progress on our climate strategy. Driven by our goal to be carbon neutral by 2050, we continue to reduce our greenhouse gas emissions year over year and we increased our use of renewable energy in 2022. And our recycling technologies not only tackle the waste crisis but also produce molecular building blocks at an improved carbon footprint versus traditional processes, extending the benefit of reducing GHG emissions to our customers.

Plastic waste, climate change and caring for a growing population are challenges that are interrelated, and solving them takes bold action, perseverance and partnerships. Eastman's purpose to enhance the quality of life in a material way demands that we make a difference.

Eastman is taking action now to build A Better Circle — a better, more sustainable world. We look forward to partnering with all who want to join us in achieving that future.



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

Leading with sustainable materials

Q&A with Steve Crawford, Chief Sustainability Officer



You've spent your entire career at Eastman and witnessed the evolution of the company and industry. How does that influence your role as chief sustainability officer?

I'm proud to be part of a company that's more than a century old and has been at the forefront of many material innovations. Some of those have had great societal impact for decades. Those innovations include biobased cellulose that served emerging photographic, textile and medical markets; polyester polymers that revolutionized the textiles industry and enabled decarbonization in packaging; and polyvinyl butyrate for window films that helped make automobiles safer.

But it hasn't been without its challenges. Global competition intensified around 20 years ago and led to commoditization of many product lines in our industry. As a result, the industry became focused on lower product costs to compete. Lower cost to consumers should always be a focus, but this trend slowed new product innovation. Commoditization led to a stalled innovation pipeline for many established companies. Eastman wasn't immune. For more than a decade now, however, we've focused on major macro trends, which has led us to building an innovation portfolio that is sustainability driven — and the most robust in our history.

What has driven the increased focus on sustainability within our industry?

The world recognized the emerging great challenges to the planet and our quality of life. We call it the triple challenge — a nexus of climate change, plastic waste and caring for society. You see the climate impact every day in the news, and all industries will need to decarbonize. Modern society is built on a linear economy where we extract nonrenewable resources, make products and then discard them. Obviously, this isn't sustainable. Plastics are essential to decarbonization and to ensure we can both feed and hydrate the world, but we must reduce, reuse and recycle plastics to keep the carbon in use. At the same time, we also have to meet the material needs of a growing world population. These challenges are interconnected — we can't solve for one problem at the sacrifice of the other.

Leading with sustainable materials (continued)

Q&A with Steve Crawford, Chief Sustainability Officer

What does that mean for Eastman?

These challenges have reset the innovation entitlement for material producers, as the issues are best addressed from our part of the value chain. It's also reset our accountability — our moral obligation to deliver the needed outcomes. And, from our viewpoint at Eastman, our portfolio of products, technologies and site integration put us in a unique position to make a material difference with solutions that address the triple challenge.

Our Saflex™ interlayers help lightweight and strengthen glass to enable lighter vehicles, which increases fuel and battery efficiency and enables the automotive industry's conversion to EVs.

Our polyester renewal technology (PRT) uses polyester waste that mechanical recyclers can't process and converts it into durable polyesters for applications like medical housing, housewares, water bottles and tools. We plan to operate three new PRT facilities in the coming years. Our second molecular recycling technology, carbon renewal technology (CRT), takes mixed plastic waste headed for landfill or incineration and converts it to molecular building blocks used in sustainable cellulose-based materials. These materials are then 40% derived from waste plastic through CRT and 60% biobased from sustainably managed forests.

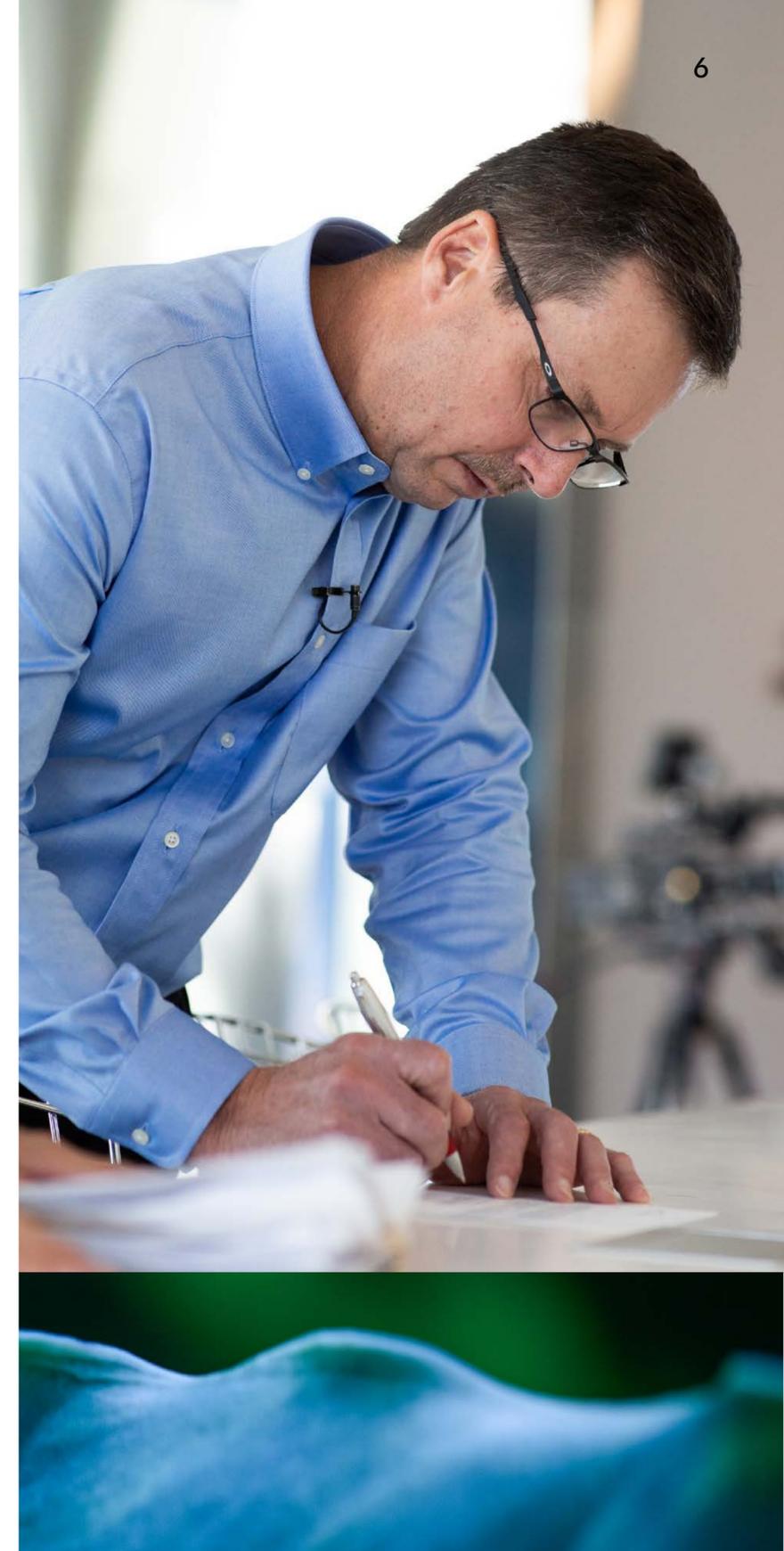
To care for society, we need to deliver safer products, which increases the importance of our portfolio of polymers, copolyesters, cellulose esters and polyvinyl butyral. Tritan™ copolyester is one of the world's most important material innovations of the past 20 years because it's a BPA-free plastic that can be used for years in durable applications. Our Eastman cellulosics products are inherently sustainable and biobased, enabling products like our Naia™ Renew for textiles and Aventa™ Renew. The latter is compostable, will not persist as microplastics and is produced from recycled plastic. This solution can reinvent the food service industry.

Can you describe what success will look like and the role ESG (environmental, social and governance) has in the strategy?

We have the opportunity to play a global role in resolving the most significant issues the world faces, and our team embraces this role. We're united by a collective sense of purpose that makes ESG the natural framework for our strategy, as it creates long-term value for all shareholders and leads to a positive impact on society. We need to be successful in all vectors of climate, circularity and caring for society, both in how we innovate and how we operate. If we drive these innovations, others will follow — and we will have had a material impact on quality of life globally and for generations to come. I'm confident the Eastman team will deliver. While our technologies, products and sites are unique, our most valuable asset is our people and the collaborative, inclusive and diverse culture that fuels our innovation capability.



Steve Crawford (he/him/his), Executive Vice President, Technology,
Chief Sustainability Officer and Chief Manufacturing Officer



Progress is essential for a fast-moving world



Chris Killian
Senior Vice President and Chief Technology Officer
(he/him/his)

Sustainable innovation is flourishing at Eastman.

Over the past year, we've increased our investment in growth portfolio programs tied to sustainability macro trends. Eastman established a target of 100% of our growth R&D aligning with sustainable macro trends by 2030, and we're on a pathway to meet that mark with a 5% increase in 2022 that puts us currently at 85%. Sustainability drives our innovation growth strategy.

In our report, you'll see a list of our top 10 growth programs for safe and sustainable materials in 2023. They all address at least one of three critical impact areas: mitigating climate change, mainstreaming circularity and caring for society. Many of these programs connect to more than one of these impact areas or even all three.

Sustainability is part of Eastman's legacy. For more than 80 years, we have been experts in cellulose ester technology, and this platform offers a tremendous avenue for growth and innovation and extends Eastman's circular offerings beyond just polyesters. In many forms, cellulose esters are biodegradable and compostable biomaterials with a strong beginning- and end-of-life value proposition. Examples of cellulose ester innovation include Naia™ for sustainable textiles, Aventa™ for food service and food packaging applications, and carbon renewal recycling technology.

We are also leveraging the world's newest technologies to speed up Eastman research and development (R&D).

Factors at the heart of what we do include:



Increasing recycled content



Developing compostable materials and increasing bioderived content



Reducing greenhouse gas emissions



Offering consumers products without materials of concern



Progress is essential for a fast-moving world (continued)

Over the past three years, we've embarked on a digital revolution at Eastman that is tangibly impacting material innovation. I'm excited about how we're using artificial intelligence to speed up the R&D cycle and increase efficiency. You can read about a prime example, [Tetrashield™](#) for safer can coatings, here in this report.

Technologies alone, though, don't produce substantive advancements — innovation occurs only with the right people. Eastman innovation is built on our world-class team, and we're constantly working to grow our capabilities and become even stronger. We know that inclusion and diversity of thought are vital to the generation and development of transformative innovation. One prime example of our focus on growth is closing an invention gap for women. A study by the World Intellectual Property Organization showed that at leading companies across our industry, including Eastman, there is a disparity between the percentage of women who hold technical roles in the material industry and the percentage of women who formally contribute to the invention process through patents.

The Eastman team is focused on what we must do, and will do, to close that gap. It's the right thing to do for equality and equity, and increasing the number of women in the invention process will have a multiplier effect on our power to innovate.

I'm excited about the Eastman of today and the future — excited about the richness of our innovation pipeline and about being part of a team and culture that embraces the challenge and opportunity of delivering solutions to an ever-changing world.

“Eastman has a strong innovation pipeline. It's inspiring to know that the materials and technology we're developing today can be applied to help solve big problems in the world. Eastman encourages everyone to participate in the innovation process. I'm personally excited to be part of a recent effort to understand and address a ubiquitous gap in the representation of women as inventors. I know that being recognized as an inventor matters. It's important in your own personal career development, and it can make you a more valuable team member. Inventions are one way to make the most of our innovation pipeline. Ultimately, inventions make Eastman a more competitive company, which is good for everyone's success.”

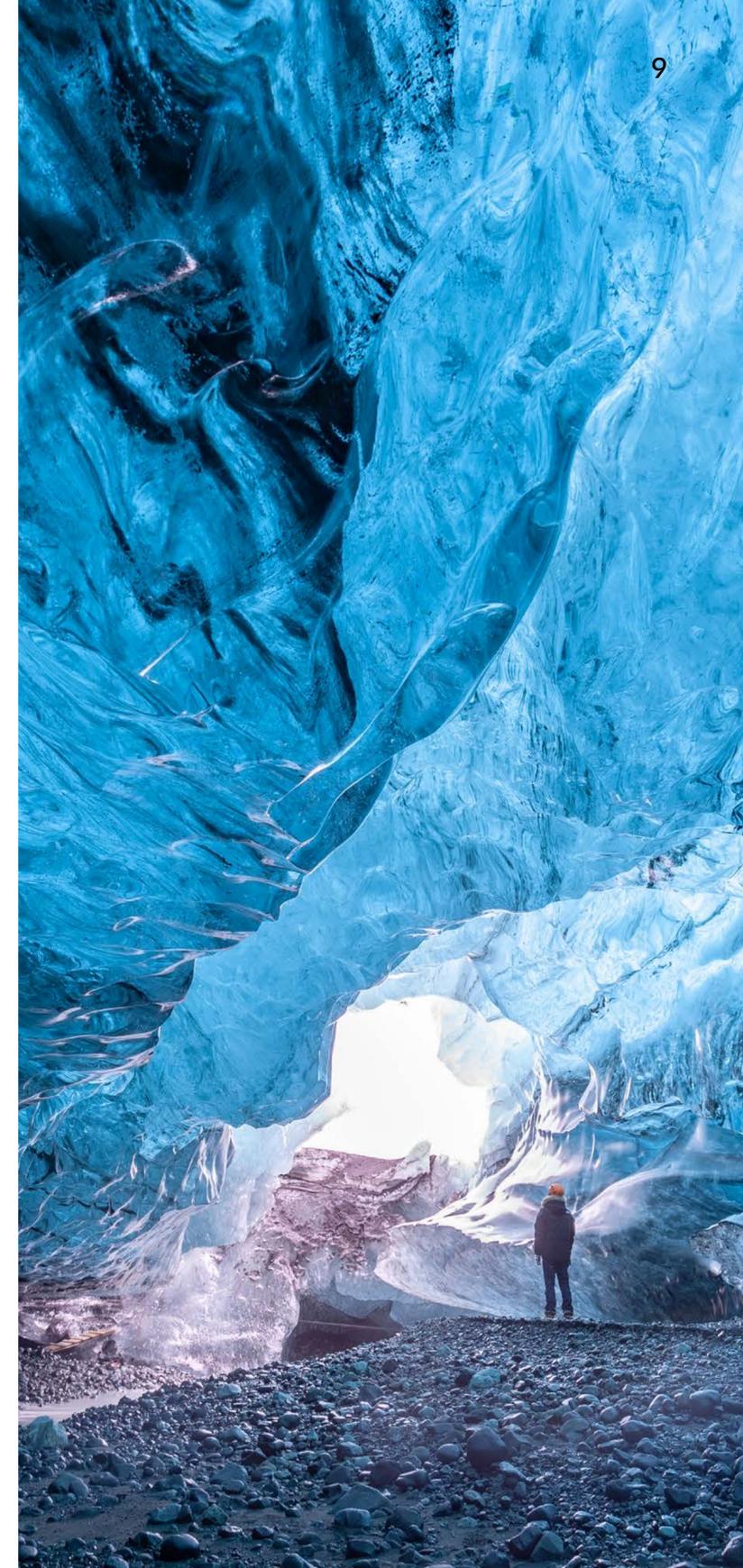


Stephanie Clendennen
Technology Fellow
(she/her/hers)

Innovation that converts market complexity into sustainable value

Business	Growth platforms	Mitigating climate change	Mainstreaming circularity	Caring for society
Advanced Materials	Specialty plastics circular solutions (Renew) • Kingsport methanolysis facility • Future France methanolysis facility • Future second U.S. methanolysis facility	✓	✓	✓
	Saflex™ PVB for head-up displays		✓	✓
	Saflex™ PVB for electric vehicles	✓		✓
	Window films	✓		
Additives & Functional Products	Tetrashield™ protective resin systems	✓		✓
	EastaPure™ electronic chemicals			✓
	Biodegradable microbeads for personal care		✓	✓
Fibers	Naia™ cellulosic fiber for circular textiles	✓	✓	✓
Corporate	Aventa™ compostable materials	✓	✓	✓
	Sustainable infrastructure (decarbonization)	✓		

With our new product and application R&D activities, we focus our investment on improving the sustainability profile over the current incumbent solution in the market. To accelerate our innovation pipeline, we have developed a deep understanding of how our products perform within our customers' product and across the value chain. This not only creates demand downstream by demonstrating the value of our innovation but also improves our understanding of the difference our products make in people's lives while having a positive impact on the planet.



Sustainability COE accelerates our progress

To help accelerate our progress on building A Better Circle, we leverage an Eastman sustainability center of excellence (COE). “Through the sustainability COE, we’re able to embed sustainability experts within our business teams to translate market trends and sustainability drivers into value through the lens of A Better Circle,” Laurel Baysal, director of sustainability, said. “This also drives understanding of global environmental and social issues and opportunities.”

Our COE uses a definitive strategy to build sustainability fluency across Eastman, strengthen the innovation pipeline and drive progress toward sustainability goals.

The sustainability COE led a project in 2022 that will have long-reaching impact on our innovation strategy — our company completed an assessment of our commercial portfolio to understand connections

to sustainability macro trends. These connections will be leveraged to further refine our portfolio. Baysal said the assessment was critical in ensuring every current and future innovation contributes to a sustainability macro trend over time.

The establishment of a COE encourages personal growth by every member of the sustainability team — which embodies our caring for society strategy. When asked why leading the Sustainability COE was important, Baysal said:

“Leading a team of change makers not only for the company but for sustainability efforts in general is exciting,” Baysal said. “I’m very invested in their development as it has a direct impact on the company, our businesses, our employees engagement and the future of our world!”

“My team had a campaign early in 2023 to make sustainability personal. We were asked to generate our personalized, six-word sustainability story. Mine was ‘My Actions, Their Future, Make Changes.’ It’s important for me to help my children understand that small changes we make today allow future generations to thrive. Eastman’s investment in sustainability and circularity demonstrates our investment in future generations!”

Laurel Baysal
Director of Sustainability
(she/her/hers)



COE

- Sustainability center of excellence (COE) instituted in 2021
- Focused on embedding sustainability in business strategy

Build institutional knowledge to develop sustainability fluency

- Train diverse teams and drive understanding of global environmental and social issues and opportunities
- Translate market trends and sustainability drivers into Eastman’s A Better Circle framework.

Translate insights into action

- Align businesses with market expectations
- Optimize product portfolio and positioning
- Stimulate innovation pipeline
- Identify workstreams and resources for execution

Establish feedback loops, accountability and valued partnerships

- Assess and manage commercial portfolio
- Assess sustainability for all innovation projects
- Monitor sustainability drivers in markets
- Establish milestones to ensure progress



SUSTAINABILITY COE

Naia™ sustainability strategy supported through collaboration with COE

Lei Ma, a member of Eastman's sustainability center of excellence, is based in Shanghai and connected with the Eastman textiles business to help drive sustainability strategy with Eastman Naia™ cellulosic fiber.

"I'm thrilled to work with the Naia™ team because they are a real pioneer for sustainability in textiles," Ma said. "The business leaders are all true believers in the sustainability of Naia™ fiber brand, so it's embedded in the business culture."

Our textiles leaders have established sustainability goals specific to Naia™ and are working with Ma to establish a decarbonization strategy that represents distinct proof points of the Naia™ commitment to be a sustainability leader in the textiles industry.

Ma said collaboration with Eastman's market research team has helped sharpen his understanding of consumer behaviors and preferences, which informs sustainability training he has led with brand customers in China and value chain partners.

"Sustainability strategy is integrated into the Naia™ offering as an added service, which helps strengthen the brand image and impacts business results. This helped accelerate adoption of Naia™ Renew," he said, referring to the sustainable fiber that is 60% sustainably sourced wood pulp and 40% certified recycled content.*



*Recycled content allocated via ISCC-certified mass balance approach.

"It's both professionally and personally satisfying to work with the Naia™ team. It's exciting to not only see the transformation within our own team but also to hear customers tell us that we're helping them accelerate their own journey."

Lei Ma
Manager, Sustainability COE
(he/him/his)



Governance

Listen

Materiality assessment

To best understand the highest-priority sustainability and ESG risks and opportunities that may have an impact on our company, Eastman actively evaluates potential drivers based on significant economic, environmental and social impact using stakeholder input.

Learn

Stakeholder inclusiveness

What Eastman learns from the input collected from both internal and external stakeholders, we validate against known sustainability and ESG frameworks such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), CDP, the Task Force on Climate-related Financial Disclosure (TCFD), and the United Nations Sustainable Development Goals (SDGs). Leaders across Eastman use this body of knowledge to inform and align our sustainability framework and corporate strategy.

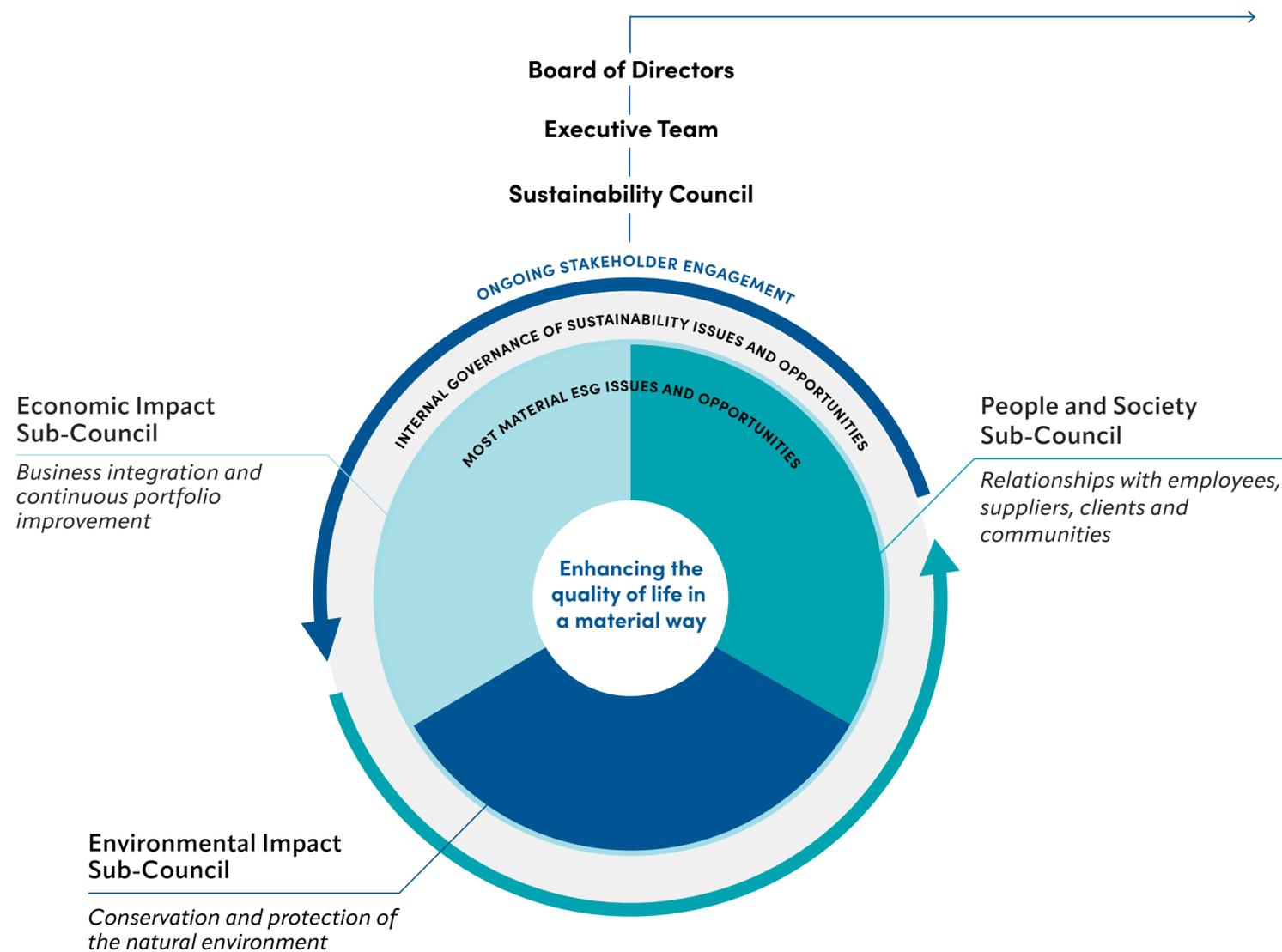
Lead

Sustainability and ESG frameworks

Eastman's purpose is to enhance the quality of life in a material way. For our key stakeholders, this report presents our sustainability performance and helps ensure progress toward our sustainability framework, A Better Circle. This framework dictates our 2025/2030/2050 goals and commitments while acknowledging and instituting change where we must do better.

