Eastman Chemical Company - Climate Change 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Eastman is a global specialty materials company that produces a broad range of products found in items people use every day. With the purpose of enhancing the quality of life in a material way, Eastman works with customers to deliver innovative products and solutions while maintaining a commitment to safety and sustainability. The company’s innovation-driven growth model takes advantage of world-class technology platforms, deep customer engagement, and differentiated application development to grow its leading positions in attractive end-markets such as transportation, building and construction, and consumables. As a globally inclusive and diverse company, Eastman employs approximately 14,000 people around the world and serves customers in more than 100 countries. The company had 2021 revenues of approximately $10.5 billion and is headquartered in Kingsport, Tennessee, USA.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start date</th>
<th>End date</th>
<th>Indicate if you are providing emissions data for past reporting years</th>
<th>Select the number of past reporting years you will be providing emissions data for</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1, 2021</td>
<td>December 31, 2021</td>
<td>Yes</td>
<td>1 year</td>
<td></td>
</tr>
</tbody>
</table>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Belgium
- Brazil
- China
- Estonia
- Finland
- Germany
- Malaysia
- Mexico
- Netherlands
- Republic of Korea
- Spain
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C-CH0.7
Which part of the chemicals value chain does your organization operate in?

- **Bulk organic chemicals**
  - Lower olefins (cracking)
  - Methanol
  - Polymers
- **Bulk inorganic chemicals**
- **Other chemicals**
  - Specialty chemicals
  - Specialty organic chemicals

Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

<table>
<thead>
<tr>
<th>Indicate whether you are able to provide a unique identifier for your organization</th>
<th>Provide your unique identifier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, a Ticker symbol</td>
<td>EMN</td>
</tr>
</tbody>
</table>

Governance

Is there board-level oversight of climate-related issues within your organization?

Yes

Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Position of individual(s)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director on board</td>
<td>The Environmental, Safety and Sustainability Committee of Eastman's Board of Directors has oversight for environmental performance and environment, social and governance (ESG) including climate-related issues, risks, and opportunities. The Committee is led by a designated Director and includes every member of the Board. The Committee Chair has expertise across various business, operational and ESG issues. We see opportunity to build depth of knowledge on climate-related issues specifically and plan to accomplish that through specific Board training coursework. The Committee routinely receives updates and presentations on climate-related risks and issues. In addition, the Board's Audit Committee — comprised of independent, non-employee Directors — has responsibility for Eastman's enterprise risk management (ERM) process which includes management of all risks, including climate-related risks. Eastman personnel assess climate-related risks and issues in conjunction with the Task Force on Climate-related Financial Disclosures (TCFD) framework and elevate those as appropriate for consideration as part of the ERM process. For example, in 2021, the Board of Directors reviewed Eastman's decarbonization strategy and the specific workstreams underway to deliver on commitments made. Also, in 2020, the Board's Environmental, Safety and Sustainability Committee considered and approved the Company's 2030 and 2050 climate commitments which included reducing absolute emissions by one-third by 2030 and aspiring to carbon neutrality by 2050.</td>
</tr>
</tbody>
</table>

For example, in 2021, the Board of Directors reviewed Eastman’s decarbonization strategy and the specific workstreams underway to deliver on commitments made. Also, in 2020, the Board's Environmental, Safety and Sustainability Committee considered and approved the Company’s 2030 and 2050 climate commitments which included reducing absolute emissions by one-third by 2030 and aspiring to carbon neutrality by 2050.
### C1.1b Provide further details on the board’s oversight of climate-related issues.

<table>
<thead>
<tr>
<th>Frequency with which climate-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which climate-related issues are integrated</th>
<th>Scope of board-level oversight</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled – some meetings</td>
<td>Reviewing and guiding strategy</td>
<td>• Full Board reviews and guides strategy • Full Board reviews and guides major plans of action • Audit Committee of the BOD reviews and guides risk management policies • Full Board sets performance objectives • Finance Committee of the BOD oversees major capital expenditures, acquisitions, and divestitures • Environmental, Safety and Sustainability Committee and other committees as appropriate monitor and oversee progress against goals and targets for addressing climate-related issues.</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

### C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

<table>
<thead>
<tr>
<th>Board member(s) have competence on climate-related issues</th>
<th>Criteria used to assess competence of board member(s) on climate-related issues</th>
<th>Primary reason for no board-level competence on climate-related issues</th>
<th>Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Yes</td>
<td>Chemical industry and specialty materials strategy, technology, innovation and manufacturing experience. We are currently raising expectations on the levels of competence of Board members on specific subjects, with climate-related issues being one of these. The lead director of the ESS committee has expertise across various business, operational and ESG issues. We see the opportunity to build depth of knowledge on climate-related issues specifically. That depth of knowledge will be accomplished through specific Board training coursework.</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

### C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Reporting line</th>
<th>Responsibility</th>
<th>Coverage of responsibility</th>
<th>Frequency of reporting to the board on climate-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>&lt;Not Applicable&gt;</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>&lt;Not Applicable&gt;</td>
<td>Half-yearly</td>
</tr>
</tbody>
</table>

### C1.2a
Eastman’s Chief Sustainability Officer (CSO) is a member of the Executive Team and reports directly to the CEO. The CSO presents climate-related topics such as, for example, the company’s climate goals and other sustainability goals, to the Board’s Environmental, Safety and Sustainability Committee. The CSO leads the company’s Sustainability Council, and that council’s supporting sustainability sub-councils represent diverse functions including energy management, innovation, technology and life cycle analysis, marketing and public communications functions.