SUSTAINABILITY GOVERNANCE

Governance of material sustainability issues and opportunities



BOARD OF DIRECTORS

Eastman is committed to strong governance

We remain committed to maintaining our strong corporate governance policies and practices while enhancing the transparency of our business. Integrated into our strategy are Eastman's ESG and sustainability initiatives.

Guiding this integration, the Environmental, Safety and Sustainability (ESS) Committee of the Board of Directors reviews with management and, where appropriate, makes recommendations regarding the company's policies and practices concerning health, safety, environmental, security, sustainability, philanthropy, public policy and political activities matters. This committee is chaired by Kim Ann Mink.

The board remains committed to maintaining a strong alignment between company performance and our executive compensation program and has taken greater steps to align the outcomes of the company's I&D, sustainability and ESG efforts with executive compensation as another measure of accountability.

[Click here](#) to learn more about how we govern material sustainability and ESG issues.

Materiality assessment



Eastman is data-driven in our identification and monitoring of material risk. In 2022, we updated our materiality matrix based on the importance our diverse set of external and internal stakeholders place on identified sustainability issues.

We prioritize these sustainability issues using Datamaran, software that enables a data-driven and dynamic process for ESG risk identification and monitoring. With Datamaran's patented technology, we harness innovation to gain a continuous, evidence-based review of ESG-related risks within our regulatory, competitive and operating contexts. Eastman uses Datamaran to aggregate and analyze public communications and disclosures from our top stakeholders, including customers, industries and peers, investors, media, policymakers,

regulators and suppliers. Datamaran also sends surveys to a targeted list of Eastman team members and the leaders of our Community Advisory Panels (CAPs).

We use the sustainability materiality assessment to identify areas of focus and refine our commitments. All 33 factors in this listening tool are important. Prioritization and effective management of these issues and opportunities are integrated into our strategy, business models, risk management and governance to drive continued progress. The results are considered in determination of the information included in our public disclosures, including this sustainability report, and ultimately drive the development of our A Better Circle framework.

See details on [Eastman's materiality assessment](#) on the next page.

Materiality assessment

Align business strategy with issues most important to stakeholders

HIGHEST PRIORITY

Relevance for stakeholder

- Transition to renewables and alternative energies
- Customer privacy and data security
- Natural capital
- Energy management

- Climate change and risk management
- Product design and life cycle management
- Public health risks
- Ethical corporate behavior
- Human rights
- Employee health and safety
- Water and wastewater management
- Waste and hazardous material management
- Air emissions
- GHG emissions
- Product and service safety and quality
- Sourcing efficiency and management
- Employee inclusion and diversity

- Ecological impacts
- Business model resilience
- Labor practices
- Workforce management
- Access and affordability
- Physical and sociopolitical risks
- Governance structures and mechanisms
- Management of local impacts
- Selling practices and product labeling
- Customer practices
- Competitive behavior

- Responsible consumption and production
- Transparency
- Community relations
- Management of the legal and regulatory environment
- Innovation and technology

Impact on Eastman

HIGHEST PRIORITY

Stakeholder engagement

Employees

The MyImpact platform, launched in 2021, enhances internal communication and education on Eastman’s sustainability strategy. Leveraged by our six Eastman Resource Groups (ERGs), it facilitates special events, volunteering and donation opportunities. Eastman also conducts pulse surveys to gather insights from our diverse workforce for integrating sustainability into our culture.

Customers

To fill our innovation pipeline, we prioritize understanding the value chain’s needs and expectations through our Sustainability center of excellence (COE). By actively engaging downstream, we identify the key sustainability drivers for our customers and deliver sustainable innovations to support their goals.

Communities

We regularly engage with Community Advisory Panels (CAPs) in our operating communities to address shared interests such as public health and safety.

Media

We communicate proactively through various media channels to reach our target audiences and ensure transparency. Eastman regularly monitors global traditional and social media to track sustainability-related issues and public sentiment. These insights inform our corporate strategy, which we share in leadership meetings and regular communications.

Investors

We actively engage with investors on sustainability issues through various channels, including our annual stockholder meeting and report, quarterly financial results, public webcasts and calls, SEC filings and other public releases, targeted ESG road shows, and in-person investor events.

Policymakers and regulators

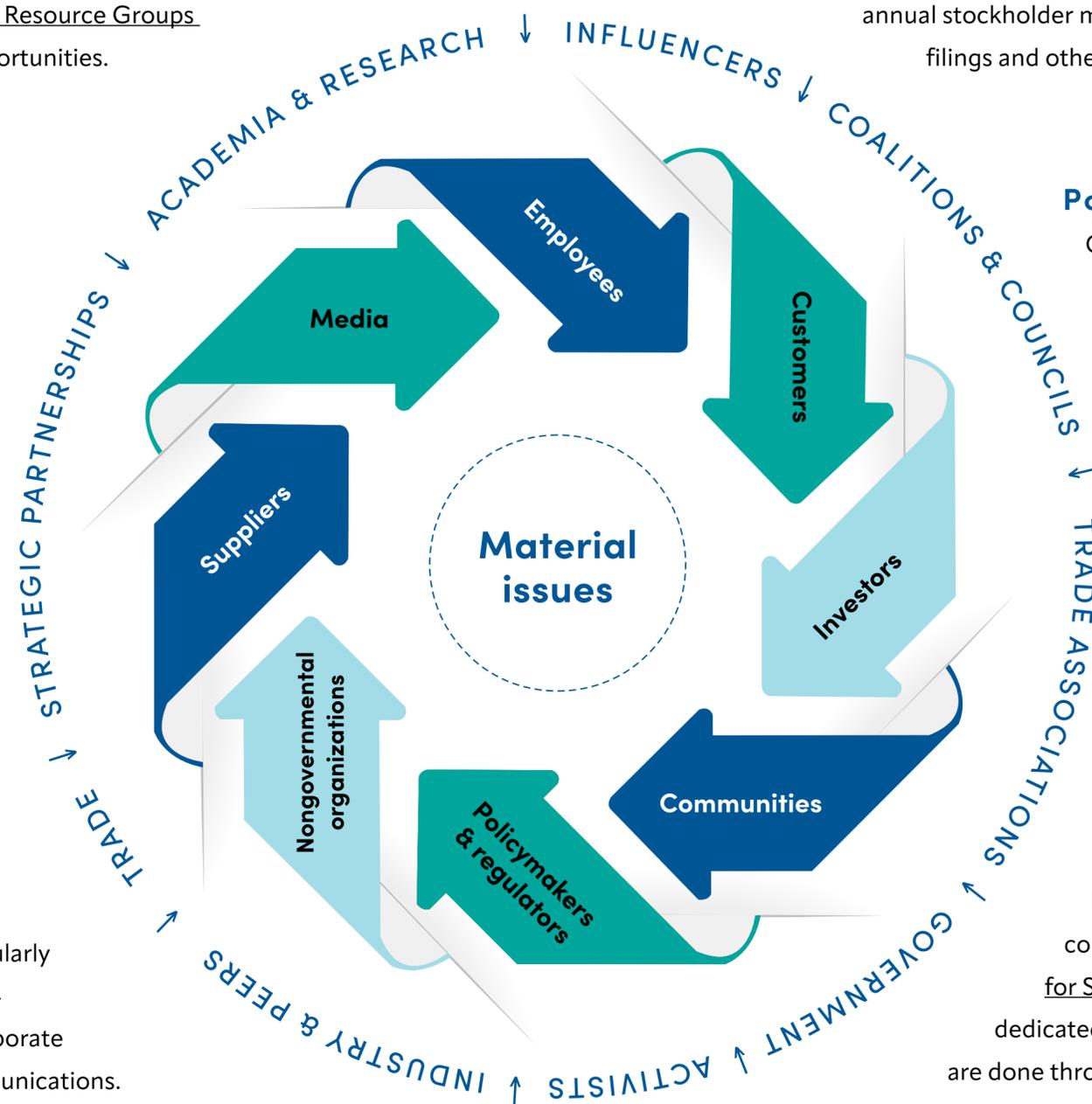
Our government affairs team engages directly with legislators on stakeholder concerns and issues that may impact our corporate commitments. This engagement emphasizes the importance of industry-wide collaboration in recycling, improving plastic waste feedstocks and more.

Nongovernmental organizations (NGOs)

Philanthropic partners and NGOs contribute knowledge to inform our sustainability efforts. For instance, the Eastman Foundation collaborates with organizations to enhance social well-being, environmental integrity, and economic success. Our circularity teams also engage with nonprofits like The Recycling Partnership to expand and improve recycling in the U.S.

Suppliers

Eastman actively engages with suppliers to assess their sustainability commitment and drive improvements. We are part of Together for Sustainability (TfS), a global network of chemical companies dedicated to enhancing supply chain sustainability. Supplier assessments are done through EcoVadis, and site audits are conducted as necessary.



Working to create A Better Circle

Sustainability is integral to our strategy, driven by innovation and focused always on people. Eastman has the responsibility and opportunity to lead, joining others to address climate change, mainstream circularity as an economic model and care for society.

Our goals:

Mitigating climate change

- Reduce our Scope 1 and 2 greenhouse gas emissions by one-third by 2030 to achieve carbon neutrality by 2050*
- 100% of NAR and EU purchased electricity will be renewable by 2030

We have also received [review-level assurance](#) in accordance with attestation standards established by the American Institute of Public Accountants (AICPA) over our Scope 1 and Scope 2 greenhouse gas emissions for the year ending in 2022.

*Results are reduction since baseline year

Mainstreaming circularity

- Recycle more than 500 million pounds (225,000 MT) of plastic waste annually by 2030 via molecular recycling technologies, with a commitment to recycle 250 million pounds (110,000 MT) annually by 2025

Eastman began commissioning and startup activities at our methanolysis plant in Kingsport, Tenn., in 2023. With capacity of approximately 220 million pounds (110,000 MT) of plastics recycled annually, the launch of this plant will further our ability to accomplish this goal. In 2022, we recycled 18.1 million pounds (8,000 MT) of plastic waste — a more than 40% increase from our 2021 volume.

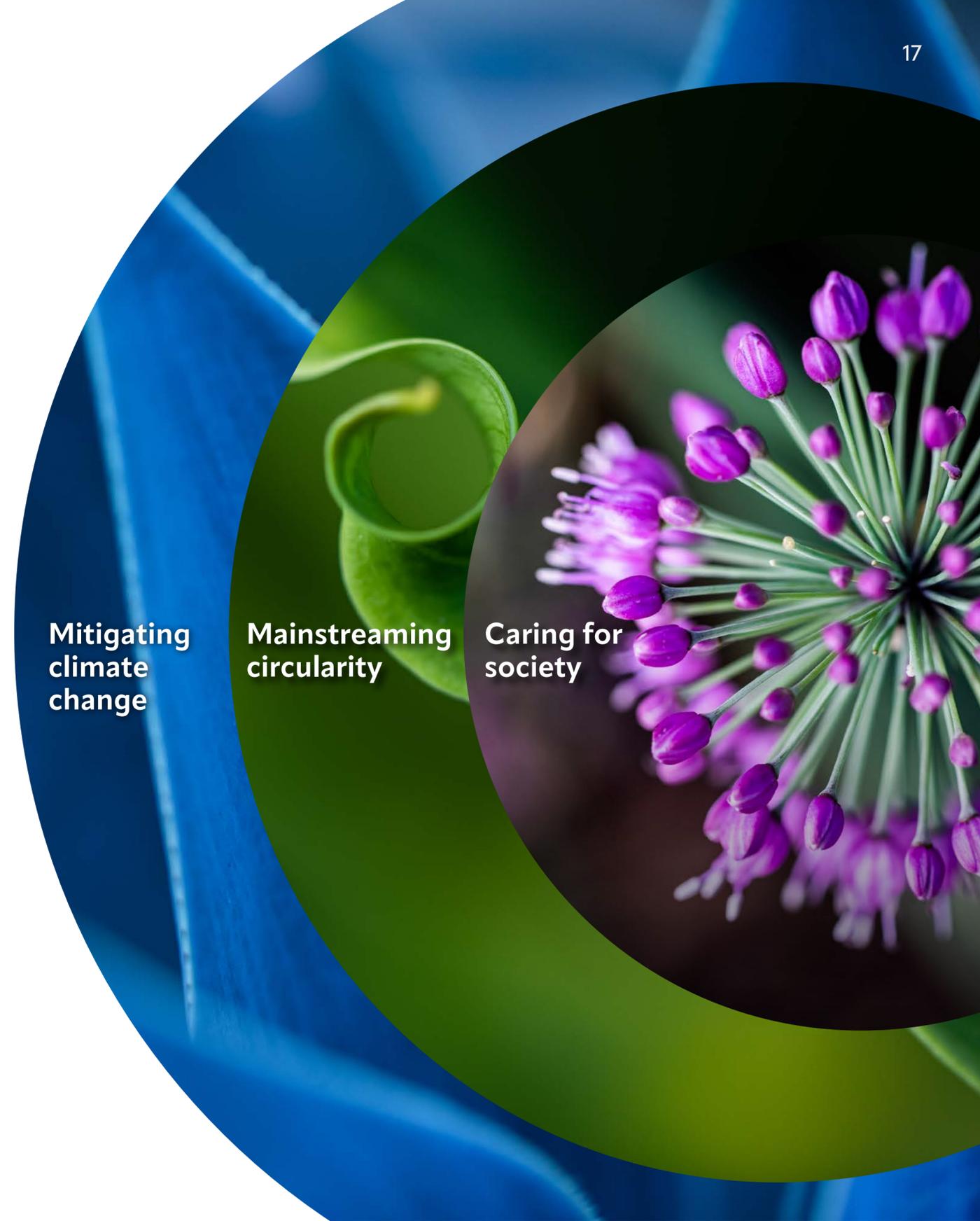
Caring for society

- 100% of growth R&D spend aligns with sustainable macro trends to create materials that improve the quality of life for people around the world
- Achieve gender parity in alignment with our commitment to Paradigm for Parity®
- Be a leader for U.S. racial equity within our industry sector

Target year	Results	
	2021	2022
2030	13.8%	16.3%
2030	10%	14%

Target year	2021	2022
2025	12.7M lb 5,500 MT	18.1M lb 8,000 MT

Target year	2021	2022
2030	80%	85%
2030	37%	38%
2030	13%	14%



Mainstreaming circularity

Governance

Eastman's circular economy platform has executive and senior-level oversight, with meetings on a regular cadence to review progress on our strategy as we grow the impact of our molecular recycling technologies.

Strategy

Eastman is prioritizing circularity in our strategy because the future of our planet depends on it. To do this, we must engage all stakeholders to ensure acceptance of material-to-material molecular recycling technologies and the necessity of a mass balance framework to help drive innovation more quickly.

Business risk/opportunity

As an industry leader, we are already at commercial scale with our molecular recycling technologies. Produced with plastic waste destined for landfill or incineration, this versatile, high-quality molecularly recycled material helps us and our value chains shift global product consumption to more sustainable materials without sacrificing performance.

Metrics and progress

Eastman is targeting operation of a new molecular recycling facility in Kingsport by end of 2023. By 2025, we expect to recycle 250 million pounds (110,000 MT) of plastic waste annually. In 2026/2027, we expect to operate two additional molecular recycling facilities and recycle 500 million pounds (250,000 MT) annually by 2030.



Materials for a sustainable future

MATERIALS FOR A SUSTAINABLE FUTURE

If we want to ensure a more sustainable world, we can't keep throwing it all away.

Society is wasting precious resources through the massive amounts of materials we use up and then dispose of through landfill or incineration. Plastic is one material that often becomes waste, and it doesn't have to be that way. Plastic is indispensable because it serves many important purposes, such as bottles for clean water, containers for fresh food and safe materials for medical devices. Unfortunately, little of it gets recycled.

Thanks to new innovations, including those at Eastman, we can change this — now. We are committed to leading and collaborating to create a circular economy for plastics where this vital material is used, reused and recycled.

How to make circularity mainstream

Circularity lies at the core of our strategy to make materials increasingly sustainable.

A circular economy focuses on making the most of the world's resources — minimizing waste and maximizing value by providing end-of-life solutions to reduce, reuse and recycle products and materials that typically end up in landfills and our waterways. It keeps materials in use and decouples growth from scarce resource consumption, allowing economic development and improvement in quality of life within natural resource limits.

We operate two recycling technologies that will alter the current state, where approximately 10% of plastics globally get recycled because the most common type of recycling, mechanical recycling, cannot process most plastics. Eastman's molecular recycling technologies process hard-to-recycle plastics and use the chemical intermediates — or molecular building blocks — to make new Eastman Renew materials with certified recycled content.*

Through innovation and collaboration, we can collectively make plastic waste a relic of the past. And we are also reducing our own carbon footprint because these technologies produce chemical intermediates with fewer greenhouse gas emissions than heritage processes that use only fossil feedstocks.

Polyester renewal technology (PRT) recycles complex polyester plastic like colored beverage bottles and other single-use plastic packaging, polyester carpet fibers and even polyester textiles used in clothing. We are the world's leading experts in methanolysis, the technology behind PRT. We practiced it in the 1980s recycling X-ray films, and we have retained that knowledge and built on it.

We are investing heavily in PRT too. On the next page, we highlight the three facilities that, once operational in the 2026/2027 timeframe, will process more than 300,000 metric tonnes of hard-to-recycle plastic waste with plans to increase that to more than 500,000 metric tonnes (>1 billion pounds) in successive development phases.

There are many types of plastic, and many are not polyester. That's where our second molecular recycling technology, carbon renewal technology (CRT), helps further close the gap. At our Kingsport, Tennessee, facility, we were able to reconfigure an existing asset to accept plastics waste as a feedstock via CRT.

CRT can recycle almost any kind of plastic, and it is critical to producing Eastman Renew versions of brands such as Aventa™ Renew and Naia™ Renew cellulosic fibers, which are 60% biobased from sustainably source trees and 40% certified recycled content from hard-to-recycle plastic waste. Neither persist in the environment as microplastics.

Aventa™ Renew is an exciting new material because it can also enable a circular economy by taking on a problematic waste sector: the quick-service food industry. Busy lives mean that many of us purchase food and beverages to consume on the go, and the items used to contain both are often plastic. Aventa Renew is a biobased material made from sustainably sourced trees and certified recycled content from molecular recycling. This material performs like plastic but is compostable — even in a backyard composter. So quick-service cups, cutlery and plates can be made from Aventa™ Renew, which can be composted to make new soil.

To learn more about Eastman's six principles to achieve a circular economy, [click here](#).

**Recycled content allocated via ISCC-certified mass balance approach.*

We're investing in materials for a sustainable future

Three planned molecular recycling facilities will help solve the plastic waste crisis.

We're showing the world what's possible through molecular recycling. Instead of plastic waste ending up in landfills, incinerators or the environment, it can be recycled and used over and over again.

That's a key part of building a circular economy.

We're committed to doing our part. Our new methanolysis facility at our Kingsport manufacturing site will be operational later this year. We plan to build two additional facilities, one in France and another in the United States. Altogether, Eastman will invest approximately \$2.25 billion in these three facilities.

We are leading the way in molecular recycling, demonstrating its potential to provide infinite life to complex plastics. Our cutting-edge technologies not only scale effectively but also prioritize environmental sustainability and the conservation of natural resources. By embracing molecular recycling, we envision a future where plastic waste is transformed into a valuable resource and feedstock, eliminating its status as mere discard.

The scale of the Kingsport facility enabled us to set our goal of recycling 250 million pounds (110,000 MT) of plastic annually by 2025. Procter & Gamble is among the leading brands that have committed to an offtake agreement for Eastman Renew materials produced from the Kingsport plant.

Our Kingsport location has been at the forefront of our circular economy platform since we commercialized molecular recycling in 2019, producing Eastman Renew products with certified recycled content* that have been adopted globally as a sustainable solution for reusable sports bottles and food containers, tools, eyewear, phone cases, apparel and more. Heritage products, which include Eastman Tritan™ copolyester for a wide range of durable applications, are produced here.

Sharing possibilities with the world

Our Kingsport facility will be one of the world's largest material-to-material molecular recycling facilities. The plant will use more than **110,000 metric tons** of polyester waste as raw material annually. The equivalent of:



11 billion
single-use water bottles



790 million
polyester T-shirts



2.7 billion
shampoo bottles

"It's exciting to see the hard work and dedication of so many people come to fruition in a facility that will have a profound impact on the world. By the end of this year, you will see the remarkable transformation of hard-to-recycle waste at one of the world's largest material-to-material molecular recycling facilities — a process that yields material indistinguishable from virgin production."

"The level of innovation and creativity involved in a project of this magnitude is truly inspiring. If it were easy, anyone could do it. We're fortunate to have a team with the knowledge and capabilities to accomplish something that has not been done before."



Scott Ballard,
Division President, Plastics
(he/him/his)



We're investing in materials for a sustainable future

(continued)

Our facility in France will be even bigger than its Kingsport counterpart. When fully operational, it will be able to process more than 200,000 metric tons of plastic waste a year. Several global brands have already signed letters of intent to leverage the output of Eastman Renew materials for more sustainable products.

We have also reached agreements with two key partners, [Citeo](#) and [Interzero](#), that secure a significant amount of feedstock needed for our France facility. In addition, we've already reached an agreement with PepsiCo to be a key customer for certified recycled materials produced at our second U.S. facility. We expect to announce the location for that facility by the end of 2023.

“This project is one of the largest foreign investments in France in the last 30 years, and we are delighted to welcome Eastman to Normandy.”



Normandy President Herve Morin on Eastman's planned molecular recycling facility in France



The Normandy plant:



Expected to be operational in 2026



Will employ 350 people



Will lead to 1,500 indirect jobs (in recycling, energy and infrastructure)

Eastman team charges ahead in securing feedstock for new methanolysis facility

With the Kingsport molecular recycling facility nearly complete, the team securing feedstocks will soon see its efforts pay off.

Spencer Tidwell leads the feedstock evaluation team, which has been scouring the United States since 2020 for hard-to-recycle plastic that can be transformed into new products in the methanolysis facility.

“In the beginning, we didn’t know what we could buy, what condition or what type of materials were going to arrive,” Tidwell said.

The team clearly learned to navigate that recycling landscape quickly. Eastman already has greater than 75% of its annual feedstock capacity for Kingsport either committed for use or in hand.

Our polyester renewal technology facilities efficiently break down complex polyester plastics, so they aren’t relegated to landfill or incineration. Through molecular recycling, they’ll be transformed into Eastman Renew materials with certified recycled content.* And they are indistinguishable from virgin materials.

**Recycled content allocated via ISCC-certified mass balance approach.*



“Working with the team to procure and evaluate feedstocks for molecular recycling is exciting because no one’s ever done it before. There aren’t many times in your career where you get to work on something of this scale that affects the world.”

Spencer Tidwell

Group Leader, Feedstock Evaluations

(he/him/his)



Recycling in the modern age

Q&A with Sandeep Bangaru



Sandeep Bangaru

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

Sandeep Bangaru, vice president for Eastman's circular platform, offers his thoughts on why technologies aren't the only element important for solving the global plastic waste crisis and why smart policies are critical.