Climate-related issues, along with circular economy, product and chemical management, environment, tax and trade issues, are monitored by a cross-functional team of issue stewards, led by the Emerging Issues Director, and reviewed by the Issue Management Council which is comprised of a diverse, global team of cross-functional leaders from ESG, sustainability, circular economy, enterprise risk management (ERM), government affairs, public policy and emerging issues, sourcing and procurement, product stewardship and regulatory affairs, legal, Global Health, Safety, Environment and Security (GHSES), global environmental affairs, global trade compliance, and tax organizations. The Council also includes representatives from Europe, Middle East and Africa (EMEA) and has direct linkages to Eastman’s Executive Team, Board of Directors, and business units. The Council is also linked to the Sustainability Council through the latter’s sub-council structure, as some of the Issue Management Council’s issue teams are embedded in these sub-councils, such as the Climate & Carbon Working Group. Further, the management of climate-related issues and other emerging issues is integrated into business decision-making through partnership with Eastman’s Corporate Strategy and divisional leadership teams of Eastman’s business units.

The corporate functions which comprise the Issue Management Council are directly aligned with the technology and manufacturing assets through Eastman’s utility operations, business organizations, GHSES staff and product stewards. The team, which is supported by diverse emerging issue groups embedded in climate, environmental and sustainability working teams throughout Eastman, captures insights from these functions that lead to an improved understanding of the issues associated with emerging risks and opportunities to include climate-related issues. Climate-related risks are considered pursuant to the Task Force on Climate-related Financial Disclosures (TCFD) framework. That framework established two broad categories of risks and several specific types of risk within those categories.

The Physical Risks category includes Acute and Chronic risks, and the Transition Risks category denotes the transition to a lower carbon economy and includes risks in the areas of Policy/Legal, Technology, Market and Reputation. Eastman began publishing annual TCFD reports in 2020 in Eastman’s Sustainability Report, and company personnel are engaged with third-party consultant to perform climate scenario analysis as guided by the TCFD framework recommendations.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

<table>
<thead>
<tr>
<th>Provide incentives for the management of climate-related issues</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

<table>
<thead>
<tr>
<th>Entitled to incentive</th>
<th>Type of incentive</th>
<th>Activity incentivized</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>Monetary reward</td>
<td>Emissions reduction target</td>
<td>Variable pay included in individual performance commitments with actual performance assessed in determination of annual cash pay-out.</td>
</tr>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>Monetary reward</td>
<td>Energy reduction target</td>
<td>Variable pay included in individual performance commitments with actual performance assessed in determination of annual cash pay-out.</td>
</tr>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>Monetary reward</td>
<td>Emissions reduction target</td>
<td>Variable pay included in individual performance commitments with actual performance assessed in determination of annual cash pay-out.</td>
</tr>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>Monetary reward</td>
<td>Energy reduction target</td>
<td>Variable pay included in individual performance commitments with actual performance assessed in determination of annual cash pay-out.</td>
</tr>
<tr>
<td>Other C-Suite Officer</td>
<td>Monetary reward</td>
<td>Emissions reduction target</td>
<td>Variable pay included in individual performance commitments with actual performance assessed in determination of annual cash pay-out.</td>
</tr>
<tr>
<td>All employees</td>
<td>Monetary reward</td>
<td>Energy reduction project</td>
<td>Managers have discretion to use Employee Team Recognition (ETR) cash awards to provide immediate reinforcement for energy efficiency improvements.</td>
</tr>
<tr>
<td>All employees</td>
<td>Monetary reward</td>
<td>Energy reduction target</td>
<td>Managers have discretion to use Employee Team Recognition (ETR) cash awards to provide immediate reinforcement for energy efficiency improvements.</td>
</tr>
<tr>
<td>All employees</td>
<td>Monetary reward</td>
<td>Efficiency project</td>
<td>Managers have discretion to use Employee Team Recognition (ETR) cash awards to provide immediate reinforcement for energy efficiency improvements.</td>
</tr>
<tr>
<td>All employees</td>
<td>Monetary reward</td>
<td>Efficiency target</td>
<td>Managers have discretion to use Employee Team Recognition (ETR) cash awards to provide immediate reinforcement for energy efficiency improvements.</td>
</tr>
</tbody>
</table>

C2. Risks and opportunities
(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?
Yes

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

<table>
<thead>
<tr>
<th>Horizon</th>
<th>From (years)</th>
<th>To (years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term</td>
<td>0</td>
<td>3</td>
<td>Used for business planning and risk evaluation</td>
</tr>
<tr>
<td>Medium-term</td>
<td>3</td>
<td>10</td>
<td>Applicable to strategy development</td>
</tr>
<tr>
<td>Long-term</td>
<td>10</td>
<td>30</td>
<td>Capital projects are typically evaluated for a long-term asset life</td>
</tr>
</tbody>
</table>

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Eastman defines a substantive impact as one that would require significant additional and increased capital expenditures, increases in costs for raw materials and energy, limitations on raw material and energy source and supply choices, or other direct compliance costs.

Eastman uses accumulated earnings or slower growth as quantifiable indicators to define substantive financial or strategic impact. Climate risk severity impact levels vary from Low (< $50 M accumulated losses or 10% slower growth) to Very High (> $250 M accumulated losses or 50% slower growth). Additionally, Eastman looks at climate risks and opportunities in alignment with TCFD recommendations, using these criteria as part of our exposure assessment to climate-related issues.