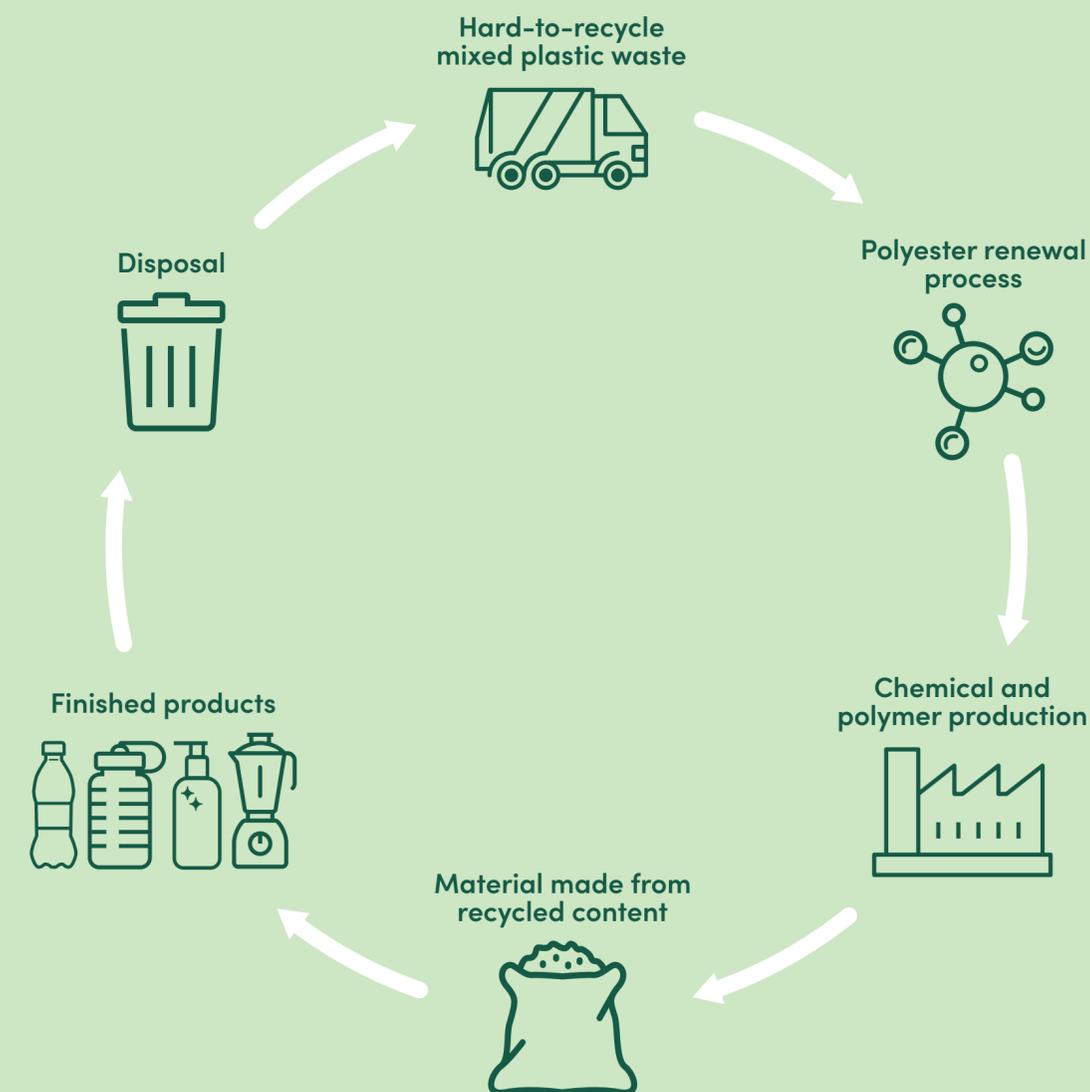
How does molecular recycling work as a complement to mechanical recycling? Why do we need both?

Simply put, the world needs to expand the types of plastics that can be recycled. Mechanical recycling is efficient but limited to certain types and forms of plastics, while molecular recycling like Eastman's polyester renewal technology (PRT) can handle hard-to-recycle polyesters like carpet, textiles, pots and trays, and colored and opaque PET. By breaking them down to the monomer level, they can be purified and reused to create new, virgin-quality polyester for various markets, like food packaging or medical-grade packaging. This approach is really exciting because we provide solutions for materials that the current recycling system can't efficiently process. And these materials can be infinitely recycled without a loss in quality.

Why is improving our recycling system so important?

The plastic waste problem is massive. Globally, around 260 million tons of plastic waste is disposed of each year, but only a little over 10% is actually recycled. To address this issue effectively, we need to expand recycling beyond the most common forms of packaging; we need to sort more effectively; and we need a wider range of technologies capable of recycling these plastic feedstocks and waste streams. By implementing such a system, we can significantly expand the types of plastics that can be recycled and brought back into the circular economy.

A vision for a circular economy



Recycling in the modern age (continued)

Q&A with Sandeep Bangaru

How do we get there?

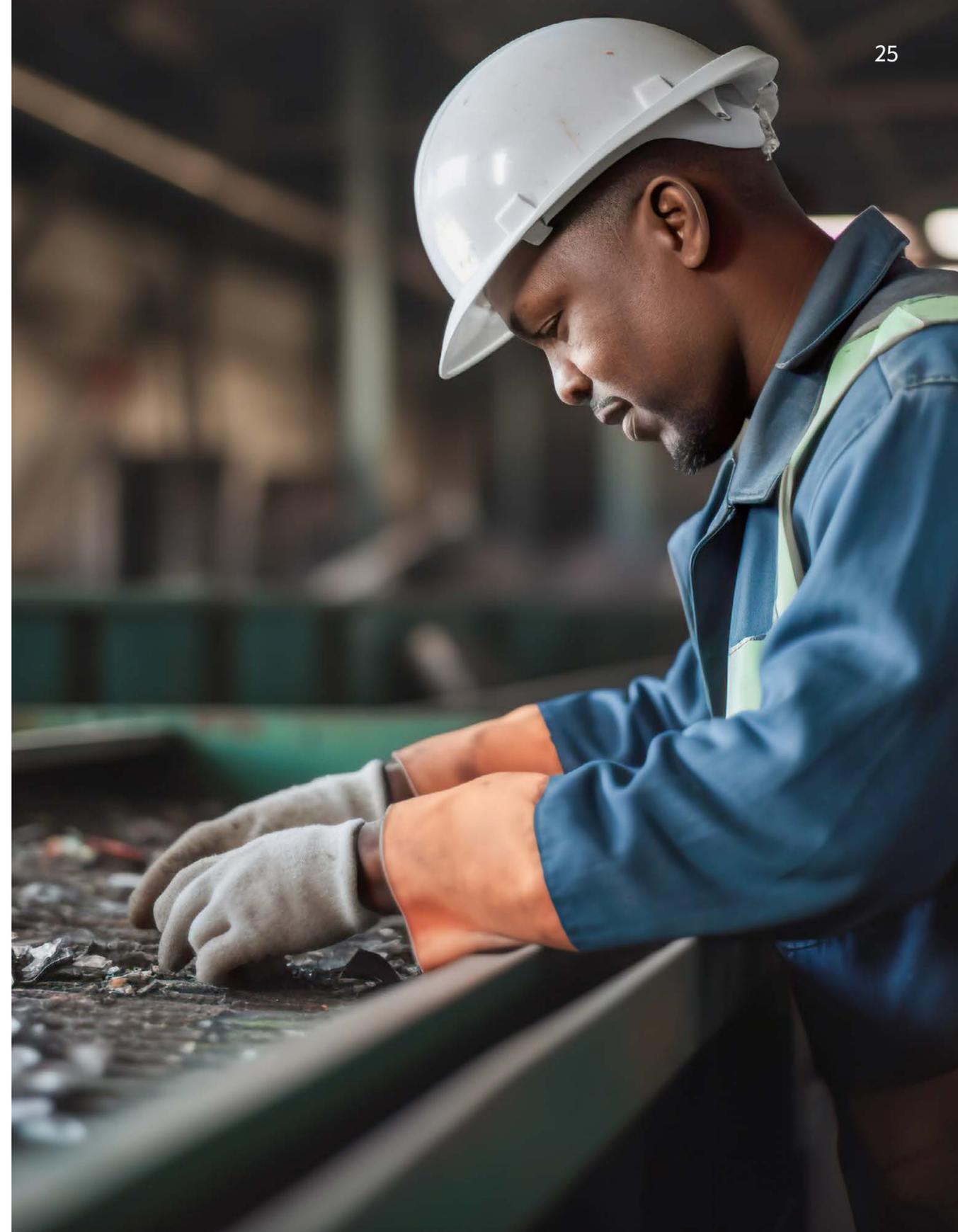
To achieve significant progress, we need three elements. First, recognizing the need for improvement and that significant improvement is now possible. Second, implementing smart policies that encourage innovation and support environmental goals. Third, building a robust infrastructure for collection, sortation, and delivering the right materials to the right recycling technology. There's a great opportunity for collaboration to make a tremendous impact on environmental outcomes.

Why does this matter?

Plastics are essential in various sectors and often offer the best environmental solutions compared to alternatives. To manage plastics effectively throughout their entire life cycle, we advocate for a principled approach to innovation, starting with the three Rs: reduce, reuse, recycle. There are many applications and opportunities to reduce or reuse plastic packaging and this should be a priority and implemented. However, many studies have shown that reduce and reuse can only go so far. Therefore, it's important to invest in a robust recycling system that can efficiently handle the plastics we do use. Scaling these new technologies presents a significant opportunity to create a positive impact.

What does this mean to you on a personal level?

Circularity is a global problem and thousands of people at Eastman are working on solutions, so this is bigger than one person. But yes, working with the circular economy team is personal for me. My wife and I spend time with our children visiting U.S. national parks every year. We are invested in protecting the environment. I want to help preserve the natural spaces that belong to all of us, so I'm inspired to work on a platform that increases circularity and keeps plastic waste from leaking into the environment.



CIRCULARITY PARTNERSHIPS

Materials matter

We've had long-standing partnerships with these brands and will continue to pursue further sustainability efforts together.

That's because materials matter.

Eastman Renew branded products use recycled materials to reduce plastic waste in landfills or incinerators while lowering greenhouse gas emissions compared to heritage processes. More than 50 brands with products ranging from eyewear to cosmetics containers to phone accessories are reducing their footprint by choosing Eastman Renew materials with recycled content.

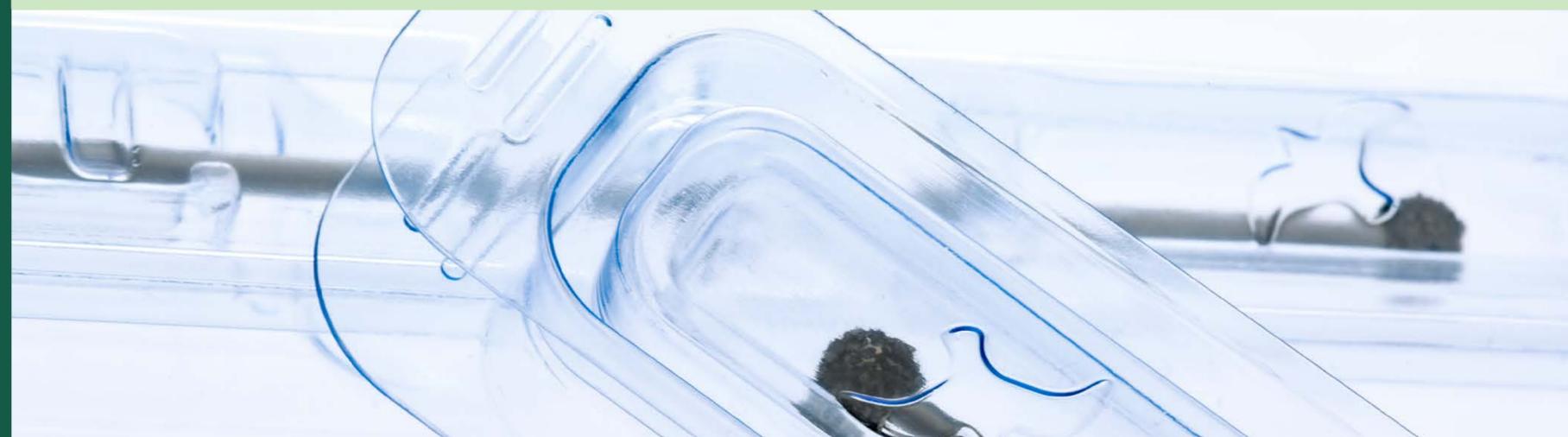
Leading global brands that care about their footprint are turning to Eastman Renew products such as Tritan™ Renew and Cristal™ Renew to meet their sustainability goals. They're doing their part to protect and preserve the planet's resources.

We're proud to partner with brands committed to sustainability without compromise, and we hope to inspire more material innovations through these featured case studies.

Click each brand to see how they are using Renew in their products.



[LVMH - Dior](#)



[Ethicon, a Johnson & Johnson MedTech Company](#)



[Nalgene](#)

CIRCULARITY PARTNERSHIPS

Leading toward a circular future

BLACK + DECKER reviva™ line targets younger generation

When Stanley Black & Decker wanted to reach younger, sustainably minded, do-it-yourself consumers, they partnered with Eastman.

The result of that close collaboration?

BLACK+DECKER, a Stanley Black & Decker brand, launched a new power tool line, reviva™, with housing made from Tritan™ Renew copolyester. Tritan Renew is a safe, tough, durable material made with 50% certified recycled content.* Reviva means “new life” in Latin. Ten reviva products launched globally in 2022, including a 12-volt drill, jigsaw and sander.

“A power tool is a high-performance machine but made to fit into your hand,” said Dan Fitzgerald, the company’s senior director of product sustainability. “They are designed to produce 500 pounds of torque, in the case of drills, or 10,000 plus rotations per second in the case of a sander. These tools crank out considerable amounts of force and enough heat to start a fire, which is why the materials need to be flame rated for safe use.”

Tritan Renew meets all those needs and the specifications of the power tool housing, which also needs to be consistent in quality and color.

“We’re very proud of the story we have to tell,” said Ed Higgins, the company’s product director for power tools. “With Tritan Renew, we’re able to make the product sustainability aspect very tangible for consumers. For each cordless drill, we’re recycling the equivalent of eight single-use plastic bottles that would otherwise end up in landfills or get incinerated. The sander recycles the equivalent of 11 bottles, and our jigsaw recycles the equivalent of 18 bottles.”

**Recycled content allocated via ISCC-certified mass balance approach.*



CIRCULARITY PARTNERSHIPS

Leading toward a circular future

Nautica eyewear adopts
Tenite™ Renew cellulosics

Nautica Eyewear launched their new Tenite™ Renew collection in January 2023, featuring styles made from a sustainable material powered by Eastman, using more than 56%* of sustainable materials made from biobased and certified recycled content from ISCC-certified mass balance allocation. Nautica's new offering features two sun and three optical styles, all designed with lightweight construction, classic shapes and energetic pops of color.

Tenite™ Renew is produced through Eastman's molecular recycling technology, using hard-to-recycle waste plastic in place of fossil feedstock and producing a material that increases the sustainability advantages — with no compromise on performance.

"We are thrilled to continue our commitment to taking steps toward social responsibility and making a positive impact on the environment with Tenite™ Renew," said Thomas Burkhardt, president of Marchon Eyewear, Inc. "The Nautica styles offer customers more sustainable styles when shopping for lifestyle eyewear."

*Minimum 36% bio-content and minimum 20% Renew content

Continued collaboration
with Procter & Gamble

Procter & Gamble continues to partner with us, using Eastman Renew molecular recycled plastic in many of its iconic Herbal Essences bottles. Herbal Essences' bio:renew sulfate-free lineup uses Eastman Renew materials. The package includes the standardized How2Recycle® labels to clarify recycling instructions and encourage recycling behavior.

"We are collaborating to create a more circular future where plastic is collected, recycled and reused," said Rachel Zipperian, communications director at P&G. "Eastman Renew material reduces the dependence on virgin plastic and provides a second life for plastic waste that is hard to mechanically recycle, so more material can be reused."



CIRCULARITY PARTNERSHIPS

Leading toward a more sustainable future

Patagonia chooses Naia™ Renew staple fiber for new tech tee style

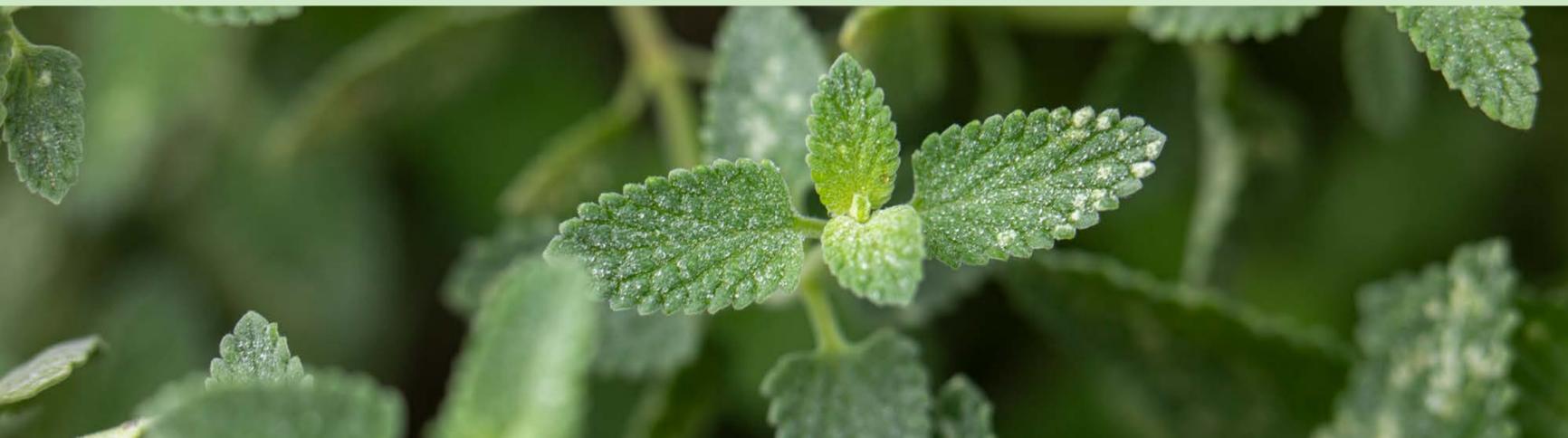
Patagonia has partnered with Eastman again on a new line of performance shirts made from a blend that includes Naia™ Renew staple fiber.

Patagonia unveiled a collection of performance shirts in summer of 2023. They're made from a blend of 30% Naia™ Renew staple fiber and 70% recycled polyester. These moisture-wicking, lightweight and stretchy tops are ideal for outdoor activities and all-day wear.

Naia™ Renew helps divert waste from landfills with fibers produced from renewable wood pulp and recycled waste materials processed through Eastman's molecular recycling.

Patagonia partnered with Eastman in 2022 on a limited run of T-shirts made with Naia™ Renew ES — our 60% certified recycled content* fiber — for the outdoor apparel retailer's Workwear line.

**Recycled content allocated via ISCC-certified mass balance approach.*



NAIA™ FROM EASTMAN

Celebrating five years of sustainable textiles



In its fifth year, Naia™ has expanded worldwide. From celebrity glam to design innovation challenges, we're asking the world to reimagine what's possible with sustainable textiles.

Advancing fashion without compromise

With Naia™ Renew, we're taking circularity to scale and offering a solution to help make fashion truly sustainable. These cellulosic fibers are created in a closed-loop process, where solvents are recycled back into the system for reuse. Leveraging carbon renewal technology, Naia™ Renew is produced from 60% sustainably sourced wood pulp and 40% certified* recycled waste material diverted from landfills, reducing our carbon footprint and creating value from waste. We're on a mission to make Naia™ Renew more than 50% of our textile portfolio by 2025, taking circularity global through key collaborations along the value chain, which includes mills, brands, designers and even influencers.

Walking the red (and blue) carpets

Sustainable fashion was a hit for celebrity style in 2023 as English fashion designer Stella McCartney designed two gowns made with Naia™ fibers. Actress Viola Davis wore a custom Naia™ cellulose acetate gown to the British Academy Film Awards (BAFTA), and actress Billie Lourd donned a McCartney dress made with Naia™ to the annual Vanity Fair Oscar Party. The gowns featured the versatility and beauty of our sustainable fiber blends.

International interest

In April 2023, textile customers from Japan visited Eastman's Kingsport, Tennessee, headquarters to meet with our fibers leadership team, tour the textiles manufacturing facility, and accept the Naia™ Global Sustainable Partnership Award for their inspiring efforts to transition their cellulose acetate inventory to Naia™ Renew. This collaboration is an effort to help forward the Eastman Naia™ mission to make sustainable textiles accessible to all.

*Recycled content allocated via ISCC-certified mass balance approach.



Better than silk

Reformation adopted Naia™ Renew in 2022 as part of its efforts to become climate positive by 2025. Here's what Reformation, a sustainable women's clothing brand, had to say about their Naia™ Renew adoption in the [2022 Reformation sustainability report](#):

"To become [Climate Positive](#) by 2025, we're making sure the materials we use reduce emissions and help us shrink our sourcing footprint. This means we have to basically stop using virgin silk in the next year. We've been busy testing next-gen alternatives to replace silk that have similar qualities but are way more sustainable. We launched styles with [Naia™ Renew](#), a silk alternative that we think has a lot of potential to help us make this transition. It's produced in a [closed-loop process](#) from 60% sustainably sourced and renewable wood pulp and 40% hard-to-recycle waste materials that would otherwise end up in landfills, all adding up to a low carbon footprint and a traceable circular fiber that's biodegradable and compostable."



60%

sustainably sourced and traceable wood pulp



40%

certified* recycled waste materials

Learn more about Naia sustainability goals



EASTMAN AVENTA RENEW

Eastman scientist excited about Aventa

Q&A with Jos de Wit



Jos de Wit

Technology Fellow
(he/him/his)



Jos de Wit, an Eastman scientist for 35 years, has had a remarkable career. One of his most exciting projects has been working on Eastman Aventa™ compostable materials, showcasing his passion for sustainable innovation.

The product line includes Aventa Renew, which is unique because it's made from a combination of biobased content from sustainably sourced trees and certified recycled content from molecular recycling. Use of Eastman's carbon renewal technology allows molecules from non-compostable plastics to ultimately be turned into compostable materials. This is a great example of how Eastman is leading the way in becoming a sustainable materials company.

Aventa Renew products are biobased, have received U.S. Food and Drug Administration clearance for food contact applications, and are used to manufacture single-use disposables like protein trays, cutlery and straws. Articles made from Aventa Renew can be certified as home and industrial compostable and are recognized by microorganisms as a food source and therefore will not remain as microplastics. That means restaurants can put both food waste and Aventa Renew articles into the same compost stream without introducing contaminants. This will improve the diversion of food waste from landfills and convert that waste into valuable compost.



EASTMAN AVENTA RENEW

Eastman scientist excited about Aventa (continued)

Q&A with Jos de Wit



Here's what de Wit had to say in a conversation about Aventa:

What's the difference between Aventa and Aventa Renew?

They are chemically identical, and both are made with biobased content from sustainably sourced trees. Aventa Renew is made with a combination of certified recycled content from waste plastic that we recycle through carbon renewal technology to produce molecular building blocks that we purify and then build back up to a polymer with the same properties.

Why are you so excited about Aventa products?

Aventa compostable materials could help address two of the most vexing problems we face: climate change and the quality of soil used to grow our food.

When food waste goes to a landfill, it anaerobically degrades. Instead of mostly producing carbon dioxide, it now also makes significant amounts of methane. Both are greenhouse gases, but methane is 28 times more powerful at trapping heat in the atmosphere than carbon dioxide. Diverting food waste from landfills to composters will turn food waste into a carbon-nutrient-rich soil supplement that improves topsoil quality in agriculture.

Aventa food service products can make it easier to compost containers and cutlery together with food in quick-service restaurants. In the U.S., we currently discard 63 million tons of food waste, of which 55% goes into landfills annually, but currently only 4% is composted. This could change with the right compostable material like Aventa as well as a better collection infrastructure. That 63 million tons of food waste, combined with 35 million tons of yard waste, could make 50 million tons of compost. The agriculture sector alone could use over 200 million tons of compost a year to replenish lost soil. Finally, healthy soil amended with compost is also an excellent carbon dioxide sink.



“You don’t get many chances in your career to tell your kids you worked on something that had a positive impact in making the world more sustainable for future generations. I’m happy to say that I can because of our work at Eastman with microbeads and being able to help reduce the amount of microplastic in the environment.”

Deep Bhattacharya

Vice President, Care Solutions Technology and Technology Operations
(he/him/his)



Microbeads: A tiny biodegradable product creates big changes

Sometimes, it’s important to focus on the little things.

Microbeads are heavily impacting the planet and Deep Bhattacharya is among the many Eastman employees taking big steps to change that.

As vice president of care solutions technology and operations, Bhattacharya is involved with multiple businesses within Eastman, including care chemicals, animal nutrition and specialty fluids. Every business is different, but one of the most exciting projects he’s championed is biodegradable microbeads for personal care brands.

Microbeads are used across personal care industries due to their multifunctional properties, including moisturizing, exfoliating and blurring effects for leave-on and rinse-off products.

Right now, personal care brands are eager to find a biodegradable replacement for traditional microbeads in their formulations. With expectations from consumers to create quality, eco-friendly products and government regulations banning intentionally added microplastics, brands are put in a challenging, yet exciting position to innovate. Eastman has taken up the challenge to create biodegradable microbeads that enable brands to meet consumer expectations without harming the environment. Also, third-party, dermatological clinical testing substantiated that Eastman microbeads are hypoallergenic and safe for skin.

We continue to make progress on this innovation. Bhattacharya said Eastman is actively working with global and regional formulators on multiple microbead end-use applications in the personal care sector. Eastman recently received a certificate of biodegradability for our microbeads, as third-party testing by RespirTek™ confirmed that our microbeads are biodegradable in freshwater. RespirTek is a bioenvironmental services laboratory that conducts independent testing that meets ISO/ASTM standards.



“At Eastman, we have more than 80 years of experience in cellulosic technology,” Bhattacharya said. “We leveraged our core competencies in cellulose-based chemistry to provide a compelling solution to meet the functional needs of traditional microbeads with a biodegradable alternative. After a series of iterations, we’ve created multiple prototypes based on cellulose ester chemistry that can deliver on both the performance and sustainability goals for personal care brands. The cellulosic microbeads are derived from biobased sources and are biodegradable, thereby enabling a circular solution for cosmetic formulators seeking to move away from traditional microbeads.”



Mitigating climate change

Governance

Eastman's climate strategy and goals are guided by our [climate policy](#) and managed through our corporate sustainability governance structure. That includes our climate and carbon working group, environmental impact sub-council, and oversight by our Eastman executive team-led Sustainability Council and Board of Directors.

Strategy

Our sights are set on carbon neutrality by 2050. We plan to get there through energy efficiency, increasing our use of renewable energy, utilizing emerging technologies, and continuing to innovate, design and scale sustainable solutions.

Business risk/opportunity

Climate-related risks and opportunities are managed through our [emerging issues management system](#), which is integrated into our corporate sustainability governance structure through the economic impact sub-council. Risks and opportunities with substantive strategic impact are incorporated into decision-making at the corporate and business level.

Metrics and progress

We continuously seek to increase transparency around our climate performance and progress. One way we hold ourselves accountable is by annually reporting and publishing our climate metrics through the [CDP Climate Change questionnaire](#).

CARBON NEUTRALITY

Commitment to decarbonization drives progress on our climate goals

Eastman is committed to decarbonizing our operations and working across the value chain to reduce our carbon footprint.

We have established an overarching goal of achieving carbon neutrality for our Scope 1 and 2 greenhouse gas (GHG) emissions by 2050. Continuing our progress toward that goal, we have reduced our combined Scope 1 and 2 GHG footprint by 16.3% compared to a 2017 base year.

Our decarbonization strategy is guided by Eastman's [climate policy](#), which includes three commitments:

1. Developing material solutions to address society's climate change challenges

Our molecular recycling technologies, for example, enable new materials to be produced at a reduced carbon footprint. By using plastic waste as feedstock, molecular recycling reduces reliance on fossil feedstocks and produces virgin-quality intermediates with 20%–50% less greenhouse gas emissions than heritage processes.

2. Reducing our carbon footprint, building resiliency measures, and managing climate change risks and opportunities

We increased our use of renewable energy in 2022, and by 2030, 100% of our purchased electricity in North America and Europe will be renewably sourced.

We are also working to improve energy efficiency and explore alternative energy solutions such as clean hydrogen, carbon capture, utilization and storage (CCUS), and other technologies.

3. Pursuing strategic partnerships and initiatives to advance the understanding of climate change to bring forward innovative solutions

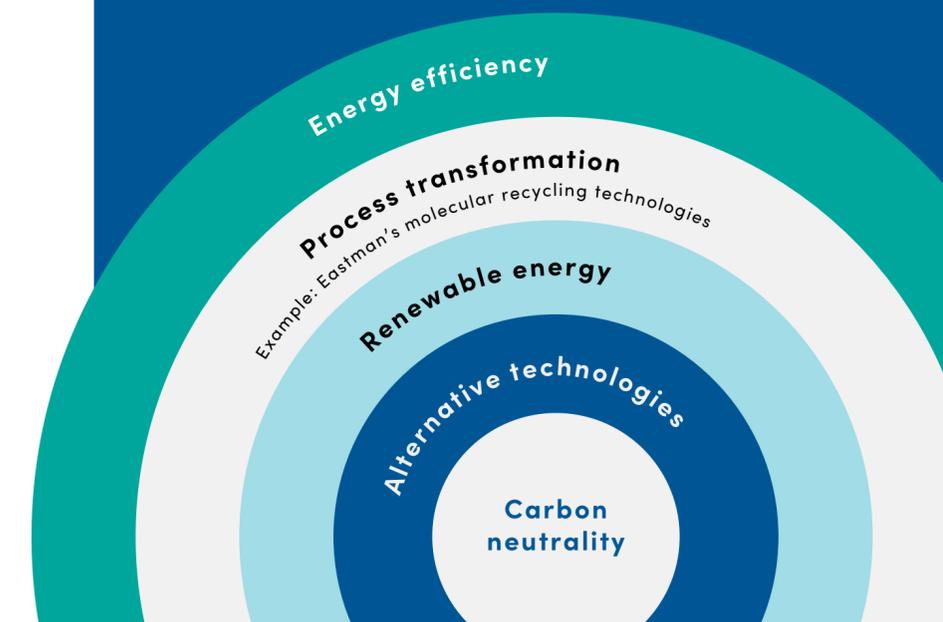
We are collaborating to mitigate climate change. Some of those efforts include:

- We are members of Together for Sustainability and collaborated with the chemical industry to bring harmonization and transparency to product carbon footprints through the publication of a new [standard](#).
- We joined the Renewable Thermal Collaborative (RTC), a global coalition with a mission to reduce carbon emissions by scaling up industrially relevant renewable heating and cooling solutions.
- We are participating in the development of the chemical sector guidance for the Science Based Targets Initiative (SBTi) by serving on the Expert Advisory Group.
- We are members of the Center for Climate & Energy Solutions (C2ES) as part of its Business Environmental Leadership Council.
- We participated in the U.S. Department of Energy's [Low Carbon Pilot](#) program. We've also been recognized with several awards from the [DOE](#) through its Better Plants initiatives as we work constantly to find ways of reducing greenhouse gas emissions throughout our operations.
- We began collaborating in 2022 with Sphera® on the forthcoming iteration of Sphera's LCA automation software. Sphera is a leading global provider of ESG performance and risk management software, data and consulting services. Sphera's LCA automation solution allows businesses to quickly receive holistic, real-time analysis and insights into the environmental footprint of their product portfolios. The tool will help businesses more effectively reduce GHG emissions at every step of production, from design to assembly. Learn more about our work with Sphera [here](#).

Forbes recognizes Eastman for climate leadership

Eastman's leadership on mitigating climate change was recognized in 2023 by Forbes, one of the world's leading business magazines.

Forbes published its first-ever Net Zero Leaders list in June 2023, and Eastman was ranked No. 46. The recognition highlights the top 100 U.S. public companies positioning themselves to reduce greenhouse gas emissions and ultimately offset them by 2050. Read more about the award [here](#).



Energy efficiency excellence: core to our climate strategy

Eastman’s excellence and expertise in energy efficiency are core to our climate strategy, and we’re proud of the continued recognition of our accomplishments — including awards from the U.S. Department of Energy (DOE) in successive years.

We received a 2023 Better Practice Award from the DOE in recognition of an organizational structure that integrates our energy management and sustainability teams. This structure has leveraged Eastman’s energy management experience and elevated the importance of energy efficiency to our broader sustainability strategy. As part of this effort, we have over 70 active energy efficiency projects with a projected value of \$20 million.

The DOE also awarded us a 2022 Better Project Award for implementing software at our Kingsport plant that led to a 2% improvement in energy savings — enough to power 9,000 homes for a year.

Up to the climate challenge

We’re also members of the DOE’s Better Climate Challenge. Through this program, we’ve committed to reducing portfolio-wide Scope 1 and Scope 2 greenhouse gas emissions by at least one-third within the next decade — a goal that can be met in part through energy efficiency.

We’ll share energy-saving strategies with industry peers and members of this DOE initiative and ENERGY STAR®.

ENERGY STAR® also recognized us with a 2023 Top Project award for a process improvement in Kingsport which resulted in an energy consumption reduction. This improvement created a 43% energy savings for that process which translates into an estimated emissions reduction of 4,900 tons of GHG for the year.



4,900

tons of GHG removed by a Kingsport energy efficiency project



\$20M

in projected cost savings for 70 active energy efficiency projects



1/3

reduction commitment portfolio wide in Scope 1 and 2 GHG emissions by 2030

Eastman window films help mitigate change, boost livability

Our climate strategy must go beyond reducing our operational energy use and greenhouse gas emissions. As a material innovation company, Eastman can have a wider impact by making products that help mitigate climate change, such as the solar control window films offered by the Eastman performance films family — LLumar®, SunTek® and V-Kool™.

We need sunlight in our daily lives, yet the sun can dramatically impact energy use in our homes and where we work.

Solar films help control the sun's heat and help block harmful ultraviolet rays. Automotive window films can help reduce the use of air conditioning, which can lead to improved gas mileage or electric car range. In buildings and homes these films can save on cooling costs and associated greenhouse gas emissions. In commercial buildings, Eastman window films can also increase energy efficiency, typically providing energy savings of 5%–15%, depending on glass, film type and other building parameters.

The ability of window film to help keep interiors cooler in warm weather helps improve thermal comfort and indoor environmental quality for building occupants, contributing to green building verification programs such as LEED.



“Our performance films improve the quality of life around the globe by helping solve great challenges today, and we expect they’ll become even more vital in the years to come. Solar control window films help protect our skin from harmful ultraviolet rays and can be a valuable solution to reduce energy consumption. It inspires our team to innovate window films that help protect the people we love and the planet we call home.”



Erin Bernhardt
General Manager,
Performance Films
(she/her/hers)

CIRCULAR SOLUTIONS AND BETTER CARBON FOOTPRINT

Molecular recycling tackles global plastic waste and climate change simultaneously

Eastman's approach to circularity and mitigating climate change are part of a holistic strategy that has transformed the company. Through leadership toward a circular economy, we can revolutionize how we meet the world's material needs in a more sustainable way — and that approach can concurrently help mitigate climate change.

Our molecular recycling technologies keep hard-to-recycle plastic waste from going to landfill or incineration. They also produce new materials with a lower carbon footprint than our heritage processes.

Our molecular recycling technologies are prime examples of how transforming our processes is core to our climate strategy. By replacing fossil resources with waste plastic for feedstock, these molecular recycling technologies can produce materials with certified recycled content with a reduction in greenhouse gas (GHG) emissions.

Third-party experts have confirmed life cycle assessment (LCA) studies that show the improvement of our two technologies, carbon renewal technology (CRT) and polyester renewal technology (PRT), for the production of chemical intermediates compared to heritage processes. LCA is a commonly used methodology that analyzes the potential environmental impact of our products. Eastman performs cradle-to-gate LCAs, looking at environmental impact from the raw materials to the manufacturing of a final product, as well as all the steps in between.

Our Kingsport manufacturing facility uses CRT to break down mixed waste plastics into molecules. We then use these molecules to create a range of plastic resins, fibers and acetyl/oxo chemical products that include certified recycled content. Our [LCA study](#), critically reviewed by CE Delft, shows that CRT enables a 20% to 50% improvement in carbon footprint for production of those molecular building blocks.

We commissioned a study from Quantis, an international expert in LCA methodology, to assess PRT. The [Quantis study](#) independently concluded that producing monomers through PRT in Kingsport results in 20% to 30% fewer greenhouse gas emissions compared to traditional processes. These lower footprint monomers are then used to make a variety of new materials in Kingsport.

Preliminary LCA studies conclude the planned PRT facilities in France and the second U.S. location will produce recycled polyester products with lower greenhouse gas emissions compared to traditional methods. The France site will be able to achieve up to a 75% reduction in carbon footprint for polyester given renewable energy sources and low carbon fuel; the second U.S. location will be able to achieve up to a 70% reduction using renewable energy and decarbonization technologies. When considering the avoided incineration of the plastic waste that's used for feedstock to the PRT facilities, the reductions increase to more than 100% for the France site and 85% for the second U.S. location. These preliminary studies are pending third-party review.

"It's truly inspiring to see our teams translate Eastman's strategic vision into tangible solutions that tackle the most urgent global challenges. By addressing the issue of plastic waste while reducing our carbon footprint, we showcase a remarkable blend of innovation and responsibility. This level of ingenuity, combined with our established track record in energy efficiency, drives us toward carbon neutrality."

Courtney Eastman

Director, Global Sustainability and Decarbonization
(she/her/hers)



Driving circularity forward with a focus on climate in new PRT facilities.

Preliminary LCA studies indicate:



up to 75%

Expect France-based PRT to reduce GHG emissions for polyester up to 75% compared to traditional processes



up to 70%

Expect second U.S. PRT site to reduce GHG emissions for polyester up to 70% compared to traditional processes

Adriel Gonzalez

Senior Chemical Engineer

(he/him/his)



“We need to look at Scope 3 holistically by working internally and implementing new processes that collect more external data relevant to Scope 3.”

SCOPE 3

Better understanding through technology and collaboration

After working more than 10 years in Eastman manufacturing, senior chemical engineer Adriel Gonzalez joined the life cycle assessment (LCA) team in January 2023.

Gonzalez is now helping advance our understanding of Eastman’s Scope 3 greenhouse gas emissions. He has worked with Eastman’s procurement team to implement new technology and work with suppliers. Eastman is using LCA to study and better understand Scope 3 emissions.

“Tracking Scope 1 and Scope 2 emissions are pretty straightforward,” he said. “We have data there, but Scope 3 is somewhat ambiguous because it relies on data tracking from outside of Eastman.

The use of new technology is helping advance our visibility of Scope 3. Eastman is implementing new software, SiGREEN, to verify carbon footprint data throughout the supply chain. SiGREEN will give Eastman a holistic and better understanding of our upstream and downstream carbon footprint. The program will also enable Eastman to share our carbon emissions data with customers for their Scope 3 tracking while maintaining Eastman’s confidentiality and security.

Eastman’s SiGREEN implementation is a direct result of our membership with Together for Sustainability (TfS). This initiative focuses on increasing sustainability of the chemical industry supply chain. As a member, we request suppliers complete the TfS-endorsed EcoVadis sustainability assessment on environment, labor practices, fair business practices and sustainable procurement. We monitor metrics around EcoVadis, provide feedback to suppliers and encourage improvement actions where needed.



To learn more about the different scopes of greenhouse gas emissions and what they mean, [click here](#).



Direct emissions from sources controlled or owned by an organization, such as power generated by on-site boilers and furnaces, emissions from vehicles, etc.



Generated from energy purchased by an organization such as electricity or steam



Indirect emissions that occur throughout an organization’s value chain, including emissions from suppliers and customers, and from the use of its products. The Scope 3 category is broad and includes emissions associated with things like transportation and distribution of raw materials from suppliers to a company, emissions generated by distributing products to customers, business and commuter travel by employees, and emissions generated by disposal or products at their end of life.

Innovation for electric vehicles

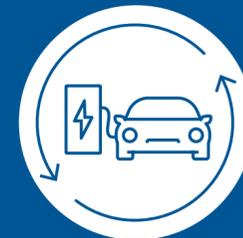
Electric vehicles (EVs) are transforming the way drivers take on the road — and the prevalence of EVs is changing the materials used in automaking.

As EVs become more popular, so does the need for premium laminated glass. The average premium EV uses >3x more glass than a standard vehicle. As a result, EVs create unique challenges and needs for automotive designers and manufacturers, particularly when it comes to lightweight glazing. Saflex™ PVB interlayers help reduce unnecessary weight to maximize electric vehicle driving range. Our interlayers for laminated glass use thinner glazing for windshields, sunroofs and side glass to reduce the overall vehicle weight and increase aerodynamics to reduce energy use.

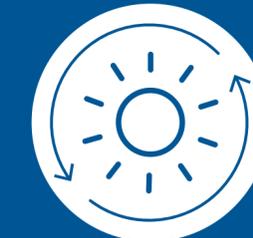
Eastman's Saflex interlayers provide automotive designers and original equipment manufacturers creative and production flexibility to meet consumer expectations of sustainability and cabin comfort.



Saflex elevates the EV driving experience by making it safer and more comfortable in three ways:



Enabling lightweighting for longer range



Solar reflection for energy management



Enhancing safety connectivity with large head-up displays

Water stewardship

Eastman Water Policy drives focus on stewardship

At Eastman, we recognize that now more than ever, global water stewardship is required to achieve effective and sustainable solutions to our climate crisis. A 2020 United Nations-Water report, "Water and Climate Change," noted an increase of water use by a factor of six over the past 100 years. Water use is expected to grow because of increasing population, and the report notes that climate change will exacerbate challenges in water-stressed regions and increase stress even in regions where water is currently abundant.

Natural resource management is embedded in our corporate strategy of how we use, reuse and conserve water. The [Eastman Water Policy](#) is a fundamental element of our natural resource management plan. We are applying our innovative technologies and expertise as we collaborate with organizations, engage in joint initiatives and perform critical assessments that help provide a deeper understanding of our water use and impacts on biodiversity and ecosystems.



Here are some examples of our progress:

We are participating in two [National Alliance for Water Innovation \(NAWI\)](#) projects across three Eastman sites. The University of Texas is leading the research efforts in our collaboration to develop a circular water systems [analysis tool](#) for industry. And Lawrence Berkeley National Lab and UCLA are the leading researchers in our collaborative effort to develop a modeling approach for optimizing water treatment.

All of our manufacturing sites are performing water, sanitation and hygiene (WASH) self-assessments to identify gaps and opportunities for improvement as part of the WASH initiative.

Eastman has begun American Chemistry Council (ACC) Water Body Risk assessments at sites with high freshwater withdrawals and sites in water-stressed regions.

Eastman materials also have an impact on water stewardship. Our products serve the global water treatment market, including intermediates for flocculants. Flocculation is the process of encouraging the collection of solids in the water so they can be more easily removed by filtration.

Biodiversity

Developing our biodiversity strategy for a better future

Q&A with Jasmine Crumsey Forde



Jasmine Crumsey Forde

Talent Development and Sustainability Manager
(she/her/hers)

Jasmine Crumsey Forde is leading our biodiversity working group, which is charged with developing Eastman's biodiversity strategy. A talent development and sustainability manager, she earned a doctorate in ecology and evolutionary biology from the University of Michigan.

What is biodiversity and why does it matter to Eastman?

Biodiversity allows ecosystems to function properly, and it includes all organisms across different terrains such as air, water and land. It's also influenced by environmental conditions, including pollution, disturbances and land loss. Ultimately, biodiversity is an indicator for the quality of the environment. The entire ecosystem is interdependent. If we don't have biodiversity, we can see the ecosystem start to collapse, impacting things we rely on for survival, such as food, clean water, medicine and raw materials. At Eastman, we recognize that sustaining biodiversity is a part of maintaining our right to operate.

What's the purpose of the biodiversity working group?

Our biodiversity working group is in charge of outlining a path to identify, monitor and assess risks and impacts on biodiversity throughout our operations. We work to develop Eastman's commitments to biodiversity and how they integrate with other sustainability efforts like environmental justice and water. In working toward creating a strategy, the good thing is that Eastman has already been contributing to [biodiversity efforts](#) in the way we operate our manufacturing facilities, how we source our raw materials, and our strong customer partnerships.

What are some things Eastman is already doing for biodiversity?

In partnership with Keep Kingsport Beautiful, our employees have participated in [installing pollinator gardens](#) at elementary schools across the city to promote local pollinator biodiversity and create educational opportunities for local students. In Longview, Texas, we've been recognized as a [Conservation Certification Gold](#) site by the Wildlife Habitat Council.

As an [Operation Clean Sweep](#)® Blue member company, Eastman is committed to controlling and eliminating plastic pellet losses to the environment. We have enhanced our internal reporting to better capture data associated with plastic pellet, flake and powder containment loss in accordance with American Chemistry Council (ACC) guidance. We're engaging with our transportation partners on the importance of pellet loss prevention, containment and cleanup, and we are preparing for OCS certification programs being developed in the U.S. and Europe. We're pleased to report that in 2023 there have been no OCS Blue reportable plastic pellet losses to the environment outside company-operated facilities.



Developing our biodiversity strategy for a better future (continued)

What are you aiming for with the biodiversity strategy?

As we work toward developing formal goals, they will need to cover different topics to be effective:

- 1. We have to understand primary impact areas on biodiversity and align both solutions and engagement opportunities with these impacts.
- 2. We have to look at our operations and how our operational sites impact surrounding communities, bodies of water, air quality and organisms.
- 3. Last, we have to leverage partnerships with external organizations that align with our standards and values to ensure our efforts target the most pressing needs at each site.



What does working on biodiversity mean to you personally?

Working on biodiversity holds great personal significance for me, as someone who deeply appreciates and loves nature. As an ecologist with a background in studying how forests and grasslands respond to changes in species communities and climate, I have witnessed the complexity within ecosystems firsthand. In my previous career and now at Eastman, I have been fortunate to work alongside passionate individuals who share a common concern for the environment and its well-being. This collaboration has been a major driving force for me, as it highlights the importance of collective impact in understanding and mitigating the impacts of human activities on nature. Helping Eastman progress toward biodiversity commitments provides a unique opportunity to explore the complexities of ecosystems from a different perspective. By helping our organization first understand its impacts on nature, we can strive to ensure that our actions have positive, nature-oriented impacts over time.



Caring for society

Governance

Eastman has executive and senior-level oversight and governance across the functions of I&D, health, safety and wellness, and social impact with meetings by the people and society sub-council on a regular cadence as we understand and address how we holistically care for society.

Strategy

People are at the heart of Eastman's corporate strategy. By taking a holistic approach, we focus on providing physical, financial and emotional well-being to our employees; innovating material solutions for our customers; and creating healthy, vibrant, inclusive communities where we operate.

Business risk/opportunity

At Eastman, our commitment lies in manufacturing products that prioritize the safety of our employees and the satisfaction of our customers. As the world navigates the aftermath of a global pandemic and grapples with geopolitical challenges, we recognize the far-reaching implications on the business landscape. With the global population projected to reach 10 billion by 2050, we remain steadfast in our dedication to the well-being of our people and society as a whole. We will continue to create an inclusive environment built on a diverse set of backgrounds, driving positive systemic changes inside and outside of our walls. These perspectives are imperative to accelerate innovative solutions that address society's most pressing needs.

Metrics and progress

Eastman is taking a comprehensive approach in how we impact people and society. We are focused on the health, safety and inclusion of our employees while adding diverse talent across the company. We will continuously improve our collective safety processes as well as better understand drivers of internal talent movement.

CARING FOR SOCIETY

Zero-incident mindset

ZERO-INCIDENT MINDSET

A zero-incident mindset drives our safety approach

Safety is a core value that is foundational to the company's strategy, and every Eastman team member is expected to apply a zero-incident mindset approach to safety — for themselves and those around them. Aligned to the company's basic safety expectations, all employees are responsible and accountable for our safety performance, regardless of their role or title. These commitments and expectations include:

- Take time to do the work safely.
- Protect yourself and others.
- Recognize, communicate and eliminate hazards.
- Wear your personal protective equipment correctly.
- Follow procedures, checklists and safe work practices.
- Report and learn from all injuries and incidents.
- Stop work if you can't do the job safely.
- Ask if you don't know.

Transformation of our safety culture and performance yields progress

While safety has been foundational to how we operate for decades, we've challenged ourselves to take our commitments to the next level. We established a corporate goal to achieve top quartile safety performance as measured against American Chemistry Council (ACC) and American Fuel & Petrochemical Manufacturers (AFPM) companies, and we set annual continuous improvement targets to measure our progress. Following a thorough review of incident and injury data, we identified the top root causes, the potential hazards and risks related to each injury, and potential gaps in procedures and training at all employee levels. Based on this assessment, we established an aggressive safety strategy in 2022, marking a significant step change in our safety culture and performance — and our changes resulted in measurable progress.



ZERO INCIDENT MINDSET

A zero-incident mindset drives our safety approach (continued)

The actions we took in 2022 covered four focus areas: leadership commitment to zero, personal safety, process safety and asset integrity. Therefore, we:

- Established an executive-led process safety governance committee
- Increased expectations and opportunities for leaders at every level to spend more time “in the field” with our manufacturing and maintenance teams
- Recommitted to personal accountability for all Eastman employees through our basic safety expectations
- Reinforced operational excellence and procedure discipline through improved, standardized programs and enhanced training for leaders and front-line team members
- Addressed all identified actions needed to mitigate the greatest process safety risks across our global sites
- Committed more capital resources to fund additional high-value safety projects

As a result of these efforts and commitment from our global team, Eastman’s safety performance improved significantly in the second half of 2022 to deliver year-over-year improvement.

- Second-half 2022 OSHA recordable injury rate decreased by nearly 50% relative to first-half 2022 performance. Year-over-year compared to our 2021 performance, we reduced our OSHA recordable injury rate by 18%.
- Second-half 2022 Tier 1 process safety incidents also decreased by more than 60% relative to first-half 2022 performance.
- Year-over-year, we reduced Tier 1 events by 17%.
- Year-over-year, we reduced serious injuries & fatalities (SIFs) by one-third.
- Year-over-year, we also reduced Days Away from Work (DAW) injuries by one-third.