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

**Value chain stage(s) covered**
- Direct operations
- Upstream
- Downstream

**Risk management process**
Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**
More than once a year

**Time horizon(s) covered**
- Short-term
- Medium-term
- Long-term

**Description of process**

Eastman's process for identifying and assessing climate-related risks and opportunities is coordinated by a working team with guidance from the Executive Team and oversight by the Board of Directors. Eastman assesses climate-related risks in conjunction with the TCFD framework. The company's Climate & Carbon Working Group and designated issue stewards support the issue management process by monitoring and managing climate-related public policy issues among other environmental, energy, sustainability, chemical management, tax, and trade issues. Issue stewards identify and track emerging climate-related risks and opportunities in an issue register and on a twice-yearly basis score and prioritize these issues using a multi-faceted scoring methodology that considers such factors as urgency and importance, for example. Climate-related risks and opportunities which have substantive financial and/or substantive strategic impact are presented to the cross-functional Issue Management Council, and as appropriate, to business unit representatives. An update on public policy issues – to include climate-related ones – are provided to the Environmental, Safety and Sustainability Committee of the Board of Directors. The Issue Management Council, which is facilitated by the Emerging Issues Director, reviews the prioritization of key emerging issues to ensure risks and opportunities are assigned to the appropriate internal teams. The Climate & Carbon Working Group also supports the climate-related work of the Company's Sustainability Council through linkages to its Design, Environment and Natural Resources Sub-council structure. Following the TCFD recommendations, in 2021 Eastman screened all internal operations and the value chain's climate-related risks and opportunities. For each risk and opportunity, a sequence of conversations coordinated by the Climate & Carbon Working Group were conducted with functional owners and subject matter experts to evaluate the initial applicability. The applicable risks and opportunities are assessed across exposure of impact, likelihood, time horizon and vulnerability. As part of this exercise, existing mitigation methods underway as part of Eastman's management response were collected and reviewed. Finally, risks and opportunities were prioritized across severity and vulnerability levels. To further effectiveness, TCFD processes were aligned to Eastman's prior risks and opportunities practice. **For example, future changes in legislation and regulation and related voluntary inaction 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, and may result in 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. Accordingly, the Company monitors emerging trends such as carbon pricing and implemented an internal, advisory carbon price to illustrate the impact a future carbon pricing may have on capital projects if the United States adopts such a mechanism. Similarly, in an effort to address the physical impacts of climate change and to support new, more ambitious climate-related goals, the Company's process, design and engineering teams are working to increase Eastman's energy efficiency and reduce its GHG emissions by innovating and incorporating energy efficiency projects, process transformation projects, employing renewable energy options, and exploring and evaluating breakthrough energy technologies.**
(C2.2a) Which risk types are considered in your organization’s climate-related risk assessments?

<table>
<thead>
<tr>
<th>Risk type</th>
<th>Primary climate-related risk driver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>Processes are in place in Eastman’s Technology organization to evaluate existing, emerging, and breakthrough technologies’ risks and opportunities for climate mitigation and decarbonization. Consideration in ERM process.</td>
</tr>
<tr>
<td>Legal</td>
<td>Processes in place in the Law Department to evaluate climate risk for operations and businesses. Consideration in ERM process.</td>
</tr>
<tr>
<td>Market</td>
<td>Market risks are considered through addressable market maps and business strategy. The impact of macro-trends are studied and directly guide Innovation investments to sustain and grow the business. Consideration in Enterprise Risk Management (ERM) process.</td>
</tr>
<tr>
<td>Reputation</td>
<td>Reputational risks are considered in light of negative publicity, potential deselection and impact on communities, recruitment, and retention.</td>
</tr>
<tr>
<td>Acute physical</td>
<td>Physical risks are considered under crisis management plans and business continuity plans in place. Consideration in Enterprise Risk Management (ERM) process.</td>
</tr>
<tr>
<td>Chronic physical</td>
<td>Physical risks are considered under crisis management plans and business continuity plans in place. Consideration in Enterprise Risk Management (ERM) process.</td>
</tr>
</tbody>
</table>

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

**Identifier**

**Risk 1**

Where in the value chain does the risk driver occur?

Direct operations

**Risk type & Primary climate-related risk driver**

| Current regulation | Carbon pricing mechanisms |

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

**Company-specific description**

Eastman’s emissions in Europe are subject to the European Union’s emissions trading system (EU ETS), which works on the ‘cap and trade’ principle. Given the European Commission’s plans to further decarbonize as proposed in the EU Green Deal, to include carbon neutrality by 2050, the ‘cap’ will reduce over time and Eastman will have fewer free emissions allocations which will increase ETS compliance costs in years to come. Eastman and its facilities and businesses are subject to complex health, safety, and environmental laws, regulations and related voluntary actions, which require and will continue to require significant expenditures to remain in compliance with such laws, regulations, and voluntary actions. Unanticipated government enforcement action, or changes in health, safety, environmental, chemical control regulations and actions could result in higher costs.

**Time horizon**

Short-term
Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)<Not Applicable>

Potential financial impact figure – minimum (currency)
7000000

Potential financial impact figure – maximum (currency)
17000000

Explanation of financial impact figure
Eastman's emissions in Europe are subject to the European Union's emissions trading system (EU ETS), which works on the 'cap and trade' principle. Given the European Commission's plans to further decarbonize as proposed in the EU Green Deal, to include carbon neutrality by 2050, the 'cap' will reduce over time and Eastman will have fewer free emissions allocations which will increase ETS annual compliance costs in years to come. If Eastman's emissions were fully exposed to the EU ETS, the potential financial impact could be in the range noted above which is an estimate of the full annual cost of complying with the ETS without free allocations. The estimated financial impact figure also accounts for Eastman's exposure to the United Kingdom ETS.