[Click here to view safety metrics.](#)

“While we’ve made significant progress in the right direction, we recognize these improvements are not enough, and we have doubled down on our safety commitments in 2023. We are driving further reductions in injuries and incidents, improving in some manufacturing areas from double-digit incidents to nearly zero. We are seeing a shift in our safety culture to one that reflects a learning organization focusing on proactive processes, identifying and addressing safety barriers, and understanding that safety requires continual improvement.”

Brian Long

Vice President, Global Health, Safety and Environment
(he/him/his)



ZERO-INCIDENT MINDSET

Product safety

At Eastman, our approach to sustainability, circularity and safety is deeply ingrained in both the products we create and our manufacturing processes. We believe it is our responsibility to develop innovative products and applications that address disruptive macro trends at the molecular level, ultimately making a positive impact on everyday lives and enhancing the quality of life worldwide. We are committed to manufacturing products that prioritize the safety of our employees and the satisfaction of our customers.

Global product stewardship and regulatory affairs (PSRA)

- Reports into the executive vice president and chief legal officer's organization
- Monitors the laws and regulations that affect our products/maintains a rigorous product safety review process that ensures our products are among the safest and most effective materials on the market
- Maintains compliance with global regulatory requirements
- Performs hazard assessments for 100% of products (process is thoroughly documented in our [Chemical Management Policy](#))
- Systematically reviews the intended use of all Eastman's products

Eastman's PSRA program also actively pursues third-party certifications for sustainable products in markets that value an independent perspective on Eastman's holistic approach to chemical management. These efforts include both adhering to governmental requirements and conducting voluntary initiatives. These include, but are not limited to:

- Adhering to the Responsible Care® Product Safety Code
- Supporting and adhering to international chemical control laws
- Supporting a sustainable portfolio
- Identifying substances of concern
- Performing hazard assessments
- Assessing chemical substances manufactured or processed as nanoscale materials
- Ensuring responsible raw material sourcing
- Protecting animal welfare
- Implementing the Globally Harmonized System of Classification and Labelling of Chemicals

PRODUCT SAFETY

Making a difference through safer, more sustainable materials

Eastman produces a wide range of products that have a significant impact on our daily lives. These products address various needs and are designed to be more sustainable and safer for our employees, supply chain and customers. In the following pages, we will delve deeper into how we prioritize the well-being of society by providing safe and sustainable solutions.



The Tritan™ legacy

Simply put, Eastman Tritan™ copolyester is one of the most important material innovations of the past two decades. Why? Because it's the material of choice for so many applications – from blenders to baby bottles, from French presses to sports bottles and food storage containers — where health, safety and performance are important.

Tritan is free of styrene and bisphenol A (BPA) and isn't manufactured with any bisphenol compounds. Tritan is also a material with no estrogenic or androgenic activity.

Solus™ performance additives for sustainable food packaging

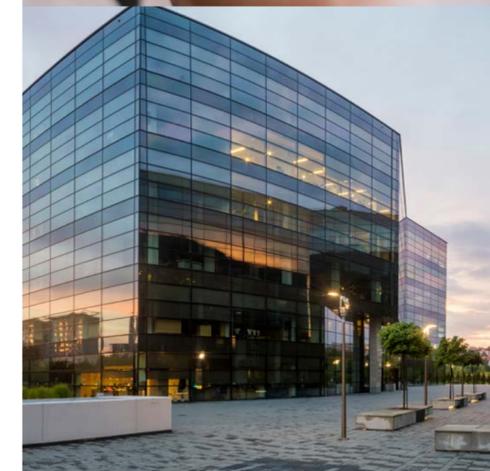
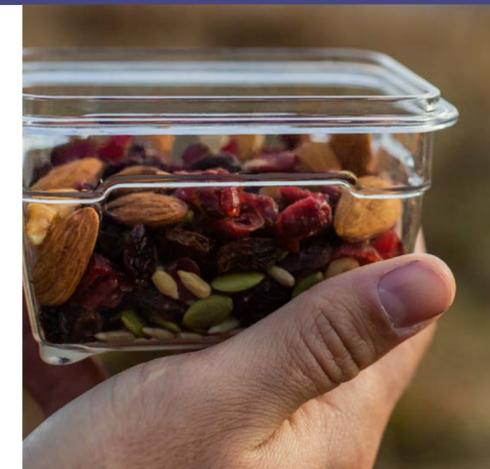
Paper is widely used for food packaging, and Eastman Solus™ performance additive is a solution with sustainable advantages. Cellulosic-based Solus™ is ideal for use as an additive or copolymer in extrusion coatings that are used in cups for hot or cold beverages, ice creams, soups, various fast foods, and numerous other packaging applications. By using Solus™, materials of concern can be avoided and packaging thickness can be reduced.

Solus™ is industrially compostable and enables recycling of paper-based food packaging. It doesn't contaminate the paper recycling stream like fossil-based plastic coatings would or adversely affect the quality of industrial compost — or the crops the compost helps to grow — when a product reaches its end-of-use.

Saflex™ provides enhanced security for windows

Saflex™ PVB interlayers for laminated glass don't just help with beautiful design. Long used in safety glazing, they're now configured for additional security applications — even to help resist ballistic attacks. Interest in advanced interlayers for safety has grown in recent years, especially for educational, industrial, government and commercial buildings.

Security-enhanced glass tends to resist penetration better than basic laminated safety glass and can range in performance from simple impact to multi-assault resistant glazing. Most Saflex interlayers can be successfully incorporated into a bullet-resistant construction. Saflex can also protect against forced-entry attempts in an active shooter attack. When you need it most, safety glazing made with Saflex can provide a critical line of defense.



PRODUCT SAFETY

Helping maintain animal health and nutrition — inside and out

The animal nutrition industry plays a crucial role in meeting the needs of our growing global population. With the world's population projected to reach nearly 10 billion by 2050, the industry faces the challenge of producing more food while using fewer resources in a responsible, safe and sustainable manner.

The production, well-being and care of livestock are vital for a healthy and thriving global food market. At Eastman, our team of animal nutrition specialists combines scientific expertise, regulatory knowledge, and a reliable supply chain to optimize feed preservation and hygiene. We focus on promoting better gut health and ensuring the economic viability of the industry.

Our specialty animal nutrition feed additives are carefully formulated blends of active ingredients. These additives contribute to improved productivity by keeping animals healthy and resilient, enhancing food chain safety and ultimately promoting human health as we strive to feed the growing population. This page highlights three prime examples of Eastman solutions that help future-proof our food supply.

"Our team is deeply passionate about animal nutrition," said Inge Peeters, manager for animal nutrition application development and technical service. "Whether it's reducing antibiotic resistance, developing solutions to animal welfare problems or safeguarding the quality of feed and feed raw materials, we know our feed additives can help make a big difference."



Inge Peeters,
Manager, AD/TS
Animal Nutrition
(she/her/hers)

Eastman Keitex™ feed hygiene enhancers

Maintaining the quality of feed and feed raw material before it's consumed is a crucial step in taking care of animal health. Eastman Keitex is a blend based on organic acids that work synergistically to minimize the presence of pathogens and maintain nutritional quality of feed. Eastman Keitex contains preservatives and feed hygiene condition enhancers that prevent or reduce post-contamination growth *Salmonella*, *E. coli*, and other *Enterobacteriaceae* pathogens.

Eastman Protaq™ acidification solutions

Water is an essential nutrient for livestock. When used as a water additive, Eastman Protaq products help animals maintain and improve their gut health microflora, improving overall animal health. Eastman Protaq acidifies water, reducing its pH. This ultimately reduces the pH in the stomach to maintain intestinal flora balance in the animals.

Eastman Entero-Nova™

A growing challenge in the animal nutrition industry is maintaining gut integrity and minimizing bacteria proliferation without the use of antibiotics. With Entero-Nova solutions, producers can control and target problematic pathogens within the gut without destroying beneficial microbiome. As a monoglyceride-based solution, it can effectively treat the entire gastrointestinal tract, lower inflammation and make the gut barrier stronger with antimicrobial effects.



PRODUCT SAFETY

Saflex™ HUD: Advanced technology can improve road safety

When you're driving, taking your eyes off the road for even an instant can matter immensely in terms of safety risk. Eastman's work to advance innovation in polyvinyl butyral (PVB) interlayers means an innovation we pioneered and was once reserved for fighter jets — head-up display, or HUD — is now available in mainstream vehicles, helping make driving safer.

Eastman's Saflex wedge interlayers allow critical information — such as speed, onboard navigation data, potential road hazards — to be projected onto a vehicle windshield in a virtual image that's readable for the driver. Since windshields aren't flat or perpendicular to the sightline of drivers, there must be correction to the surface. Interlayers between the two layers of windshield glass help to mitigate the image separation being reflected on the different surfaces of the windshield.

Saflex interlayers have made this image separation, called "ghosting," a thing of the past. Our HUD interlayers provide optical correction that results in the highest quality projection image in the market. HUD can help keep a driver's eyes on the road, which is important for safety. Studies have shown that a driver's reaction time is delayed by two to four seconds when they take their eyes off the road, even briefly. Calculations by C. Roberts Consulting Engineers showed this delayed reaction time, in an emergency braking situation, can result in an additional 282 feet before a vehicle comes to a stop.

Saflex's advances in interlayers help automobile engineers cost-effectively implement HUD features for more vehicles, and those interlayers can also decrease cabin noise and reduce vehicle weight.

"Saflex has the broadest portfolio of solutions on the market," said Romaine Delorme, global segment market manager for Eastman. "This global industry is highly technical, and innovation is key for long-term success. And that's why I am at Eastman. I get to work with people who are experts in their field and eager to collaborate to take HUD to the next level, which can help increase driver safety."



PRODUCT SAFETY

Tetrashield™ is making food safer, and AI is speeding up the innovation cycle

Billions of people worldwide count on metal cans to deliver their food and drinks. Eastman recognizes the consumables aren't the only thing in those cans that count. Tetrashield™ protective resin systems help make the contents safer.

Tetrashield has unique qualities for use in formulating the can linings that prevent interactions between the food and metal. Tetrashield linings are made to last, ensuring the contents retains their taste and consistency even after months or years of storage.

Tetrashield also protects consumer health because it isn't manufactured with bisphenol A (BPA). The use of BPA, part of traditional epoxy-based can coatings, is being phased out due to concerns about its health effects. Eastman chemists developed Tetrashield to perform like traditional liners without the materials of concern.

And brands are taking notice. First adopted in Europe for metal packaging, Tetrashield is now expanding into other parts of the Western Hemisphere and the Asia Pacific region. It's a significant innovation for billions of people who use canned foods every day. And the innovation cycle for Tetrashield is speeding up, thanks to Eastman's use of machine learning and artificial intelligence (AI).

"We're excited about the possibilities of AI, because it's accelerating the discovery of innovative, environmentally friendly materials," said Jake Goodrich, director of coatings technology.

The sustainability gains of digital innovation

Eastman's information technology division worked with application development scientists to determine how AI and machine learning could help in collaborating with customers on Tetrashield formulations. The collaboration yielded significant results.

"Instead of needing to design experimental plans that may require more than 30 distinct trials, scientists were able to input their performance goals to the AI model, which considered millions of possible solutions before delivering the most likely candidates," said Mark Ewing, a digital expert who works with Eastman R&D.

Goodrich said this contributes to the rapid design of new resins and candidate screening for end-application performance, helping Eastman provide faster development of sustainable innovations and improve the efficiency of lab operations. Eastman also uses AI to evaluate film formation properties of low-VOC coalescent technologies to accelerate the pace of innovation.

"Now a scientist can perform only a few confirmation experiments, saving time and resources, before delivering value to our customers," Goodrich said. "By leveraging AI and machine learning algorithms, Eastman can analyze the data from previous experiments, identify patterns based on the structure of our materials and the formulations of our customers, and predict material properties and performance. This accelerates the discovery of innovative, environmentally friendly materials."

CARING FOR SOCIETY

Broadening our circle

BUILDING AN INCLUSIVE CULTURE

Our strategic pillars

Inclusion and diversity is an integral part of our strategy to accelerate innovation and care for society.

We invite you to take a deeper dive by reading our 2023 I&D report, which we will publish [here](#) in Q4 2023.



Mitigate unconscious bias

We are committed to fostering inclusive leadership behaviors at all levels within our organization. Our goal is to create an environment where every team member can bring their authentic selves to work and make meaningful contributions. To achieve this, we employ experiential workshops, educational resources, and progress information that empower leaders and their teams to identify opportunities and successes. These initiatives serve as a robust foundation for enhancing engagement, driving exceptional results, and cultivating a culture of innovation.

Foster an inclusive culture

True inclusion requires intentional actions that enable every team member to operate authentically at their best. To create an inclusive environment, we invest in six Eastman Resource Groups (ERGs), learning and development opportunities, and systems and processes that promote allyship and encourage full engagement. Our goal is to ensure everyone who works at Eastman feels valued for what they bring to the business and fully accepted for who they are.

Build inclusive teams

Continuous assessment of recruiting and hiring practices helps us source and attract a broad pool of candidates, opening pathways for the talent we need. To that end, we have strengthened our sourcing strategies, selection processes and benefit programs to attract diverse talent, and meet the needs of a diverse world.

Accelerate diversity in leadership

Eastman offers a range of personal and professional development opportunities to support the career aspirations of all team members. To address gaps in leadership representation, we prepare underrepresented colleagues for leadership roles through tailored development programs and inclusive talent review processes.



KEY PRINCIPLES

Ensuring diverse and inclusive representation worldwide

Q&A with Kaamilya Clinkscales-Major



As the global director of inclusion and diversity, Kaamilya Clinkscales-Major designs and executes innovative strategies and inclusive programs to create a supportive and enriching environment for all employees.

Why is inclusion and diversity so important to Eastman?

We care about our employees and want to ensure all are empowered to contribute to their full potential. Inclusion and diversity helps facilitate an environment where everyone feels accepted, respected, valued and safe to be their authentic selves. Through encouraging open communication and exchange of information, respectful interactions and deeper engagement, we can improve the quality of our interactions and create space for all voices and ideas to be heard. This leads to a thriving, innovative and productive work environment at Eastman.

How do you measure inclusion and diversity?

There are multiple ways we can measure progress on inclusion and diversity. A few ways we gauge the effectiveness of our diversity efforts include tracking progress through workforce metrics, as well as outreach efforts to broaden the scope of the talent that apply to our career opportunities. Measuring inclusion is more complex but there are a few indicators used to provide

valuable insights into our organizational health in this area. Employee sentiment surveys, listening sessions, stay and exit interviews, ERG participation and feedback channels are all methods in which we gauge the effectiveness of our efforts to foster a work environment where all employees feel accepted, respected, receive fair treatment, and have a sense of belonging.

What are we doing to increase inclusivity and diversity at Eastman?

We are making immense efforts to broaden our talent pools by ensuring our job advertisements are reaching diverse talents worldwide. We are developing relationships and partnerships in areas and with organizations not previously utilized, including diverse schools, universities and professional organizations. Taking advantage of novel technology platforms has also given us visibility to a broader range of talents within and in adjacent industries to attract the best candidates.

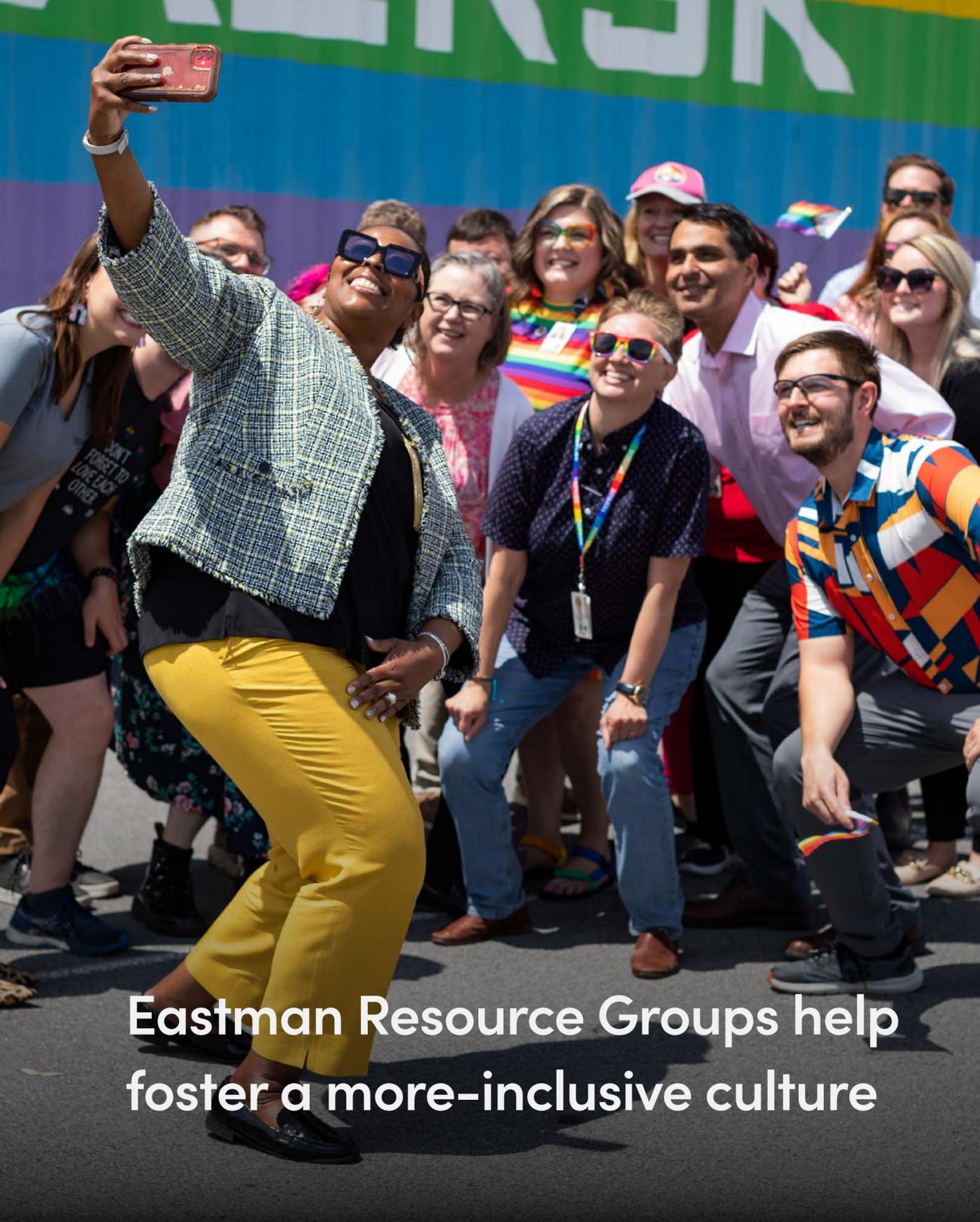
Within the company, we are providing learning and coaching programs and workshops. Our leaders are learning how to be more inclusive and gaining techniques to recognize and mitigate bias. We also conduct benefit and pay equity analyses to ensure these employment features meet the needs of all our employees and that our pay practices are fair and equitable across the board for women and underrepresented groups.

“Creating an inclusive and diverse work environment is not only the right thing to do, but it also increases our competitiveness in a global economy and optimizes business performance. By building inclusive teams with diversity of thought, backgrounds, experiences and demographic make-up, we stimulate the exchange of novel ideas, challenge assumptions and support collaboration to take our innovation to the next level. We’re proud of our efforts to promote inclusivity to better equip teams to rise to the challenge of solving some of the most complex problems facing our customers and society as a whole.”

Kaamilya Clinkscales-Major

Global Director of Inclusion and Diversity
(she/her/hers)





**Eastman Resource Groups help
foster a more-inclusive culture**

We operate six Eastman Resource Groups (ERGs), formed to create an inclusive culture and help underrepresented groups professionally. They include both members of the underrepresented groups and their allies.

These ERGs serve as advisers to our human resources department. Members also take part in community events and build awareness of the populations they represent.

Our ERGs include: APEX (Asian and Pacific Islander community); Catalysts (women); Connect (African American and Black community); Equality (LGBTQ+ community); EVETS (Active military members and veterans); and Mosaic (Latino and Hispanic community).

For more information, visit [Eastman Resource Groups](#).

APEX

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

CATALYSTS

Acts as a catalyst for advancing career and leadership opportunities for women and ensuring they receive recognition for their contributions

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

BUILDING AN INCLUSIVE CULTURE

Eastman Resource Groups



What have you learned about yourself through Equality?

"I feel like before I was an ally of Equality, I really didn't know much about the LGBTQ+ community — and you don't know what you don't know. I would say that I had some unconscious bias. Becoming an ally and learning more about the community and really educating myself has opened my eyes and helped me see things through different perspectives."

Dani Woodrum, Equality
(she/her/hers)



Connect ERG is helping drive diversity at Eastman. Why is that important?

"I think that without diversity, ideas get stagnant. You need some form of change to help challenge the status quo — to bring about the best in whatever organization you're a part of. We're doing better at Eastman than we were. We definitely have a ways to go, but I feel positive and hopeful in the direction we're going."

Andrew Yacinte, Connect
(he/him/his)



What is APEX trying to accomplish?

"We are all about empowering the Asian and Pacific Islander community. We're just making people aware of any challenges or barriers and our unique cultural backgrounds — and also just having people enjoy our culture and learn more about what our communities represent."

Stephanie Yeap, APEX
(she/her/hers)

How can Catalysts and other ERGs make a difference?

"We need to make sure we remove the barriers that we have so that we actually make sure people can come with their authentic selves and also that they can fully contribute."

Arzu Aktas, Catalysts
(she/her/hers)



What have you learned in working with Mosaic?

"I have learned that we need a lot of volunteers, a lot of help to do what we wanted to do. When we first started, we were five or six sitting around the table, and we thought we could do everything. And instead of trying to conquer the world and trying to do a lot of things, we're trying to focus our efforts into more specific ideas to see if we can accomplish them better and get a lot more done that way."

Ignacio Garcia, Mosaic
(he/him/his)



How have you connected through EVETS?

"It's a great place to be a veteran. I've been able to connect with local veterans groups and do a lot of networking. And it's very humbling when you see all the opportunities out there and ways you can assist in the community that could change somebody's life."

Amanda Robinson, EVETS
(she/her/hers)





Healthy, vibrant, inclusive communities

SOCIAL IMPACT

Promoting an inclusive community

We're committed to helping build thriving communities that are sustainable in a holistic sense. Communities with safe and healthy housing and workplaces, high-quality education, and adequate health services. These communities are also inclusive and create a sense of belonging and self-worth for all.

Eastman public affairs, in collaboration with multiple groups and countless individuals on our global team, connects with communities where we operate to identify needs and help close gaps to raise the quality of life.

This year, our Eastman Resource Group (ERG) community engagement nearly tripled, and these groups continued creating an inclusive culture at Eastman and in our communities.

- Twenty-four APEX members volunteered at Roosevelt Elementary to showcase cultural elements from Japan, South Korea, India, China, Singapore and the Philippines through a variety of educational activities, games and crafts.
- We sponsored and participated in the Longview, Texas, MLK Parade. Our ERG volunteers walked alongside Eastman's parade float and handed out cards to community members with links to job openings and links to Eastman-supported scholarship opportunities. This helped us engage with the community while building our talent pool.
- Sixty-five Catalyst volunteers organized a Habitat for Humanity project for a single mother in Kingsport. Working in shifts, they built the house from the ground up.
- We partnered with the Kingsport Chamber on two sponsored events for community socials in celebration of Women's History Month and Pride Month. Both events were open to the community and featured ERG members as panel speakers to share their stories.



SOCIAL IMPACT

Promoting an inclusive community

Developing a talent pipeline

Our work-based learning program lets high school juniors and seniors gain hands-on manufacturing experience, creating a pipeline of local talent for Eastman. The program, which began in 2021, currently serves two Kingsport, Tennessee, high schools with plans to expand to other schools and plant sites due to growing interest and success. This year we welcomed our first full-time employees who completed the program while attending Dobyns-Bennett High School: Ryder Brown and Vincent Salyer.

"This program has shown incredible success in its first years," said Jeff Fain, director of manufacturing workforce development. "Now we're ready to expand work-based learning to other Eastman sites and focus on growing diversity within manufacturing."



Revamping how we make an impact

We began using a new online platform called MyImpact for Eastman employees to become more involved in their local and global communities. MyImpact lets us understand and appeal to our employees' passions when it comes to civic engagement, which has helped us get more active involvement. The platform created a new access point for accepting employee charitable contributions, enabling an additional \$100,000 in giving and bringing our total 2022 employee donations to almost \$2.5 million. We were also excited to see a 189% increase in the number of MyImpact employee registrants and nearly 6,000 volunteer hours throughout the year.