Cost of response to risk
0

Description of response and explanation of cost calculation
The cost of response to this risk is integrated in Eastman's risk management processes. The Board's Environmental, Safety and Sustainability Committee reviews with management and periodically reports to the Board on Eastman's health, safety, environmental, and security assessment practices, on significant developments related to health, safety, and environmental effects that may impact the Company, and on its processes for complying with applicable health, safety, environmental, and security laws and regulations, and recommend changes in such practices or processes, where appropriate. The Committee also reviews and, where appropriate, makes recommendations to the Board regarding matters of public policy concerning health, safety, environmental, and security matters where government policies and programs directly impact the Company's flexibility or financial prospects. The Committee monitors applicable federal, state, and international legislative and regulatory initiatives. Eastman also has cross-functional working teams that monitor emerging trends such as carbon pricing. For example, Eastman implemented an internal, advisory carbon price to illustrate the impact a future carbon pricing may have on capital projects if the United States adopts such a concept, and multiple engineering and technology teams are working to increase Eastman's energy efficiency and reduce its GHG emissions.

Comment
The cost of management is integrated in other operations.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

<table>
<thead>
<tr>
<th>Emerging regulation</th>
<th>Carbon pricing mechanisms</th>
</tr>
</thead>
</table>

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
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. A price on carbon – whether in the form of a carbon tax or a via a cap-and-trade system – would increase direct costs for Eastman including through a likely increase in energy costs. The potential impact for Eastman would be most substantive in the United States, where approximately 80 percent of the company's carbon footprint is located. Outside of the United States, emerging regulation on carbon pricing in China could impact Eastman's manufacturing facilities there if the regulation is expanded beyond the power generation sector to include other energy-intensive industries.

Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)<Not Applicable>

Potential financial impact figure – minimum (currency)
8000000

Potential financial impact figure – maximum (currency)
45000000

CDP
Explanation of financial impact figure
Company analysis of the potential impacts of a regulated price on carbon are reflected in the estimate above and were 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. Some public pressure to address climate change has increased federal and state-level government and private sector attention to placing a price on carbon emissions. **Calculation:** For example, the minimum estimated potential financial impact of $8 million was based off an analysis of draft U.S. legislation which applied a hypothetical carbon tax of $15 per ton to 10 percent of Eastman's Scope 1 and Scope 2 emissions (e.g., $15*(10%/Scope 1 + Scope 2 emissions)). The maximum estimated potential financial impact of $45 million was based off an analysis of the same draft legislation which applied a hypothetical carbon tax of $30 per ton to 25 percent of Eastman's Scope 1 and Scope 2 emissions. In both scenarios, the assumption was made that, as described in the draft legislation, the balance of Eastman's emissions would be covered by decreasing levels of free allocations (or "credits") over time, as proposed in the draft legislation.

Cost of response to risk
0

Description of response and explanation of cost calculation
The cost of response to this risk is integrated in Eastman's risk management processes. For example, the Company's Climate & Carbon Working Group formed a specialized team to analyze the financial impacts of a potential regulated price on carbon. The Board's Environmental, Safety and Sustainability Committee reviews with management and periodically reports to the Board on Eastman's health, safety, environmental, and security assessment practices, on significant developments related to health, safety, and environmental effects that may impact the Company, and on its processes for complying with applicable health, safety, environmental, and security laws and regulations, and recommends changes in such practices or processes, where appropriate. The Committee also reviews and, where appropriate, makes recommendations to the Board regarding matters of public policy concerning health, safety, environmental, and security matters where government policies and programs directly impact the Company's flexibility or financial prospects. The Committee monitors applicable federal, state, and international legislative and regulatory initiatives. Eastman also has cross-functional working teams which monitor emerging trends such as carbon pricing. For example, Eastman implemented an internal carbon price to illustrate the impact a future carbon pricing may have on capital projects if the United States adopts such a mechanism, and multiple engineering and technology teams are working to increase Eastman's energy efficiency and reduce its GHG emissions.

Comment
The cost of management is integrated in other operations.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

<table>
<thead>
<tr>
<th>Acute physical</th>
<th>Cyclone, hurricane, typhoon</th>
</tr>
</thead>
</table>

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Eastman has operations in the United States near the U.S. Gulf Coast. The U.S. Gulf Coast is subject to extreme weather events such as hurricanes and severe winter storms which can have a negative impact on Eastman's operations at its Texas City and Longview, Texas sites, specifically. Disruptions could occur due to natural disasters, for example, or breakdown or degradation of transportation infrastructure used for delivery of supplies to the Company or for delivery of products to customers. Unplanned disruptions of manufacturing operations or related infrastructure could be significant in scale and could negatively impact operations, neighbors, and the environment, and could have a negative impact on the Company's results of operations.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
5000000

Potential financial impact figure – maximum (currency)
30000000

Explanation of financial impact figure
Eastman's Longview and Texas City, Texas manufacturing sites can experience outages due to extreme winter weather conditions and freezing temperatures. During such extreme weather events, state government in Texas has ordered all industries in the state to curtail energy usage to the lowest possible power level and turn off production if feasible unless transporting gas or exporting power. Industry in the East Texas area has been asked to curtail electrical loads to support the Southwest Power Pool electrical network, which includes the Longview site. Certain raw material and energy sources used by Eastman, as well as sales of certain commodity products by the Company, are subject to price volatility caused in part by weather but also supply and demand conditions, economic variables and other unpredictable factors. The estimated total impact of all of these repercussions is reflected in the potential cost impact figure above.

Cost of response to risk
0

Description of response and explanation of cost calculation
The cost of the response to the risk is integrated in Eastman's normal operations. Eastman continually assesses potential risks to employees, contractors and local communities. The company has emergency response policies and plans for each of our manufacturing site locations around the globe, including local, regional and
C2.4

Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Opp1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where in the value chain does the opportunity occur?</td>
<td>Direct operations</td>
</tr>
<tr>
<td>Opportunity type</td>
<td>Products and services</td>
</tr>
<tr>
<td>Primary climate-related opportunity driver</td>
<td>Development and/or expansion of low emission goods and services</td>
</tr>
<tr>
<td>Primary potential financial impact</td>
<td>Increased revenues resulting from increased demand for products and services</td>
</tr>
<tr>
<td>Company-specific description</td>
<td>Eastman has a unique platform of solutions to address the challenges of plastic waste in the environment with molecular recycling through our carbon renewal and polyester renewal technologies. Eastman’s scale and integration provide a unique opportunity to accelerate the use of these advanced circular recycling technologies and make a meaningful positive impact on the environment. Carbon renewal technology is operated in Kingsport, Tennessee – home to the Company’s largest manufacturing site and corporate headquarters. Eastman modified the front end of its acetyl and cellulose production processes to accept waste plastic as a feedstock, reducing the amount of virgin fossil feedstocks required. Polyester renewal technology, another form of molecular recycling, allows us to divert a range of polyester plastic waste, which includes materials such as hard-to-recycle PET packaging, carpet, or even polyester-based clothing from landfills and incinerators. This goes beyond clear, single-use water bottles to include products such as colored plastic bottles and carpet fibers. Carbon renewal technology and polyester renewal technology have an improved carbon footprint compared to the use of fossil feedstocks, according to 3rd-party validated lifecycle analysis studies by Eastman scientists (respectively, 20-30% and 20-50% GHG reduction at the monomer level), positioning Eastman to be a leader in how the chemical industry addresses climate change.</td>
</tr>
<tr>
<td>Time horizon</td>
<td>Medium-term</td>
</tr>
<tr>
<td>Likelihood</td>
<td>More likely than not</td>
</tr>
<tr>
<td>Magnitude of impact</td>
<td>Medium</td>
</tr>
<tr>
<td>Are you able to provide a potential financial impact figure?</td>
<td>Yes, an estimated range</td>
</tr>
<tr>
<td>Potential financial impact figure (currency)</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Potential financial impact figure – minimum (currency)</td>
<td>500000000</td>
</tr>
<tr>
<td>Potential financial impact figure – maximum (currency)</td>
<td>1000000000</td>
</tr>
<tr>
<td>Explanation of financial impact figure</td>
<td>Eastman anticipates its molecular recycling initiatives are a new vector of significant growth. Specifically, it could contribute approximately $500,000,000 to $1,000,000,000 of new business revenue in the coming years. Eastman seeks to grow business revenue through innovation. An important driver of that growth will be realized through increased investments in the Company’s circular economy technologies. Our Advanced Circular Recycling technologies, which find new uses for hard-to-recycle plastic waste otherwise reaching “end of life” to advance the circular economy, align with our innovation-driven growth strategy and commitment to create value through sustainability. The Company views its Advanced Circular Recycling technologies are a game changer because they can provide an end-of-life solution for plastics that traditional mechanical recycling methods cannot process and are currently being landfilled and incinerated, including materials such as single-use packaging, textiles, and carpet.</td>
</tr>
<tr>
<td>Cost to realize opportunity</td>
<td>425000000</td>
</tr>
<tr>
<td>Strategy to realize opportunity and explanation of cost calculation</td>
<td>In January 2021, Eastman announced it will invest approximately $250 million in a new methanolysis facility at the Company’s headquarters in Kingsport, TN, which 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. Also, as announced at Eastman’s Innovation Day 2021, the company will invest approximately $175 million in a copolyester facility. Eastman’s world class technology platforms form the foundation of sustainable growth by differentiated products through significant scale advantages in research and development (“R&amp;D”) and advantaged global market access. Investment in the Company’s circular economy technologies is included in company R&amp;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 plans to invest increasing levels of capital in the years ahead. For example, in January 2022, alongside French President Emmanuel Macron, Eastman announced that it will invest up to $1 billion in France to build the world’s largest molecular recycling facility.</td>
</tr>
</tbody>
</table>
Innovation is at Eastman's core and has guided the Company through its first 100 years. Activities to meet the opportunity associated with the Company's advanced circular economy technologies are not separated from the Company's other operations.

**Where in the value chain does the opportunity occur?**
Direct operations

**Opportunity type**
Resource efficiency

**Primary climate-related opportunity driver**
Use of more efficient production and distribution processes

**Primary potential financial impact**
Returns on investment in low-emission technology

**Company-specific description**
Eastman's capital budget focused on energy efficiency projects continues to be supported by the Company's senior management and was $5 million in 2021. Eastman's business strategy clearly reflects an emphasis on energy reduction. Since 2008, Eastman has improved energy intensity by approximately 12%. Eastman works to improve resource efficiency through process optimization, reuse of steam in production processes, upgraded equipment, and lighting projects in Company buildings.

**Time horizon**
Short-term

**Likelihood**
More likely than not

**Magnitude of impact**
Medium

**Are you able to provide a potential financial impact figure?**
Yes, a single figure estimate

**Potential financial impact figure (currency)**
6690000

**Potential financial impact figure – minimum (currency)**
<Not Applicable>

**Potential financial impact figure – maximum (currency)**
<Not Applicable>

**Explanation of financial impact figure**
The potential financial impact figure represents annual cost savings from energy efficiency projects achieved in the last year. For example, these include process optimization, reuse of steam in the Company's production processes, and replacing equipment with more energy efficient equipment.