6,000

volunteer hours throughout the year



\$2.5 M

approximate total of 2022 employee donations

Advancing entrepreneurship and innovation

For the second year, Eastman sponsored the RISE UP fashion show, inspiring young designers across seven countries to create sustainable fashion. Eastman awarded \$20,000 to the contest winner of the year as part of our company commitment to educate emerging, talented, sustainability-minded designers. Royal College of Art MA graduate Haqing Ding took home the prize this year for her entrepreneurship in sustainable knitwear made with Eastman Naia™ cellulosic fibers.



Help with Ghent music festival

Eastman team members in Ghent North volunteered at Rock for Specials, a pop rock festival for people with special needs and their companions, in July 2022. The two-day event is specifically adapted to the audiences' needs, and some Eastman volunteers signed up for 12-hour-plus shifts at a time.

SOCIAL IMPACT

Promoting an inclusive community

Packing crates to battle food insecurity

More than 50 Rotterdam team members joined an Eastman Professional Development Community initiative to help pack crates for the Rotterdam Food Bank. Volunteers assisted in packing more than 15,000 food crates of fruits and vegetables between September and December 2022.

The Rotterdam Food Bank is the oldest and largest food bank in The Netherlands and distributes to more than 30 locations for pickup.



15,000

packaged food crates of fruits and vegetables



Eastman Foundation

A nonprofit 501(c)(3) organization, Eastman Foundation is designed to support and promote economic success, social well-being and environmental integrity. As part of its mission, the foundation places a special emphasis on directing programs toward improving the quality of life in communities where we operate.

Here are examples of Eastman Foundation programs designed to lift up communities, colleagues and friends in times of strife and in the face of natural disaster; to improve and support good environmental practices; and to foster partnerships to improve educational opportunities and support the next generation of innovators:

- In March 2022, we began our Help Ukraine campaign, where employees could take action and make an impact for the people of Ukraine after their country was invaded by Russia. More than 300 global participants made a donation through Eastman's campaign. The Eastman Foundation donated \$100,000 to relief organizations and matched an additional \$50,000.
- The Eastman Foundation committed an over \$2.5 million investment to establish partnerships with historically Black colleges and universities (HBCUs) — the largest single investment our foundation has ever made — as part of our commitment to tap into the top of a diverse talent pool.
- Our foundation awarded the Appalachian Service Project (ASP) \$50,000 to support flood relief efforts in eastern Kentucky. ASP helped rebuild homes destroyed by flooding in July 2022 across the region.
- We're supporting forest restoration in Brazil through an Eastman Foundation investment that will improve the surrounding water ecosystem. This initiative is part of Eastman's partnership with SOS Mata Atlântica and Bracell to donate tree seedlings.
- Five years after Hurricane Maria, Puerto Rico has still not recovered from the devastation. And then Hurricane Fiona hit in September 2022, causing even more destruction. That's why our foundation, in collaboration with the Mosaic ERG, committed \$50,000 to hurricane relief. Mosaic identified organizations in need of financial assistance. Comedores Sociales de Puerto Rico received \$15,000 from the Eastman Foundation, which aims to combat hunger in low-income communities. Come Colegial, a student organization at the University of Puerto Rico Mayaguez Campus, received \$35,000 to help end student food insecurity.



INDICES AND APPENDIX

2022 goals and progress

2022 goals and progress

Eastman has made sustainability integral to our strategy, driven by innovation and focused always on people. Eastman has the responsibility and opportunity to lead, joining others to address climate change, mainstream circularity as an economic model, and build a more inclusive and equitable world. As sustainable innovation drives our approach to each of these topics, we have set collective goals to further embed sustainability standards into the operating model of our company. Eastman is dedicated to the integrity of our reporting, celebrating progress and examining where improvements can be made.

Together, we can create A Better Circle.

Goal	Progress details
Mitigating climate change	
Reduce our absolute greenhouse gas Scope 1 and 2 emissions by one-third by 2030 to achieve carbon neutrality by 2050	We have reduced our absolute Scope 1 and 2 greenhouse gas emissions by 16.3% against our 32% goal by 2030, measuring from our 2017 base year.
100% of NAR and EU purchased electricity will be renewable by 2030.	We have achieved 14% of our renewable energy goal.
Eastman is committed to comprehensively understanding our downstream Scope 3 footprint and developing a strategy that begins to address it.	Eastman is at the beginning of our Scope 3 journey, and we acknowledge that there is much more work to do. We are actively participating in a Together for Sustainability (TfS) workstream focused on developing and launching a standard guideline for consistent product carbon footprints across chemical supply chains. While reducing emissions that are directly in our control is the priority, we are collaboratively working with key customers and looking for opportunities to reduce product footprints. We will continue to expand the capabilities of conducting life cycle assessments (LCA), analyzing the potential cradle-to-gate environmental impacts of our products and their implied impact along the value chain.
Innovate to provide products that enable energy savings and greenhouse gas reduction down our value chains and at the consumer level	Eastman continues to focus on the sustainability of our innovation pipeline and developing a deep understanding of how our products perform within our customer's products and across the value chain. Eastman is actively reducing our product footprint through our operations and manufacturing processes while bringing new products to market that help consumers realize a breadth of sustainability advantages. We are continuing to invest in our top innovation platforms such as: specialty plastics circular solutions (Renew), Saflex™ PVB for next-generation head-up displays, Aventa™ compostable materials for single-use food service products, Tetrashield™ protecting resin systems, and Naia™ cellulosic fibers for circular textiles.

Goal	Progress details
<p>Mainstreaming circularity</p>	
<p>Recycle more than 500 million pounds (225,000 MT) of plastic waste annually by 2030 via molecular recycling technologies, with a commitment to recycle 250 million pounds (110,000 MT) annually by 2025</p>	<p>Eastman recycled 18.1 million pounds (8,000 MT) of plastic waste in 2022. Eastman is planning to start up our methanolysis plant in Kingsport, Tenn., in 2023. With a capacity of approximately 220 million pounds (100,000 MT) of plastics recycled annually, the launch of this plant will strengthen our ability to accomplish this goal. The amount of plastic waste we recycled in 2022 was a more than 40% increase over our 2021 volume.</p>
<p>Catalyze improvement of the recycling system by continuing to expand capabilities to recycle more complex products and by participating in initiatives and collaborations to drive increased collection</p>	<p>Since its launch, two rounds of grants have been issued from the Recycling Partnerships PET Coalition to expand PET recycling.</p> <p>Per Eastman and Domtar’s request, The Recycling Partnership completed a feasibility study for a materials recovery facility in the Northeast Tennessee local region and are assessing options for a longer-term solution to support recycling.</p> <p>Eastman and the University of Tennessee recycled or reused a staggering 38,452 pounds of waste at a 2022 college American football game, setting a world record for a college recycling event.</p>
<p>Caring for society</p>	
<p>Achieve gender parity in alignment with our commitment to Paradigm for Parity</p>	<p>In 2022, we increased gender parity to 38%, moving toward our goal to have a workforce that is more representative of our communities.</p>
<p>Be a leader for U.S. racial equity within our industry sector</p>	<p>In 2022, we increased representation in our workforce to 14%.</p>
<p>Drive new product innovations that advance solutions for society’s most pressing needs while ensuring product safety and transparency</p>	<p>It is our responsibility to develop new molecules, products and applications to address disruptive macro trends at the molecular level, making a difference in everyday lives while enhancing the quality of life around the world. While we strive to develop products with an improved safety profile, our best examples include: fat-coated butyrate and Keitex feed hygiene enhancer for animal nutrition, biodegradable personal care microbeads, and sustainable additives for our coatings and care businesses.</p>

Goal	Progress details
Process safety	
Achieve top quartile performance as measured against American Chemistry Council (ACC) and American Fuel & Petrochemical Manufacturers (AFPM) companies	<p>Corporate strategy for achieving top quartile performance includes four main initiatives: 1) asset integrity, 2) essential operating and maintenance disciplines, 3) process hazard analysis and 4) facilities siting.</p> <p>Second-half 2022 OSHA recordable injury rate decreased by nearly 50% relative to first-half 2022 performance. In year-over-year performance compared to 2021, we reduced our OSHA recordable injury rate by 18%.</p>
Process safety events (PSE) Tier 1 + Tier 2 = 0.10 (reduction in events by 80% in 10 years)	<p>Eastman continues to implement a Process Safety Challenged Site Process to focus resources based on an analysis of event data. Through Eastman's process hazard analysis program, our operations teams addressed actions identified to mitigate the greatest process safety risks across our global sites.</p> <p>Tier 1 process safety event rate at the end of 2022 was 0.10. Tier 2 process safety event rate at the end of 2022 was 0.25.</p>
Personal safety	
Zero serious injury and fatality (SIF) events	<p>Eastman recognizes the challenge of eliminating serious injuries across all locations. By analyzing data, we targeted the areas with the most risk for SIF events and deployed additional resources to engage these work areas. Following unacceptable safety performance during the first half of 2022, including five SIF events, we identified visible leadership as a critical component to shift our safety performance and culture. We increased expectations for leaders at every level to spend more time in the field with our manufacturing and maintenance teams.</p> <p>We saw significant improvement and closed 2022 with six total SIF events. Efforts continue into 2023 on our commitment to zero.</p>
Zero potential serious injury and fatality events (P-SIF) associated with life-critical procedures	Eastman expects flawless execution of our life-critical processes (LCP). Because of this, we established that by definition any identified gap in the performance of an LCP shall be classified as a P-SIF event. Additional emphasis has been placed on LCP audits and leadership engagement in this space to improve operational discipline and implementation.
Environmental	
Environmental performance metric defined and implemented 2021; established baseline in 2022; achieve a 75% reduction by 2030	In 2021, Eastman defined a process to identify key environmental performance indicators and implemented a modern environmental management system, which included performance dashboards to track progress against environmental key performance indicators. The new system enables more efficient data collection and visualization to assist facilities and the organization in identification of opportunities to improve both short- and long-term operational metrics. Establishment of a baseline is complete in 2022 with the focus on achieving a 75% reduction by 2030.

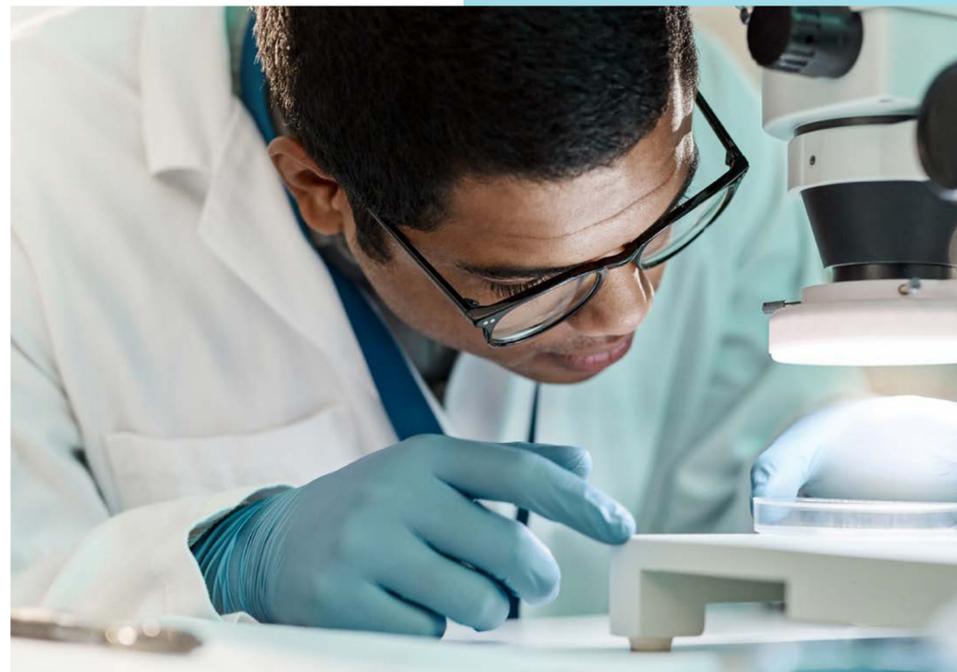
Goal	Progress details
Level 1 environmental performance indicator (EPI) — 75% reduction by 2030	For environmental events, Eastman uses a severity criterion comparable to API RP 754 tiered system. Establishment of the 2022 baseline is complete with the focus on achieving a 75% reduction by 2030.
Implemented Operation Clean Sweep Blue and plan to publicly report on pellet spills	We have met our goal and are now committed to the Operation Clean Sweep® Blue program. We have also enhanced our internal reporting to better capture data associated with pellet, flake and powder containment loss. We are pleased to report that there have been no OCS Blue reportable plastic pellet losses to the environment outside company-operated facilities.
Air emissions	
95% reduction in SO ₂ by 2030 compared to 2017 baseline	The 2022 SO ₂ value of 3,188 tons per year (tpy) represents a 70.8% reduction compared to the 2017 baseline of 10,900 tpy. We are on track to achieve our 2030 goal to reduce SO ₂ by 95% from 2017 levels.
50% reduction in NO _x by 2030 compared to 2017 baseline	The 2022 NO _x value of 6,060 tons per year (tpy) represents a 27.8% reduction compared to the 2017 baseline of 8,400 tpy. We are on track to achieve our 2030 goal to reduce NO _x by 50% from 2017 levels.

About this report

This sustainability report reflects Eastman's advancement toward the meaningful and measurable goals that will ensure we make progress toward the environmental, social and governance (ESG) expectations of our customers, employees and investors and the communities we serve. It is focused on both our forward momentum as well as the headwinds we incurred during the 2022 through mid-2023 time frame. The quantitative data of this report is in accordance with the Global Reporting Initiative (GRI) standards and discloses material information across the Jan. 1 to Dec. 31, 2022, time frame unless otherwise noted. In addition to the GRI, this report references additional frameworks, including the Task Force for Climate-related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB), to meet requirements for the United Nations Global Compact Communication on Progress and references the relevant United Nations Sustainable Development Goals (SDGs).

Eastman updated our corporate sustainability materiality assessment in 2022 and has identified topics of significance and indicators that align to our strategy and are most relevant to our internal and external stakeholders. Our process included an examination of our business risks and opportunities, evaluation of external trends, external expertise and our own understanding of our business. See the "[Materiality](#)" section of this report for a full explanation of our findings.

This sustainability report, as well as past reports, covers Eastman's wholly owned operations and is used as a means of updating stakeholders on our progress against stated goals and commitments while giving a broad overview of our collective impacts and activities. As we acquire new sites and material businesses, we remain committed to integrating information within three years of acquisition. Eastman corporate audit services assesses the information in conformance with standards set by the Institute of Internal Auditors and verifies that supporting documentation exists. Much of the financial data is taken from our annual Securities and Exchange Commission (SEC) filing.



Eastman has reported toward its sustainability commitments since 2009. You can reference Eastman's past sustainability reports [linked here](#).

Report of independent accountants



Report of Independent Accountants

To the Board of Directors of Eastman Chemical Company,

We have reviewed the accompanying management assertion of Eastman Chemical Company (Eastman) that the greenhouse gas (GHG) emissions metrics for the year ended December 31, 2022 in management's assertion, are presented in accordance with the assessment criteria set forth in management's assertion. Eastman's management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the GHG emissions metrics. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The firm applies the Statements on Quality Control Standards established by the AICPA and, accordingly, maintains a comprehensive system of quality control.

The procedures we performed were based on our professional judgment. In performing our review, we performed inquiries, performed tests of mathematical accuracy of computations on a sample basis, read relevant policies to understand terms related to relevant information about the GHG emissions metrics, reviewed supporting documentation in regard to the completeness and accuracy of the data in the GHG emissions metrics on a sample basis, and performed analytical procedures.

GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

Based on our review, we are not aware of any material modifications that should be made to Eastman's management assertion in order for it to be fairly stated.

Portland, Oregon
June 30, 2023

REPORT OF INDEPENDENT ACCOUNTANTS

Management assertion

With respect to the greenhouse gas (GHG) emissions metrics presented by Eastman Chemical Company (Eastman) in the table to the right for the year ended December 31, 2022, management of Eastman asserts that the GHG emissions metrics are presented in accordance with the assessment criteria set forth below. Management is responsible for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the GHG emissions metrics and for the completeness, accuracy and validity of the GHG emissions metrics.

Organizational boundary

Organizational boundary for the Scope 1 and Scope 2 GHG emissions metrics relate to Eastman's manufacturing sites (non-manufacturing sites are excluded) over which it had financial control during the reporting year. Joint ventures which are consolidated in Eastman's financial statements because Eastman has a controlling interest are included in Scope 1 and Scope 2 GHG emissions at 100%. Joint Ventures which are nonconsolidated in Eastman's financial statements because Eastman does not have a controlling interest are included in Scope 3 emissions calculations. Scope 3 category 6, business travel GHG emissions are inclusive of employees at all of Eastman's consolidated and nonconsolidated manufacturing and non-manufacturing sites. Emissions of divested businesses are excluded for the entire reporting year in the year divested and new manufacturing sites are included starting in the year and month in which it first manufactures saleable goods.

GHG emissions metrics	Definition of metric/ assessment criteria ^{1,2,3}	Metric quantity in metric tons of carbon dioxide equivalent (mtCO ₂ e)
Direct (Scope 1) GHG emissions	Direct GHG emissions from stationary combustion, chemical processes, and fugitive (volatile organic compounds and refrigerants) sources. ^{4,5}	5,970,870
Energy indirect (Scope 2) GHG emissions	Indirect GHG emissions from the generation of purchased grid electricity and steam, using the location-based and market-based methods. ⁶	Location-based: 836,571 Market-based: 799,008
Total GHG emissions (Scope 1 and Scope 2)	Direct GHG emissions from Scope 1 and indirect GHG emissions from Scope 2 (market-based). ^{4,5,6}	6,769,878
Other indirect (Scope 3) GHG emissions — Category 6, Business travel	Indirect GHG emissions from air, rental car, and rail transportation and hotel stays of employees for business-related activities. ⁷	6,831

- Eastman considers the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development's (WBCSD) The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard, and Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Accounting and Reporting Standard (together, the "GHG Protocol") to guide the criteria to assess, calculate, and report GHG emissions.
- GHG emissions are expressed in CO₂e and include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and industrial gases, such as hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs). Sulfur hexafluoride (SF₆) and nitrogen trifluoride (NF₃) are not emitted by Eastman's manufacturing sites. Emissions data by individual GHG is not disclosed as a majority of CO₂e relates to CO₂. Carbon dioxide equivalent emissions are calculated by multiplying actual fuel usage and calculated process emissions and refrigerant gas loss by the relevant emission factor taking into account Global Warming Potentials (GWPs) of the compounds as defined by the Intergovernmental Panel on Climate Change's (IPCC) Fourth Assessment Report. All emission factors are reviewed annually and updated annually as applicable.
- GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

REPORT OF INDEPENDENT ACCOUNTANTS

4 Data estimations for reported Scope 1 GHG emissions are less than 1%.

5 Related to direct (Scope 1) GHG emissions:

- Emissions from stationary combustion of fossil fuels (natural gas, liquified petroleum gas, distillate fuel oil, residual fuel oil, coal and fuels produced on site):
 - Consumption is measured based on manufacturing site-level monthly (or aggregate) third-party invoices for purchased fossil fuels.
 - Emission factors: U.S. Environmental Protection Agency (EPA) Emission Factors for Greenhouse Gas Inventories as obtained from the American Chemistry Council.
- Emissions from chemical processes:
 - Estimated based on engineering calculations for manufacturing processes. The GHG emissions are calculated on the basis of stoichiometry (chemical process) and process parameters. The calculation outputs the quantity of CO₂ generated by the process which is then converted to CO₂e using the relevant GWP.
- Emissions from fugitives:
 - HFCs and PFCs are related to replenishment of refrigerants during 2022. Refrigerant gas loss is calculated based on site-specific refrigerant management records. The GWP of the individual refrigerants is then used to convert the fugitives into CO₂e.

6 Related to indirect (Scope 2) GHG emissions:

- Consumption is measured based on monthly third-party invoices for electricity and steam usage. A location-based or market-based emission factor (as described below) is then applied.
- Emission factors for electricity and steam (location-based):
 - U.S. manufacturing sites: U.S. EPA Emissions & Generation Resource Integrated Database (eGrid) subregion emission factors for 2021 — January 2023.
 - All other manufacturing sites: 2022 Carbon Footprint™ Country-Specific Electricity Greenhouse Gas Emission Factors V0.1 — February 2023.
- Emission factors for electricity (market-based):
 - Eastman used Guarantees of Origin (GOs) and Renewable Energy Credits (RECs) during 2022 to contractually procure renewable energy in relation to the following manufacturing sites: Oulu, Finland; Newport, Wales; Ghent North, Belgium; Martinsville, Virginia; Kingsport, Tennessee.
 - GOs and RECs applicable to the 2022 reporting year have been both contracted and retired as of the date of this management assertion.
 - Emission factors were applied based on the GHG Protocol hierarchy and availability of data including the factors below listed from highest to lowest precision:
 1. Electricity contract — GOs and RECs considered 0 g CO₂e/MWh.
 2. Utility-specific market-based fuel mix (proportionate amounts of fuels driving electricity consumption) for the most recent reporting year comes from the Association of Issuing Bodies European Residual Mixes 2021.
 3. Other grid-average emission factors are the same as location-based.

7 Related to other indirect (Scope 3) GHG emissions — category 6, business travel:

- Air travel, rental cars and rail: Calculated based on (i) business travel data (mileage) obtained through annual reports from SAP Concur Global expense data a third-party travel management organization responsible for employees globally.
- Hotel stays: Calculated based on (i) business travel data (nights stayed) obtained through annual reports from Concur Travel Management system, a third-party travel management organization responsible for employees globally.
- Emissions factors:
 - Business travel data for air and rail travel, rental cars, and hotel stays obtained through annual reports: Department for Environment, Food, & Rural Affairs (DEFRA) United Kingdom Government GHG Conversion Factors for Company Reporting 2022.

PROGRESS

Global Reporting Initiative index

Global Reporting Initiative index

This Global Reporting Initiative (GRI) index corresponds to sustainability information presented in our annual sustainability report, our proxy statement and annual report, our website, and other disclosures. Sustainability information presented in our sustainability report is prepared in accordance with GRI Standards core guidelines and focuses on performance in calendar year 2022.

The information included also serves as Eastman's Communication on Progress as a member of the United Nations Global Compact (UNGC) and an update on our role in the United Nations Sustainable Development Goals (SDGs).