**Cost to realize opportunity**
5000000

**Strategy to realize opportunity and explanation of cost calculation**
In 2020, Eastman committed to reducing absolute greenhouse gas Scope 1 and 2 emissions by one-third by 2030 to achieve carbon neutrality by 2050. The Company's capital energy budget continues to be supported by upper management and was $5 million for 2021. Eastman's business strategy clearly reflects an emphasis on energy reduction. Since 2008, Eastman improved energy intensity by approximately 12%. Eastman's energy efficiency program was recognized by the U.S. Environmental Protection Agency's ENERGY STAR® program as an eight-time "Partner of the Year." In addition, we are a Challenge Partner in the U.S. Department of Energy Better Plants Program. Both programs provide the opportunity to learn from and share with others to positively impact energy efficiency and climate change.

**Comment**
Cost to realize the opportunity includes investment required to support the energy efficiency programs in the last year.

**Where in the value chain does the opportunity occur?**
Downstream

**Opportunity type**
Markets

**Primary climate-related opportunity driver**
Access to new markets

**Primary potential financial impact**
Increased revenues through access to new and emerging markets

**Company-specific description**
Eastman's approach to mitigating climate change is multifaceted. The focus is on the Company's own environmental footprint to limit the energy used across our operations as well as the needs and expectations of the market, commercializing products that enable energy savings at the consumer level. 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 dampening, 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.
Short-term Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
1000000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The potential financial impact figure noted above reflects the estimated revenue associated with this group of climate change related products.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
The cost to realize this opportunity is integrated in Eastman’s normal operations. Eastman’s world-class technology platforms form the foundation of sustainable growth by differentiated products through significant scale advantages in research and development (“R&D”) and advantaged global market access.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan
No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Publicly available transition plan
<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan
<Not Applicable>

Description of feedback mechanism
<Not Applicable>

Frequency of feedback collection
<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)
<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future
While Eastman does not currently have a transition plan aligned with a 1.5°C world, Eastman is considering its transition pathways as we aim to reduce absolute emissions by one-third by 2030 and achieve carbon neutrality by 2050. We have conducted a climate scenario analysis and are encouraged by the Science-based Targets Initiative (SBTi). We are awaiting SBTi’s chemical sector guidance before moving forward and plan to support the development of this guidance through participation in SBTi’s Expert Advisory Group, including by advising on the development of this guidance. Further, Eastman is actively learning more about its Scope 3 emissions footprint to inform future strategy and how to reduce it alongside internal working team efforts to determine the feasibility of a number of emerging energy technologies.

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

<table>
<thead>
<tr>
<th>Use of climate-related scenario analysis to inform strategy</th>
<th>Primary reason why your organization does not use climate-related scenario analysis to inform its strategy</th>
<th>Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1  Yes, qualitative</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>
(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

<table>
<thead>
<tr>
<th>Climate-related scenario</th>
<th>Scenario analysis coverage</th>
<th>Temperature alignment of scenario</th>
<th>Parameters, assumptions, analytical choices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transition scenarios</td>
<td>Company-wide</td>
<td>&lt;Not Applicable&gt;</td>
<td>Parameters: Measurable factors built into the scenario that may have a material impact on our business performance that we have included are the worldwide crude oil price, CO2 prices for advanced and emerging economies, regional natural gas prices and annual energy investment in end-use for both electrification and efficiency. Assumptions: The assumptions made in use of the net Zero Emissions (NZE) scenario include relevant milestones of anticipated policy results achieved affecting the electricity and heat, industry, buildings, transport and other sectors across the period 2030 to 2050 given that we have customers that represent each of them and it is therefore relevant to our strategic plan. Moreover, we have assumed a falling oil price globally over the period from 2020 to 2050, increasing carbon prices in both advanced and emerging economies with reductions in natural gas prices in the European Union and China. Analytical choices: The time horizon extends to 2050 for which the International Energy Agency’s (IEA) World Energy Outlook (WEO) 2021 were most heavily referenced in preparation of our analysis. Our analysis using this scenario was primarily qualitative in nature, for which in 2022 we are incorporating quantitative considerations using the fuel costs, regional carbon prices, and energy investment metrics disclosed in the WEO 2021 scenario documentation.</td>
</tr>
<tr>
<td>Transition scenarios</td>
<td>Company-wide</td>
<td>&lt;Not Applicable&gt;</td>
<td>Parameters: Measurable factors built into the scenario that may have a material impact on our business performance that we have included are the worldwide crude oil price, CO2 prices for advanced and emerging economies, regional natural gas prices and annual energy investment in end-use for both electrification and efficiency. Assumptions: The assumptions made in use of the Sustainable Development Scenario (SDS) scenario include relevant milestones of anticipated policy results achieved affecting the electricity and heat, industry, buildings, transport and other sectors across the period 2030 to 2050 given that we have customers that represent each of them and it is therefore relevant to our strategic plan. Moreover, we have assumed a falling oil price globally over the period from 2020 to 2050, increasing carbon prices in both advanced and emerging economies with reductions in natural gas prices in the European Union and China. Analytical choices: The time horizon extends to 2050 for which the IEA’s WEO 2021 and World Energy Model 2020/2021 were most heavily referenced in preparation of our analysis. Our analysis using this scenario was primarily qualitative in nature, for which in 2022 we are incorporating quantitative considerations using the fuel costs, regional carbon prices, and energy investment metrics disclosed in the WEO 2021 scenario documentation.</td>
</tr>
<tr>
<td>Transition scenarios</td>
<td>Company-wide</td>
<td>&lt;Not Applicable&gt;</td>
<td>Parameters: Measurable factors built into the scenario that may have a material impact on our business performance that we have included are the worldwide crude oil price, CO2 prices for advanced economies with net zero pledges and China, regional natural gas prices and annual energy investment in end-use for both electrification and efficiency. Assumptions: The assumptions made in use of the APS scenario include relevant policy results achieved affecting the power, industry, buildings, transport sectors and those that cut across sectors given that we have customers that represent each of them and it is therefore relevant to our strategic plan. Moreover, we have assumed a rising oil price globally over the period from 2020 to 2050, increasing carbon prices in both advanced economies with net zero pledges and China, with increases in natural gas prices in the European Union and China. Analytical choices: The time horizon extends to 2050 for which the IEA’s WEO 2021 and World Energy Model 2020/2021 were most heavily referenced in preparation of our analysis. Our analysis using this scenario was primarily qualitative in nature, for which in 2022 we are incorporating quantitative considerations using the fuel costs, regional carbon prices, and energy investment metrics disclosed in the WEO 2021 scenario documentation.</td>
</tr>
</tbody>
</table>

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

- What markets and/or industries may emerge under different scenarios? – How possible climate futures may impact Eastman’s business strategy and financials? – What are the possible signposts and triggering events that indicate emerging risks and opportunities?

Results of the climate-related scenario analysis with respect to the focal questions

Company-specific summary of the results of the scenario analysis: Regarding the scenario analysis process, we first analyzed impacts across a variety of business elements, including productivity, business interruption, our portfolio, markets, revenues, costs and assets. Using an understanding of the impact analysis and results of the corporate climate-related risk and opportunity assessment, we evaluated concentrations of risks and opportunities under each scenario and specifically how our strategy is prepared and where there may be room for opportunities. Lastly, we evaluated specific strategic considerations to incorporate over time and relevant signposts by scenario. 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. Specifically, regarding access to existing and new markets, under all the scenarios, we anticipated an increased demand for and revenues from reliable decarbonizing products, though more heavily anticipated under those more ambitious low-carbon scenarios such as NZE and SDS. Customers will require more advanced materials that embed new carbon features, allow for integration of new and emerging low-carbon technologies, and support accelerated transitions in economies undergoing high rates of development. How the results have informed your decisions and actions: We are currently evaluating strategic considerations that will integrate forward-looking resiliency planning into our organization. For example, the results of the analysis have emphasized the need to align our product and go to market strategy with a net zero approach to the extent possible and especially in those regions with higher rates of development (i.e., Asia Pacific & non-European or non-North American markets). In combination with the results of our scenario analysis and this direct feedback, we are seeking to prioritize the technologies for which we shall direct concentrated talent acquisition efforts and assess partnership, and collaboration opportunities with others in the market to support our customers’ transition needs.

C3.3
(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

<table>
<thead>
<tr>
<th>Have climate-related risks and opportunities influenced your strategy in this area?</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products and services</td>
<td>Eastman leverages a unique platform of solutions to address the challenges of plastic waste in the environment with molecular recycling, carbon renewal, and polyester renewal technologies. Eastman's scale and integration provides a unique opportunity to accelerate the use of these advanced circular recycling technologies and make a meaningful positive impact on the environment. The company's products and services strategies are influenced by short (0-3 years), medium (3-10 years), and long (10-30 years) time horizons when considering climate-related impacts. For example: Tritan™ Renew from Eastman is powered by this new recycling technology that transforms plastic waste into basic building blocks that are then used to make durable, high-performance, food-safe materials. This process offsets the use of fossil fuels and lowers greenhouse gas emissions. Another product is Eastman Naia™ Renew for Textiles. Climate-related risks and opportunities such as natural resource efficiency and greenhouse gas reduction have driven several product development efforts. For example: Eastman BioExtend™ 30 and BioExtend™ 30 HP antioxidant solutions were developed and are marketed to extend the shelf life of biodiesel and slow down the oxidation process. Saflex® PVB interlayers, an advanced interlayer technology for laminated glass that brings safety, security, acoustic, UV screening and reduction in summer solar heat gain to automotive and architectural glazing. Saflex Solar Connect, introduced in 2020, provides exceptional solar heat rejection and sound dampening, 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. Eastman Tethrashield™ protective resin systems enable higher-solid coatings while maintaining excellent application parameters. This allows for more efficient film build, faster film drying, and ultimately a more efficient coating process.</td>
</tr>
<tr>
<td>Supply chain and/or value chain</td>
<td>Climate-related risks and opportunities are drivers behind the Company's efforts to assess the sustainability of its suppliers and encompass all three planning horizons (short (0-3 years), medium (3-10 years), and long (10-30 years)). For example, Eastman develops and executes seasonal energy sourcing strategies to mitigate the impacts of climate change and ensure a diverse supplier network for its critical raw materials. Eastman also participates in Together for Sustainability (TfS), which develops and implements a global supplier engagement program to assess, audit and improve sustainability practices within the supply chain of the chemical industry.</td>
</tr>
<tr>
<td>Investment in R&amp;D</td>
<td>Climate-related risks and opportunities have driven the Company's investment in R&amp;D in circular economy technologies which have a lower GHG emissions footprint and provide a solution to plastic waste's impact on the environment. Climate-related risks and opportunities and their influence on investment in R&amp;D is factored into all three-time horizons: short (0-3 years), medium (3-10 years), and long (10-30 years). For example, Eastman's methanolysis process, which uses plastic waste as the main feedstock, will not only reduce our use of fossil feedstocks, but also reduce greenhouse gas emissions. In 2021, Eastman, alongside French President Emmanuel Macron, announced that Eastman will invest up to $1 billion to build the world's largest molecular recycling facility in France. This follows Eastman's 2020 announcement that it will invest approximately $250 million in a new methanolysis facility. Both 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. As a second example, Eastman has commissioned a team to investigate and understand the technologies best positioned to provide the company with low-GHG process heat, a key component of Eastman meeting its 2050 goal of Scope 1+2 carbon neutrality. As a third example, Eastman engages with the Department of Energy (DOE), National Labs, and other industrial partners through the DOE Climate Challenge to learn strategies for decarbonization.</td>
</tr>
<tr>
<td>Operations</td>
<td>Climate-related risks and opportunities for the Company's operations have influenced our strategy. For example, Eastman invested in GHG reduction such as the conversion of boilers from coal to natural gas combustion - a cleaner energy alternative. Eastman also continues to operate combined heat and power (CHP) assets, an extremely efficient way to produce steam and electricity, and pursue continued improvements in energy efficiency.</td>
</tr>
</tbody>
</table>