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
The organization and its reporting practices					
2-1	Organizational details	Who is Eastman			
2-2	Entities included in the organization's sustainability reporting	About this report			
2-3	Reporting period, frequency and contact point	About this report			
2-4	Restatements of information	About this report			
2-5	External assurance	External assurance			
Activities and workers					
2-6	Activities, value chain and other business relationships	Eastman brands			
2-7	Employees	Appendix			

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Governance					
2-9	Governance structure and composition	Appendix , Board of Directors , Corporate Governance Guidelines , Bylaws , 2023 Proxy Statement			
2-10	Nomination and selection of the highest governance body	Corporate Governance Guidelines , Bylaws , Certification of Incorporation , 2023 Proxy Statement			
2-11	Chair of the highest governance body	2023 Proxy Statement , Corporate Governance Guidelines			
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance , Sustainability Governance , 2023 Proxy Statement , CDP Climate Change			
2-13	Delegation of responsibility for managing impacts	Corporate Governance ; 2023 Proxy Statement , Corporate Governance Guidelines , Audit Committee Charter			
2-14	Role of highest governance body in sustainability reporting	Governance			
2-15	Conflicts of interest	Corporate Governance , Corporate Governance Guidelines , 2023 Proxy Statement , Audit Committee Charter			
2-16	Communication of critical concerns	Corporate Governance Guidelines , 2023 Proxy Statement , Board Stockholder Communication and Engagement Policy , Audit Committee Charter			
2-17	Collective knowledge of the highest governance bodies	Corporate Governance , Corporate Governance Guidelines , 2023 Proxy Statement			

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
2-18	Evaluation of the performance of the highest governance body	Corporate Governance , Corporate Governance Guidelines , 2023 Proxy Statement , Audit Committee Charter , Compensation and Management Development Committee Charter , Finance Committee Charter , Environmental, Safety and Sustainability Committee Charter , Nominating and Corporate Governance Committee Charter			
2-19	Remuneration policies	Corporate Governance Guidelines , 2023 Proxy Statement			
2-20	Process to determine remuneration	Corporate Governance Guidelines , 2023 Proxy Statement			
2-21	Annual total compensation ratio	This is considered business confidential.			
Strategy, policies and practices					
2-22	Statement on sustainable development strategy	CEO message			
2-23	Policy commitments	Values , Code of Business Conduct			
2-24	Embedding policy commitments	Corporate Governance , Corporate Governance Guidelines			
2-25	Processes to remediate negative impacts	Corporate Governance , Corporate Governance Guidelines , 2023 Proxy Statement			
2-26	Mechanisms for seeking advice and raising concerns	Appendix , Code of Business Conduct , Third-Party Code of Conduct		16	10
2-27	Compliance with laws and regulations	Corporate Governance Guidelines , 2023 Proxy Statement			
2-28	Membership associations	Memberships			

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Stakeholder engagement					
2-29	Approach to stakeholder engagement	Stakeholder engagement		16	
2-30	Collective bargaining agreements	As of July 1, 2022, collective bargaining agreements covered approximately 5% of Eastman's U.S.-based workforce.			
3-1	Report process of determining material topics	Materiality assessment			
3-2	Report a list of its material topics	Materiality assessment			
3-3	Report how it manages each material topic	Materiality assessment			
Economic performance					
201-1	Direct economic value generated and distributed	2023 10K Report , Part II, Item 8		2, 5, 7, 8, 9	
201-2	Financial implications and other risks and opportunities due to climate change	Appendix		13	
201-3	Defined benefit plan obligations and other retirement plans	Eastman provides on-site and virtual no-cost financial planning counseling resources to our employees and their family members. In addition, multiple innovative financial technology solutions are provided at no cost to assist our employees to support their financial wellness. Also, eligible employees get \$1,000 per year into their Health Savings Accounts (HSAs) from Eastman that can be saved for retirement. Benefits at Eastman			

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Market presence					
202-2	Proportion of senior management hired from the local community	Appendix			
Indirect economic impacts					
203-1	Infrastructure investments and services supported	Appendix		2, 5, 7, 9	
203-2	Significant indirect economic impacts	Appendix		8, 10, 17	
Procurement practices					
204-1	Proportion of spending on local suppliers	Eastman’s policy is to procure products and services based on total value for the company. Factors that Eastman considers when making purchasing decisions include competitive pricing, quality of work and materials, and timely and trustworthy performance. Procurement strategies are continuously developed and implemented to provide assurance of sources for goods and services necessary to the company’s operations. Procurement strategies may include the development of a local supply based on business needs.		12	
Anti-corruption					
205-1	Operations assessed for risks related to corruption	Eastman conducts an annual risk assessment of 100% of our businesses, which includes risks relating to corruption. No significant risks related to corruption were reported or have been identified through the risk assessment.		10, 16	

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
205-2	Communication and training about anti-corruption policies and procedures	Appendix, Code of Business Conduct, Third-Party Code of Conduct		10, 16	
205-3	Confirmed incidents of corruption and actions taken	If any incident of corruption or misconduct is identified, team members are required to report this conduct. An internal investigation is performed, and appropriate follow-up actions, including disciplinary action, are taken to remediate and prevent the recurrence of a similar incident in the future. Eastman’s position on corruption and bribery is reflected not only in its Code of Business Conduct but in specific policies, procedures and training available to all employees on bribery and corruption risks and how to avoid them. No incidents of corruption were reported or confirmed in the reporting year. No public legal cases regarding corruption were brought against the company or its employees during the reporting period.		10, 16	
Anti-corruption behavior					
206-1	Legal actions for anti-competitive behavior, antitrust, and monopoly practices	Any legal actions that are material for anticompetitive behavior, antitrust or monopoly practices would be disclosed in Eastman’s filings with the Securities and Exchange Commission, and all such actions would generally be a matter of public record. No legal action for anticompetitive behavior, anti-trust or monopoly practices were reported in the reporting year.			
Tax					
207-2	Tax governance, control and risk management	This information is confidential and not disclosed publicly.			
207-3	Stakeholder engagement and management of concerns related to tax	This information is confidential and not disclosed publicly.			
207-4	Country-by-country reporting	This information is confidential and not disclosed publicly. This information is not complete at the time of this report, although is required to be filed with annual tax return filings.			

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Energy					
302-1	Energy consumption within the organization	Eastman used about 109.2 trillion BTU in 2022 to produce products using both direct and indirect energy. About 87% of direct energy was produced from purchased natural gas and coal, and about 13% was recovered fuel from feedstock.		7, 8, 12, 13	7, 8
302-2	Energy consumption outside of the organization	In 2022, Eastman used about 16 trillion BTU of indirect energy in the form of purchased steam and electricity to produce products.		7, 8, 12, 13	7, 8
302-3	Energy intensity	Energy , Energy management		7, 8, 12, 13	7, 8
302-4	Reduction of energy consumption	Energy management , CDP Climate Change		7, 8, 12, 13	8, 9
302-5	Reductions in energy requirements of products and services	Energy management			
Water and effluents					
303-1	Interactions with water as a shared resource	Water management			
303-2	Management of water discharge-related impacts	Eastman is not aware of any significant impact on any water source. At our largest manufacturing facilities in Kingsport, Tennessee, and Longview, Texas, comprehensive river studies conducted by the Academy of Natural Sciences of Drexel University, formerly known as the Philadelphia Academy of Natural Sciences, confirm that these rivers provide thriving habitats for wildlife communities. Water management			
303-3	Water withdrawal	Water , CDP Water Response (W1.2b) ; CDP Water Response (W1.2h)			

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
303-4	Water discharge	Water, CDP Water Response (W1.2b)			
303-5	Water consumption	Water, CDP Water Response (W1.2b)			
Biodiversity					
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	Biodiversity			
304-2	Significant impacts of activities, products and services on biodiversity	Biodiversity		6, 14, 15	8
304-3	Habitats protected or restored	Biodiversity			
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity			
Emissions					
305-1	Direct (Scope 1) GHG emissions	Our 2022 direct greenhouse gas emissions, based on the Greenhouse Gas Protocol, were 5,970,870 MT CO ₂ e, CDP Climate		3, 12, 13, 14, 15	7, 8
305-2	Energy indirect (Scope 2) GHG emissions	Our 2022 indirect location-based greenhouse gas emissions, based on the Greenhouse Gas Protocol, were 836,571 MT CO ₂ e, CDP Climate		3, 12, 13, 14, 15	7, 8

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
305-3	Other indirect (Scope 3) GHG emissions	Emissions, CDP Climate		3, 12, 13, 14, 15	7, 8
305-4	GHG emissions intensity	Emissions, CDP Climate		13, 14, 15	8
305-5	Reduction of GHG emissions	Emissions, CDP Climate		13, 14, 15	8, 9
305-6	Emissions of ozone-depleting substances (ODS)	Eastman policies require all Eastman facilities, subsidiaries and majority-owned joint ventures that operate equipment containing ODS to develop and maintain an inventory of all ODS equipment, including an identification of the equipment and type and quantity of refrigerant.		3, 12	7, 8
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Environmental performance		3, 12, 13, 15	7, 8
Waste					
306-1	Waste generation and significant waste-related impacts	Eastman takes great care to manage our on-site waste production, and we recycle many materials that would otherwise become waste. Our integrated global supply chain is committed to developing and using materials that are recyclable, reusable and waste reducing whenever possible. See the following links for further information: ESG Databook , Circular economy			
306-2	Management of significant waste-related impacts	Appendix, Environmental stewardship, Responsible Care, HSES management		3, 6, 12	8
306-3	Waste generated	Emissions, CDP Climate, Waste reduction		3, 6, 12, 14	8
306-4	Waste diverted from disposal	Emissions, CDP Climate, Waste reduction			
306-5	Waste directed to disposal	Waste reduction			

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Employment					
401-1	New employee hires and employee turnover	Appendix		5,8	6
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Please note that all of the benefits selected above are also provided to part-time employees in the U.S. Benefits at Eastman		8	
401-3	Parental leave	We do not report in detail on the return to work and retention rate after parental leave by gender.		5,8	6
Labor/management relations					
402-1	Minimum notice periods regarding operational changes	In the event of operational changes that involve a change in staffing levels or otherwise affect employment, the company engages in significant planning to ensure affected employees are treated with the utmost respect and dignity. Labor and employment law requirements, including but not limited to reasonable employee notice of job loss and requirements under collective bargaining agreements, are carefully assessed in every global location.		8	3
Occupational health and safety					
403-1	Occupational health and safety management system	Appendix, Health and safety			
403-2	Hazard identification, risk assessment, and incident investigation	Safety			

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
403-3	Occupational health services	Safety			
403-4	Worker participation, consultation and communication on occupational health and safety	Safety			
403-5	Worker training on occupational health and safety	Safety			
403-6	Promotion of worker health	Employee wellness			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety			
403-8	Workers covered by an occupational health and safety management system	Approximately 14, 500 employees were employed by Eastman in 2022. All employees are subject to Eastman’s health and safety programs.			
403-9	Work-related injuries	Safety metrics			
403-10	Work-related ill health	Safety metrics			
Training and education					
404-1	Average hours of training per year per employee	Appendix		8	6

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
404-2	Programs for upgrading employee skills and transition assistance programs	Careers at Eastman			
404-3	Percentage of employees receiving regular performance and career development reviews	We do not report on the percentage of employees receiving regular performance and career development reviews by gender and by employee category.		5, 8	6
Diversity and equal opportunity					
405-1	Diversity of governance bodies and employees	Appendix		5, 8	6
405-2	Ratio of basic salary and remuneration of women to men	Eastman establishes and administers compensation based on business needs and external market competitiveness without regard to gender.		8, 10	6
Nondiscrimination					
406-1	Incidents of discrimination and corrective actions taken	Eastman does not publicly report the total number of such incidents or any of their corrective actions.			
Freedom of association and collective bargaining					
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Eastman complies with all laws designed to preserve the right to exercise freedom of association and collective bargaining. Eastman has not identified any operations at which those rights are at significant risk.		8	3

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Child labor					
408-1	Operations and suppliers at significant risk for incidents of child labor	<p>We uphold individual human rights including freedom from forced or compulsory labor and stand firmly against human trafficking. We seek to provide a safe, healthy and desirable workplace with working conditions, wages and benefits that meet or exceed applicable laws and reward performance. Eastman complies with all child labor laws and supports the elimination of unlawful child labor and exploitation. We expect the same ethical conduct from our business partners.</p> <p>Code of Conduct, Third-Party Code of Conduct, Statement on slavery and human trafficking, Policy statement on human rights</p>		8, 16	5
Forced or compulsory labor					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<p>We uphold individual human rights, including freedom from forced or compulsory labor, and stand firmly against human trafficking. We seek to provide a safe, healthy and desirable workplace with working conditions, wages and benefits that meet or exceed applicable laws and reward performance. Eastman complies with all child labor laws and supports the elimination of unlawful child labor and exploitation. We expect the same ethical conduct from our business partners.</p> <p>Code of Conduct, Third-Party Code of Conduct, Statement on Slavery and Human Trafficking, Policy statement on human rights</p>		8	4
Security practices					
410-1	Security personnel trained in human rights policies or procedures	Security		16	1
Rights of Indigenous peoples					
411-1	Incidents of violations involving rights of indigenous peoples	As of December 2022, no incidents of violations involving the rights of indigenous peoples were identified or investigated during the reporting period. Additionally, zero operations have been subject to human rights reviews or impact assessments.			1

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Local communities					
413-1	Operations with local community engagement, impact assessments and development programs	Appendix			
413-2	Operations with significant actual and potential negative impacts on local communities	Appendix			
Supplier social assessment					
414-1	New suppliers that were screened using social criteria	Eastman is a member of the Together for Sustainability Initiative (TfS), the chemical initiative for sustainable supply chains. TfS is a member-driven initiative founded in 2011 by six major chemical companies. Since that time, membership has grown to 47 members, including Eastman as the first U.S. chemical industry member. TfS develops and implements a global supplier engagement program to assess, audit and improve sustainability practices within the supply chain of the chemical industry. Under this initiative, Eastman collects information from suppliers by requesting suppliers complete an EcoVadis sustainability assessment, which has four elements: environmental, labor and human rights, ethics, and sustainable procurement. The TfS initiative also coordinates third-party audits of the responses to the assessments when needed. One of the guiding principles of TfS is data sharing between the members — an assessment or audit for one member is an assessment or audit for all.			2
414-2	Negative social impacts in the supply chain and actions taken	Eastman is not aware of any significant impacts in our supply chain with respect to the environment, labor, human rights or societal issues that occurred in 2022.			2
Public policy					
415-1	Political contributions	Appendix			10

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Customer health and safety					
416-1	Assessment of the health and safety impacts of product and service categories	<p>Eastman’s PSRA program performs hazard and risk assessment reviews for 100% of its products. Monitoring potential risk classifications drives the Eastman goal of reduction or elimination of PBT, vPvB, CMR, ED and sensitizers from Eastman’s existing product portfolio. Monitoring hazards and risk classifications also highlights potential areas of the portfolio where there could be capacity for improvement. Active engagement in hazard and risk assessments provides opportunities for members of the product stewardship and regulatory affairs program to proactively identify any potential human and/or environmental hazard concerns for a proposed product undergoing research and development. A course of action to eliminate the potential hazards and risks can then be designed and implemented.</p> <p>Responsible Care</p>			
Marketing and labeling					
417-1	Requirements for product and service information and labeling	Product Safety , Product Stewardship		12	
417-2	Incidents of noncompliance concerning product and service information and labeling	<p>Eastman has not identified any noncompliance with regulations or voluntary codes regarding product or service information and labeling for the reporting year.</p> <p>All of our product safety data sheets and labeling comply with regulatory requirements for hazard communication in all countries and regions. In 2016, we implemented the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) process to define, classify and communicate chemical hazard and safety information for all of our products.</p>		16	
417-3	Incidents of non-compliance concerning marketing communications	Eastman is unaware of any significant fines in 2022 concerning marketing communications.			
Customer privacy					
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Eastman is unaware of any complaints regarding breaches of customer privacy or loss of customer data in 2022.			

Global Reporting Initiative appendix

2-7 Employees

Total workforce	Employment type	Region
14,684 employees as of December 31, 2022	Full-time: 97.9%	North America: 72%
	Part-time: 2.1%	Europe, Middle East and Africa: 15%
		Asia Pacific: 10%
		Latin America: 3%

2-9 Governance structure and composition

It is the general policy of Eastman ("the Company") that all decisions of corporate significance be considered by the Eastman Board of Directors ("the Board") as a whole. As a consequence, the committee structure of the Board is limited to those committees considered to be basic or required for the efficient functioning of the Board. Currently these committees are the Audit Committee; the Finance Committee; the Compensation and Management Development Committee; the Environmental, Safety and Sustainability Committee; the Finance Committee; and the Nominating and Corporate Governance Committee. (See [Corporate Governance Guidelines](#) Section III, Paragraph I (1) - page 11.)

A list of committees and their members and the charters of each committee can be found [here](#).

Eastman's 2023 Proxy Statement was filed with the Securities and Exchange Commission on March 22, 2023. A list of directors, committees, committee members, independence, tenure, other commitments held, gender, and skills and qualifications of each member of the Board and "Director Nominees" is on page 134 of the Company's 2023 Proxy Statement.

The Board believes that communication and engagement with the Company's stockholders and other interested parties is an important component of the Company's corporate governance practices. We have adopted a Board Stockholder Communication and Engagement Policy to facilitate communication between stockholders and other interested parties and the Board. Stockholders and other interested parties may send communications to the Board, any individual director, or the independent directors as a group in writing by mail to Board of Directors, Eastman Chemical Company, c/o Corporate Secretary, P.O. Box 1976, Kingsport, Tennessee 37662-1976, or email

corpsecy@eastman.com and leaddirector@eastman.com. Stockholders should indicate in the "ATTN:" line of the envelope or the subject line of the email, as applicable, whether the communication is directed to the Board, an individual director or the independent directors as a group. The Board Stockholder Communication and Engagement Policy is available by [clicking here](#).

2-26 Mechanisms for seeking advice and raising concerns

Eastman has multiple methods available for individuals to seek advice and raise concerns in good faith, including a physical mailing address and an internal phone number and email address for Global Business Conduct ("GBC"), which is Eastman's ethics and compliance organization. In addition, the Company also has a toll-free hotline, website and mobile application, which are all hosted by a third party and allow for anonymous reporting where permitted by law.

These available methods are published both internally and externally and can be found in many different locations. Externally, the mechanisms can be found by visiting Eastman's website and clicking the "Contact us" button then selecting "Report a concern" from the dropdown. Additionally, they are located within the [Code of Business Conduct](#) and the Third-Party Code of Conduct, which are both published on Eastman's website.

Internally, employees can access the different mechanisms by clicking the "Report a Concern" tile on Eastman's intranet home screen; by visiting the Global Business Conduct ("GBC") SharePoint site; and through multiple policies such as the Code of Business Conduct, the AP - Reporting Concerns Policy, and others, which are found within Eastman's MyPolicyHub system.

201-2 Financial implications and other risks and opportunities due to climate change

Future changes in legislation and regulation and related voluntary actions associated with physical impacts of climate change may increase the likelihood that Eastman's manufacturing facilities will in the future be impacted by carbon requirements, regulation of greenhouse gas emissions, and energy policy that may result in additional and increased capital expenditures, increases in costs for raw materials and energy, limitations on raw material and energy source and supply choices, and other direct compliance costs.

Other costs or consequences include decreased demand for products related to carbon-based energy sources or increased demand for goods that result in lower emissions than competing products and reputational risk resulting from operations with greenhouse gas emissions. More stringent emission limits have the potential to increase both capital and operational costs. For example, Eastman's analysis estimates the financial impact of carbon pricing in the United States on the company to be approximately \$10 million to \$50 million if such a concept became law. This analysis of the potential impacts of a regulated price on carbon was based on review of various potential carbon price points against Eastman's emissions in the United States. The analysis also considered varying levels of free allocations in a potential regulated carbon pricing concept. Eastman complies with current regulations of GHG emissions in countries where they are regulated, such as in the U.K., where Eastman's emissions are subject to the U.K.'s emissions trading system (UK ETS).

Physical impacts and a transition to a lower-carbon economy have the potential to advantage Eastman products in some markets. As one example, Eastman is the world's largest producer of window tinting films for the automotive market with applications of films like LLumar®, V-KOOL® and SunTek®. Eastman's LLumar, V-KOOL and SunTek films can be applied to almost any building or vehicle window to reduce energy consumption, lower peak demand and decrease total carbon emissions. Independent energy audits have found that buildings retrofitted with LLumar can realize better HVAC efficiency, resulting in energy savings of 5%–15%. Saflex® PVB interlayers are polyvinyl butyral films designed for lamination between two sheets of glass. Like LLumar, Saflex interlayers improve energy efficiency in both vehicles and buildings. Saflex Solar Connect, introduced in 2020, provides exceptional solar heat rejection and sound damping, which combine to make it particularly useful in electric vehicles where weight reduction from thinner glazing and reduced load on HVAC systems can have a direct impact on energy usage and vehicle range. The potential financial impact figure of approximately \$1 billion reflects the estimated revenue associated with this group of climate-change-related products.

Eastman generates a significant proportion of its energy using combined heat and power. Electricity produced by combined heat and power plants is more efficient than purchasing electricity from a utility with conventional power stations. Eastman's use of cogeneration, therefore, helps reduce the carbon emissions that would otherwise be required to operate these facilities. Energy efficiency projects also represent a climate-related opportunity. Specifically, Eastman's capital budget focused on energy efficiency projects continues to be supported by senior management and was \$5 million in 2022. Eastman's business strategy clearly reflects an emphasis on energy reduction.

Eastman works to improve resource efficiency through process optimization, reuse of steam in production processes and lighting projects in company buildings.

Emission standards or uncertainty about future standards may delay investments by our customers and, as a result, impact our future business opportunities. The direct impact of controlling CO₂ emissions from electric power generation may impact the cost of electric power supplied to Eastman manufacturing facilities, our customers and our suppliers. On the other hand, climate change may represent opportunities for Eastman with regard to the development and use of materials that enable or enhance efforts to mitigate or adapt to the effects of climate change. For example, use of window films to enhance energy efficiency, use of interlayers in window glass to provide strength for storm resistance, and development of coatings for extreme exposures represent potential opportunities.

Eastman has an advantaged platform of solutions to address the challenges of plastic waste in the environment with our molecular recycling technologies. Eastman's scale and integration provides an opportunity to accelerate the use of two recycling technologies — carbon renewal technology and polyester renewal technology — and make a meaningful positive impact on the environment. Eastman was in a unique position to utilize existing assets and began operating carbon renewal technology at commercial scale in October 2019.

In 2021, we demonstrated our commitment in material solutions that are better for people and our planet with progress on a polyester renewal recycling facility in Kingsport, Tennessee. This facility will support Eastman's commitment to addressing the global waste crisis and to mitigating challenges created by climate change, while also creating value for our stakeholders, including benefits to the local economy such as jobs. We continued that commitment with the announcement of plans for two additional molecular recycling plants — one in France and another in the U.S. These three plants will represent an estimated Eastman investment of over \$2 billion to bring circularity into the mainstream.

As a company that seeks to grow business revenue through innovation, Eastman leverages world-class technology platforms, significant scale advantages in research and development (R&D), and advantaged global market access that form the foundation of sustainable growth and differentiated products. Investment in the company's circular economy technologies is included in company R&D expenditures and will increase to support scaling up these technologies to represent a larger portion of the company's total operations. Future capital investments may be required to realize this opportunity. Eastman anticipates its molecular recycling initiatives could contribute approximately \$500 million to \$1 billion of new business revenue in the coming years.

Eastman's reforming technology gives new life to the most complex waste plastic by recycling flexible packaging, plastic films, polyester carpet and other mixed plastics into recycled feedstocks. The resulting certified recycled feedstock is indistinguishable from material from fossil feedstocks and can be used in durables, packaging and textiles. Postindustrial and pre-consumer scrap also feeds into the process.

GLOBAL REPORTING INITIATIVE APPENDIX | CONTINUED

Polyester recycling technology is a positive end-of-life solution for polyester materials that might otherwise be discarded in landfills or incinerated. Through methanolysis, polyester-based products are reduced to their polymer building blocks, called monomers. They are then reintroduced to the value chain as recycled polyester raw materials, delivering a true circular solution. These molecular recycling technologies allow material to be recycled an infinite number of times without losing quality. This means recycled materials will have more possible end uses. These technologies complement basic recycling by providing solutions for materials that cannot be addressed by mechanical recycling.

The company has diversified product offerings, serves broad markets and regions, and attempts to mitigate our exposure to swings in energy and raw material prices. These diversified product offerings and a diversified customer base mitigate potential commercial impact to Eastman. Proposed legislation and regulations are evaluated through Eastman's issue management process, and the impact on Eastman is estimated. We engage policymakers directly and through trade associations and consultants with the objective that any climate change legislation or regulation enacted will not have an adverse impact on the economy or create a competitive disadvantage. Please see Eastman's most recent [CDP Climate Change report](#) for more details on the climate-related risks and opportunities the company has identified as well as their respective estimated financial impacts.

202-2 Proportion of senior management hired from the local community

Eastman has a large geographic footprint within the U.S. and globally. Talent strategies are developed to align with business strategy to attract, acquire and retain talent. Talent is sourced proactively and reactively at the local, regional, national and international levels. Although a majority of talent is acquired at the local level, we as a company do relocate well over 100 new hires globally each year to Eastman facilities to begin their employment with the organization at all levels. Eastman uses a number of different approaches for identifying talent for the organization. Some of the more effective methods are social media, employee referrals, career fairs, our website and job postings. The company then puts the candidates through a rigorous selection process to assess their level of capability, competencies and alignment with the organizational vision and culture.

203-1 Infrastructure investments and services supported

As the global pandemic began to recede in early 2022, the Eastman Foundation turned its attention to Russia's war against Ukraine and the unfolding humanitarian, social and economic crisis for the Ukrainian people. To show solidarity to the world and our colleagues from Ukraine and the surrounding areas, Eastman launched a global employee giving campaign, resulting in \$50,000 being raised by Eastman team members and the Eastman Foundation providing an additional \$100,000 in support to CARE, UNICEF, Doctors Without Borders and the International Committee of the Red Cross.

Closer to its global headquarters in the Appalachian highlands, local leadership, Eastman and other anchor institutions celebrated the formal establishment in April of the Northeast Tennessee Hub (NETNHub), a new organization that will serve as an advocate for economic

growth across the eight-county region known as the First Tennessee Development District. While individual communities have boasted favorable assets, the region as a whole will now have a single advocate to mitigate the challenges facing the entire region, elevate the profile of Northeast Tennessee, and increase its ability to compete and create growth opportunities. The hub is the culmination of a three-year effort that began with the belief that "we are better together" when it comes to uncovering a greater level of prosperity for everyone that calls Northeast Tennessee home. As a founding member, Eastman was the underwriter for the three-year study that resulted in the hub.

Recognized as a global health issue in 2022 by the World Health Organization (WHO), poor oral health disproportionately affects the most vulnerable and disadvantaged populations, and Kingsport, Tennessee, and nearby rural Appalachia is no exception. With high rates of diabetes and heart disease, which are linked to poor oral health, and approximately 45% of the population considered disadvantaged under U.S. federal guidance, Kingsport and the Northeast Tennessee region was representative of a much larger issue facing the state — the increasing shortage of dental care in rural Tennessee that worsened during the pandemic. Understanding that oral health plays a key role in determining an individual's quality of life, Eastman rekindled a 10-year old idea to establish a dental school and teaching clinic in the area. Partnering with the University of Tennessee Health Science Center (UTHSC), a case was made to first build a teaching clinic, which would provide UTHSC dental students in Memphis with an opportunity to train in rural Appalachia and begin closing the equity gap for oral health care. After successfully secured support from local and state leadership in 2022, the next step will be to solidify funding to build the state-of-the-art teaching clinic in Kingsport.

203-2 Infrastructure investments and services supported

In Martinsville, Virginia, where Eastman employs close to 800 workers at its manufacturing plant, Eastman partnered with the local school system to offer its Math and Science Elites program to educators from middle and high school grade levels. In 2022, more than 55 Martinsville teachers took advantage of the rigorous summer learning program with faculty from the East Tennessee State University's (ETSU) Center of Excellence in Science, Technology, Engineering and Math (STEM) Education. Martinsville teachers received 55 hours of instruction, a stipend and graduate course credit from ETSU for the two-week program to sharpen their skills for the classroom.

In Longview, Texas, Eastman's \$85,000 investment in high school scholarships resulted in 36 students in 2022 being awarded financial aid for technical training at local community colleges. Longview partners with approximately 30 schools to introduce and publicize Eastman career opportunities to students and parents in the local communities. Eastman employees work with faculty to coordinate scholarship applications and interviews for students seeking an applicable associate's degree. Since 2019, Eastman has invested more than \$250,000 in Longview scholarships, with many recipients later being chosen for paid internships to help develop hands-on competency.

Recognizing a lack of diversity throughout the STEM workforce, Eastman increased its support in the Future of STEM Scholars Initiative (FOSSI) from 10 students in 2021 to another 10 students in 2022. FOSSI is a national chemical industry-wide program, which provides scholarships to students pursuing degrees in relevant STEM areas at historically Black colleges and universities (HBCU). Scholarship

GLOBAL REPORTING INITIATIVE APPENDIX | CONTINUED

recipients receive \$10,000 per year for four years and leadership development, mentoring and internship opportunities. Eastman’s support of the FOSSI program has led to an approximately 95% student retention rate since FOSSI welcomed its first class in 2021, with those scholars scheduled to graduate in 2025.

Eastman also entered into a new four-year partnership with Prairie View Agriculture and Mechanical (A&M) University, an HBCU located in Prairie View, Texas, in 2022. Valued at \$255,000, Eastman’s commitment is aimed at Prairie View A&M becoming a new talent pipeline for our Texas operations. With enrollment now exceeding 8,000 students, Prairie View A&M is the first state-supported college in Texas for African Americans.

To strengthen the local pipeline of talent in Kingsport, Eastman launched its first manufacturing internship program for high school students in the spring of 2022. Eastman’s Work-Based Learning partnerships with area high school recognize that classroom learning provides only part of the content knowledge and skills development students need for success in college, career and life. In 2022, Eastman’s inaugural cohort of seven students underwent a structured educational experience that integrated classroom learning (school-based) with productive, structured work experiences (work-based) related to the students’ career goals, program of study and employability skills. Eastman’s internships include an hourly pay rate of \$15, compared to Tennessee’s minimum wage of \$7.25, and expose students to productive, value-adding manufacturing roles at its Kingsport operations. Engagement efforts will be informed using data from these tools.

205-2 Communication and training about anti-corruption policies and procedures

Eastman’s Code of Business Conduct defines the company’s expectation that team members will conduct business ethically with integrity and in compliance with all applicable laws regarding corruption and bribery. The Code of Business Conduct is available to all Eastman employees internally as well as externally to the public through our company website, eastman.com. In addition to the code, Eastman has formal internal policies and procedures on anti-bribery and anti-corruption and requires 100% of our employees worldwide to complete the online Code of Business Conduct training. Employees with more sensitive roles and potential exposure to corruption and bribery risks are required to take additional training on how to identify and respond to corruption and bribery red flags, avoiding business practices that could give the appearance of corruption or bribery and facilitation payments. Additionally, Eastman requires that third parties complete the TRACE International Anti-Bribery Course for Intermediaries prior to being eligible to conduct business with Eastman.

306-2 Management of significant waste-related impacts

Eastman continuously strives to protect the environment in the communities where we operate as well as understand the environmental impact of our products. As a manufacturer of chemicals since 1920 and a Responsible Care® company for more than 25 years, Eastman has comprehensive guidelines and processes in place for reducing energy usage and minimizing our environmental footprint. In keeping with Eastman’s circular economy efforts, waste management at Eastman begins in order of preference with source reduction, followed by reuse, recycling and energy recovery, with the last option being treatment and disposal. Not only does this deliver productivity gains for our

business, it contributes to our regulatory compliance and reduces our environmental footprint. Eastman has set clear, measurable targets for energy intensity, greenhouse gas emissions and water conservation. Eastman focuses on efforts to reduce waste, enable a sustainable supply chain, and continually understand the impact of our products on the environment through life cycle assessments.

Eastman’s Global HSES Audit Program implements an HSE assessment program to evaluate the hazards/risks associated with third-party providers that are contracted to provide services to Eastman or that otherwise do business with Eastman in a manner that involves their handling or management of Eastman-owned products or materials. The process includes identification of third-party providers, risk-based determination of assessment need, and appropriate assessment/reassessment. Eastman uses internal tracking mechanisms to collect and monitor waste-related data.

401-1 New employee hires and employee turnover

Eastman’s total global voluntary turnover rate was 6.0%. We calculate voluntary turnover separately from retirements, company-initiated turnover and reductions in force. Total turnover rate was 10.4%

Attrition by gender	Attrition by age	Attrition by region	Hires by gender	Hires by age	Hires by region
Male employees: 9.9%	Less than 30 years: 13.3%	North America: 9.8%	Male employees: 16.5%	Less than 30 years: 43.4%	North America: 16.4%
Female employees: 11.3%	30 to 50 years: 9.2%	Europe, Middle East and Africa: 10.1%	Female employees: 18.8%	30 to 50 years: 16.2%	Europe, Middle East and Africa: 16.5%
	Greater than 50 years: 10.3%	Asia Pacific: 14.1%		Greater than 50 years: 4.0%	Asia Pacific: 22.8%
		Latin America: 9.6%			Latin America: 17.8%

GLOBAL REPORTING INITIATIVE APPENDIX | CONTINUED

403-1 Occupational health and safety management system

Our culture is one of commitment to safety, accountability for actions and feedback on performance. We believe that every workplace incident, injury and illness is preventable. Our goal is to ensure personal safety for our employees. Preventing workplace incidents, injuries and illnesses is an integral part of our worldwide business strategy.

As with all aspects of sustainability, we continually strive to improve our workplace safety, with an ultimate goal of zero injuries and incidents. In 2012, we launched a global corporate initiative, ALL IN FOR SAFETY, to further promote development of a culture of working and living safely. ALL IN FOR SAFETY is intended to place safety foremost in the thoughts and actions of each employee and to foster a culture of safety awareness and safe behaviors at all times and in all places. Eastman has a policy and is committed at all levels of management to protect and promote the health and safety of Eastman employees, contractors and visitors. There are opportunities for employees to participate in development, implementation and review of the health and safety programs.

Eastman performs health assessments to determine employee medical fitness for specific job tasks. Eastman monitors systems for maintaining records and analyzes data to evaluate health and safety performance, determine trends and identify areas for improvement. Eastman also investigates illnesses, injuries and incidents in a timely manner; creates corrective actions to prevent recurrence; and evaluates the effectiveness of corrective actions taken.

Eastman has developed methods to identify and evaluate potential health and safety risks in planned or existing facilities. Preventive maintenance and housekeeping programs are in place to maintain the safety of the employees, facilities, tools and equipment.

Eastman maintains health and safety training programs, including documentation of these programs, and methods to evaluate the effectiveness of both training and communications activities.

404-1 Average hours of training per year per employee

Employee category	Hours
Professional/management	44
Nonexempt (nonoperational)	44
Nonexempt (operations)	52
Technicians/technologists	27
Average	42

405-1 Diversity of governance bodies and employees

Gender	Age	Ethnicity
Male: 72.4%	Less than 30 years: 17.4%	Minority: 13%
Female: 27.6%	30–50 years: 51.1%	White: 87%
	Greater than 50 years: 31.5%	

413-1 Operations with local community engagement, impact assessments and development programs

To better support Eastman’s 10 community advisory panels (CAPs) at our largest manufacturing sites and be more transparent about how we consider environmental justice in the communities where we have operations, Eastman took advantage of newly developed screening and mapping tools offered by the U.S. Environmental Protection Agency and the White House Council on Environmental Quality. The tools are interactive resources that combine both community and data-driven approaches that incorporate environmental burdens and demographic indicators. The maps allow users to explore the environmental health and the conditions (socioeconomic and or other distinguishing community characteristics) within a specific region, town, city or entire state. Census tracts that are overburdened and underserved are highlighted as being disadvantaged, and their locations can be easily compared to other U.S. locations. In 2022, Eastman ran all of its U.S. manufacturing sites through the tools to better understand community burdens related to climate change, energy, health, housing, legacy pollution, transportation, water and wastewater, and workforce development. Going forward, Eastman’s community engagement efforts will be informed using data from these tools.

413-2 Operations with significant actual and potential negative impacts on local communities

Building trust and maintaining strong public relations are critical for Eastman’s ability to continue operating all over the world and are responsibilities we take seriously. In January 2022, that trust was tested when Eastman experienced a high-pressure steam line failure at its Kingsport manufacturing facility. The incident resulted in loud noises, vibrations felt by nearby neighbors and the release of small particle debris to an adjacent neighborhood. Testing of the debris revealed minor traces of asbestos insulation in some locations due to the age of the steam line piping. While Eastman confirmed that exposure to such small amounts posed no threat to human health or the environment, Eastman treated all debris as if it could contain asbestos in an abundance of caution. Before the day was over, Eastman had cleanup crews in the neighborhood collecting debris. And the next morning, armed with free vouchers for car washes and more clean up crews, Eastman quickly began deploying teams for roof, gutter, pool and vehicle cleaning and lawn and garden vacuuming. Within 72 hours of the incident, Eastman’s community affairs team had personally visited almost 500 homes. In addition to daily personal contact with neighbors, Eastman’s

GLOBAL REPORTING INITIATIVE APPENDIX | CONTINUED

site leader sent multiple letters to each home sharing his commitment to the community, the progress Eastman was making to address community needs, and available resources to the community, including a team of experts on standby to answer questions and an animal hotline for neighbors concerned for the safety of pets while outdoors. With support from its CAP, regular press release updates, and a community phone care line operating 24/7, Eastman ensured open, two-way dialogue with community residents and quickly restored trust deficits resulting from the incident.

415-1 Political contributions

Eligible U.S. employees may contribute voluntarily to EastmanPAC, the political action committee of Eastman. EastmanPAC is governed and overseen by an executive board and is comprised of members from Eastman's executive team and government affairs team. EastmanPAC strives to elect candidates into office who meet a variety of criteria. Strong consideration is also given to those who share Eastman's corporate values and the company's commitment to drive positive change in site communities.

Criteria for candidates

- In a state/district with Eastman presence
- Demonstrates a commitment to supporting manufacturing and the chemical industry
- Key committee member or thought leader on issues of importance to Eastman
- House and Senate leadership
- Aligned with Eastman's public policy priorities

In 2022, EastmanPAC contributed \$99,750 to state and federal candidates in the U.S. No political contributions are made to entities outside the U.S. Eastman works with outside vendors to file all reports and to make sure all contributions comply with state and federal campaign finance regulations. All of EastmanPAC's Federal Election Commission (FEC) filings are available online at www.fec.gov, and disclosure reports are also available by visiting the state campaign finance websites in Alabama, California, Maryland, Massachusetts, New York, Tennessee and Texas. In states where the law allows corporate contributions, Eastman supports state candidates. Corporate contributions to state candidates in Tennessee totaled \$26,700 in 2022. The federal government requires all registered lobbyists to report personal campaign contributions semiannually. Each year, Eastman employees who meet the requirements file the necessary reports. These reports are available online at <http://lobbyingdisclosure.house.gov/>. Eastman's political activity policies and guidelines are located on the company's website: [Political Engagement](#) | Eastman Chemical Company

PROGRESS

Task Force on Climate-related Financial Disclosures (TCFD)

Task Force on Climate-related Financial Disclosures (TCFD)

The Task Force on Climate-related Financial Disclosures (TCFD) helps companies understand what financial markets want from disclosure in order to measure and respond to the effects of climate change. Eastman has monitored the development and adoption of the TCFD framework recommendations and use them as a guide to assess climate-related risks and opportunities. This index provides the location of Eastman’s information pertaining to the TCFD framework recommendations, categorized by governance, strategy, risk management, and metrics and targets.

Disclosure focus area	Disclosure	Response 2023	Reference
Governance			
Disclose the organization’s governance around climate-related risks and opportunities.	a. Describe the Board’s oversight of climate-related risks and opportunities.	Eastman’s Environmental, Safety and Sustainability (ESS) Committee of the Board of Directors and other committees, as appropriate, are responsible for climate-related risks and opportunities.	CDP Climate Change Response (C1.1 , C1.1a , C1.1b , C1.1d), ESS Committee charter and p.32, 2023 Proxy Statement, CDP Water Security Response (W6.2 , W6.2a , W6.2b , W6.2d)
	b. Describe management’s role in assessing and managing climate-related risks and opportunities.	Members of Eastman’s executive team, including Eastman’s chief sustainability officer, chief legal officer and corporate secretary, chief financial officer and others present climate-related risks and opportunities to the ESS Committee and other committees as appropriate. These risks and opportunities are managed through our cross-functional issue management process and sustainability governance structure.	CDP Climate Change Response (C1.2) CDP Water Security Response (W6.3)

Disclosure focus area	Disclosure	Response 2023	Reference
Strategy			
<p>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.</p>	<p>a. Describe the climate-related risks and opportunities Eastman has identified over the short, medium, and long term.</p>	<p>RISKS Transition — Policy and Legal: current carbon pricing regulation; emerging carbon pricing regulation Physical — Acute: increased frequency of extreme weather events</p> <p>OPPORTUNITIES Resource efficiency — Returns on investment in energy efficiency projects Products/services — Molecular recycling technologies Markets — Access to new markets through climate-related products and solutions</p>	<p>CDP Climate Change Response (C2.2, C2.2a, C2.3, C2.3a, C2.4, C2.4a, C11.1d) CDP Water Security Response (W4.3a) Eastman and the circular economy 10K SEC disclosure risks and opportunities related to climate change p. 8, 20, 53</p>
	<p>b. Describe the impact of climate-related risks and opportunities on Eastman's businesses, strategy, and financial planning.</p>	<p>Climate-related risks and opportunities impact in different ways Eastman's products and services, supply chain, investment in R&D, and the company's operations. Eastman's use of an internal carbon price to illustrate future carbon pricing mechanisms is an example of how climate impacts the company's capital expenditures.</p>	<p>CDP Climate Change Response (C2.3a, C2.4a, C3.1, C11.1d, C11.3) CDP Water Security Response (W4.3a, W7.1) 10K SEC disclosure 'Risks Related to Regulatory Changes and Compliance' p.59</p>
	<p>c. Describe the resilience of Eastman's strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario.</p>	<p>In 2021, Eastman conducted a robust climate scenario analysis which was led by an internationally recognized climate and sustainability consulting firm. Four publicly-available climate scenarios were used: International Energy Agency's (IEA) Net Zero Emissions (NZE) 2050 scenario; IEA Sustainable Development Scenario (SDS); IEA Announced Pledges Scenario (APS); and IEA Stated Policies Scenario (STEPS). Resulting from the scenario analysis, Eastman identified the following areas of our strategy that may have more concentrated impact areas: new and emerging markets, low-carbon technologies aligned with decarbonization transition, and employee health and well-being. We are currently evaluating strategic considerations that will integrate forward-looking resiliency planning into our organization. For more information, please see the reference links.</p>	<p>CDP Climate Change Response (C3.2, C3.2a, C3.2b), CDP Water Security Response (W7.3, W7.3a), TCFD scenario analysis</p>

Disclosure focus area	Disclosure	Response 2023	Reference
Risk management			
Disclose how the organization identifies, assesses, and manages climate-related risks.	a. Describe Eastman’s processes for identifying and assessing climate-related risks.	Climate-related risks are considered as physical and/or transition risks that are monitored alongside climate-related opportunities on an ongoing basis. Eastman defines short-, medium- and long-term time horizons as 0–3 years, 3–10 years and 10–30 years, respectively.	CDP Climate Change Response (C2.2, C2.2a) CDP Water Security Response (W3.3a)
	b. Describe Eastman’s processes for managing climate-related risks.	As part of the issue management process, Eastman’s climate and carbon working group and designated issue stewards track and prioritize climate-related issues. Substantive issues are managed through the sustainability governance structure and presented to Eastman’s business units on a regularly scheduled interval to ensure alignment with the company’s strategic business decision-making.	CDP Climate Change Response (C2.2, C2.2a), CDP Water Security Response (W3.3b) Emerging Issues Management
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into Eastman’s overall risk management.	Eastman’s issue management process has oversight by the company’s Issue Management Council. It is comprised of a diverse, global team of cross-functional leaders from several areas of the company to include enterprise risk management (ERM), which manages all risks across the company and is linked to the Audit Committee of the Board of Directors.	CDP Climate Change Response (C2.2, C2.2a) CDP Water Security Response (W3.3a, W3.3b)

Disclosure focus area	Disclosure	Response 2023	Reference
Metrics and targets			
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a. Disclose the metrics used by Eastman to assess climate-related risks and opportunities in line with its strategy and risk management process.	Eastman uses several climate-related metrics to track progress and performance. These can be found in Eastman's ESG Data Sheet . Metrics include Scope 1, Scope 2 and Scope 3 emissions as defined by the widely accepted GHG Protocol Corporate Accounting and Reporting Standard. Eastman also uses an internal carbon price for its financial analysis of strategic business and investment decisions.	CDP Climate Change Response (C1.3a , C4.2 , C4.5a , C11.3a) CDP Water Security Response (W1.2)
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Scope 1 — 5,970,870 (metric tons CO ₂ e) Scope 2, location-based — 836,571 (metric tons CO ₂ e) Scope 2, market-based - 799,008 (metric tons CO ₂ e) Scope 3 (upstream)* — 8,281,262 (metric tons CO ₂ e)	CDP Climate Change Response (C5.2 , C6.1 , C6.2-C6.3 , C6.5 , C6.10 , C71 , C71a)
	c. Describe the targets used by Eastman to manage climate-related risks and opportunities and performance against targets.	Targets: Eastman is committed to reducing absolute greenhouse gas emissions Scope 1 and Scope 2 by one-third by 2030 and aspires to be carbon neutral by 2050 from a baseline year of 2017. The boundary of Eastman's Scope 1 and Scope 2 emissions are manufacturing sites where we have a controlling interest. Scope 1 and Scope 2 emissions have decreased by 2.6% compared to 2021 and have decreased by 16.3% compared the baseline year of 2017.	CDP Climate Change Response (C4.1 , C4.1a , C4.2 , C4.2c)

*Reported upstream Scope 3 emissions include purchased goods, fuel and energy, business travel and employee commuting. Eastman is working to better understand its Scope 3 emissions and will disclose against more categories as data is collected.

PROGRESS

Sustainability Accounting Standard Board Index (SASB)

Sustainability Accounting Standards Board Index (SASB)

Eastman is committed to continually improving its ESG and sustainability-related disclosure. Beginning to report against the Sustainability Accounting Standards Board (SASB) standards is important to our ongoing efforts to identify, manage and report on the sustainability topics that matter most to our stakeholders. This index provides the location of Eastman’s information pertaining to the SASB standards for what SASB refers to as the “resource transformation” sector — a part of which is the chemicals industry. For those standards that we currently do not report against, we are evaluating our internal reporting and data collection processes to determine the feasibility of future disclosure.

Accounting metric	Category	Code	Response/reference 2022
Greenhouse gas emissions			
Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	RT-CH-110a.1	5,970,870 (metric tons CO ₂ e) 7.4% of emissions are covered under ETS regulations, CDP Climate Change Response (C11.b)
Discussion of GHG emissions reduction plan and review of performance against reduction targets	Discussion/analysis	RT-CH-110a.2	CDP Climate Change Response (C4.1a , C4.2c , C4.3a , C4.3b , C4.3c , C11.b)
Air quality			
Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Quantitative	RT-CH-120a.1	Air emissions (tons): NO _x – 6,680 SO ₂ – 3,515 VOC – 6,441 HAPs not reported

Accounting metric	Category	Code	Response/reference 2022
Energy management			
Total energy consumed	Quantitative	RT-CH-130a.1	32,137,632 MWh
Percentage grid electricity	Quantitative	RT-CH-130a.1	10%
Percentage renewable	Quantitative	RT-CH-130a.1	<1%
Total self-generated electricity	Quantitative	RT-CH-130a.1	9,695,087 MWh
Water management			
Total water withdrawn	Quantitative	RT-CH-140a.1	768,944.64 megaliters
Percentage of total water withdrawn in regions with high or extremely high baseline water stress	Quantitative	RT-CH-140a.1	<1%
Total water consumed	Quantitative	RT-CH-140a.1	99,526.96 megaliters While the total reported consumption of water shows an increase compared to 2021, our actual water consumption was lower than reported due to discharge flow meter calibration issues resulting in a lower discharge. This issue has been remedied and is now monitored monthly.
Number of incidents of noncompliance associated with water quality permits, standards and regulations	Quantitative	RT-CH-140a.2	2
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion/analysis	RT-CH-140a.3	CDP Water Security Response (W3.3a , W3.3b)

Accounting metric	Category	Code	Response/reference 2022
Hazardous waste management			
Amount of hazardous waste generated	Quantitative	RT-CH-150a.1	
Percentage recycled	Quantitative	RT-CH-150a.1	Not currently disclosed.
Community relations			
Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion/analysis	RT-CH-150a.1	Corporate social responsibility Community Advisory Panels Corporate crisis management
Workforce health and safety			
Total recordable incident rate (TRIR) for direct employees	Quantitative	RT-CH-320a.1	0.61*
Total recordable incident rate (TRIR) for contract employees	Quantitative	RT-CH-320a.1	0.44*
Fatality rate for direct employees	Quantitative	RT-CH-320a.1	0
Fatality rate for contract employees	Quantitative	RT-CH-320a.1	1
Description of efforts to assess, monitor and reduce exposure of employees and contractors	Discussion/analysis	RT-CH-320a.2	Personal safety

*Global Injury and Illness Rate -(OSHA Recordable equivalent to Total recordable incident rate) - annual incidents per 100 employees (200,000 work hours) involving treatment beyond first aid in relation to actual work hours

Accounting metric	Category	Code	Response/reference 2022
Product design for use-phase efficiency			
Revenue from products designed for use-phase resource efficiency	Quantitative	RT-CH-410a.1	Under review
Safety and environmental stewardship of chemicals			
(1) Percentage of products that contain Globally Harmonized System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances (by revenue)	Quantitative	RT-CH-410b.1	A proportion of our portfolio is classified as GHS Category 1 and 2 substances. The majority of these are sold to manufacturers as basic ingredients in chemical reactions to make essential products. Please see Eastman's Product stewardship page for more information about product safety and eastman.com for the essential uses of our products.
Percentage of such products that have undergone a hazard assessment	Quantitative	RT-CH-410b.1	100%
Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	Discussion/analysis	RT-CH-410b.2	Product stewardship Product safety

Accounting metric	Category	Code	Response/reference 2021
Genetically modified organisms			
Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	RT-CH-410c.1	Not applicable to Eastman products
Management of the legal and regulatory environment			
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion/analysis	RT-CH-530a.1	Policies and guiding documents
Operational safety, emergency preparedness and response			
Process Safety Incidents Count (PSIC)	Quantitative	RT-CH-540a.1	14
Process Safety Total Incident Rate (PSTIR)	Quantitative	RT-CH-540a.1	0.10
Process Safety Incident Severity Rate (PSISR)	Quantitative	RT-CH-540a.1	Process safety
Number of transport incidents	Quantitative	RT-CH-540a.2	0.083 (per 1,000 shipments)

EASTMAN

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