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

<table>
<thead>
<tr>
<th>Financial planning elements that have been influenced</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital expenditures</td>
<td>Eastman's Finance group, in collaboration with the Company's Public Policy &amp; ESG team and Worldwide Engineering &amp; Construction (WWE&amp;C) team, implemented an internal carbon price (ICP) to illustrate the impact a future carbon pricing may have on capital projects if the United States adopts such a mechanism. Capital projects are typically assessed over a 7 to 12-year term with an option to consider as far out as a 25-year horizon. An example is the analysis and approval of a world-scale plastic-to-plastic molecular recycling plant, for which the ICP was factored into the project's financial analysis. The Company tracks and monitors prices on carbon for a number of countries around the world where its manufacturing facilities could be impacted.</td>
</tr>
</tbody>
</table>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

- **Target reference number**
  - Abs 1
- **Year target was set**
  - 2020
- **Target coverage**
  - Company-wide
- **Scope(s)**
  - Scope 1
  - Scope 2
Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Base year
2017

Base year Scope 1 emissions covered by target (metric tons CO2e)
7108064

Base year Scope 2 emissions covered by target (metric tons CO2e)
959211

Base year Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
8067275

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
32

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
5485747

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
6206603

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
746240

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
6952843

% of target achieved relative to base year [auto-calculated]
43.1694717237233

Target status in reporting year
Underway

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions
In 2020, Eastman announced a goal of reducing its combined absolute Scope 1+2 GHG emissions by one-third by 2030, 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 4.0% compared to 2020 and have decreased by 13.8% compared the baseline year of 2017.

Plan for achieving target, and progress made to the end of the reporting year
Eastman has developed a strategy to achieve the 2030 target which is a 1/3 reduction in GHG emissions with the baseline year of 2017. This multi-year strategy encompasses several facets. The foundation of our program is our award-winning energy efficiency program. The energy program was elevated to a new level in 2020 with a Vice President Sponsor and regular reports on savings to the Executive Team. Partnerships with the US Environmental Protection Agency's ENERGY STAR Industrial Program and the US Department of Energy's (DOE) Better Plants program have been supplemented with an additional commitment to the DOE Better Climate Challenge. A standardized project tracking system was put in place for all projects so that GHG emissions can be tracked corporately. Beyond energy efficiency, there are several projects that have been launched with goals to completely transform processes, reduce the use of fossil fuels, and incorporate renewable energy. A Portfolio Manager has been put in place to manage this suite of projects ensuring a cohesive and comprehensive plan. We are actively developing process transformation opportunities in pursuit of energy and GHG reductions. Whereas energy efficiency generally targets incremental improvements in energy demand, process transformation is about a more holistic reimagining of process and energy systems, seeking larger-scale reductions in GHG emissions and resource consumption. To that end, Eastman has commercialized its molecular recycling technologies, which substitute waste plastic feedstock for fossil feedstocks and contribute to the reduction of GHG emissions. It is our priority to continue to reduce the carbon footprint of all our products, doing our part within the value chain to move toward a low-carbon economy. Due to the continued rapid decline in the costs of renewable wind and solar energy, we expect to address a portion of our Scope 2 GHG emissions reductions through cost-effective deployment of these proven technologies. Eastman is prepared to expand our participation in renewables while maintaining financial diligence. We believe in a "both/and" mindset for reducing GHG emissions, deploying economically viable solutions today while investing in the technologies industry will require in a decarbonized future.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>
C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs1

Target year for achieving net zero
2050

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

Please explain target coverage and identify any exclusions

Eastman has publicly committed to carbon neutrality by 2050. To demonstrate our progress on the trajectory toward carbon neutrality, we have committed to a one-third reduction in absolute Scope 1+2 GHG emissions by 2030 as compared to a 2017 baseline of 8,067,275 metric tons of CO2 equivalents. Our execution plan to reduce our emissions is a multi-faceted strategy including energy efficiency projects, process transformation projects, employing renewable energy options, and exploring and evaluating breakthrough technologies.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Yes

Planned milestones and/or near-term investments for neutralization at target year

As we plan and execute the portfolio of actions and investments that will enable Eastman to meet our 2030 greenhouse gas reduction goal, Eastman considers four broad categories. • First, we will continue to leverage our strong history of energy efficiency improvements to remove energy, cost and greenhouse gas emissions from the footprint of our operations. We are partnering with government organizations such as the ENERGY STAR® Industrial Program and the DOE Better Plants program. We have committed to the DOE Better Climate Challenge to both learn from others and share our learnings as well. • Second, we think about process transformation, such as our family of molecular recycling technologies. While the benefits of carbon renewal technology and polyester renewal technology are typically framed in terms of the Circular Economy, these technologies also bring fundamental greenhouse gas savings into the picture. • Third, we’ll apply increasing amounts of renewable electricity to our energy portfolio, decarbonizing our purchased electrical footprint over time. • Finally, we expect to consider a combination of fuel switching and initial application of breakthrough technologies for low-carbon process heat. With these actions, Eastman will by 2030 remove 2,581,528 (32%) of our 2017 Scope 1+2 GHG baseline of 8,067,275 metric tons of CO2 equivalents.

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Number of initiatives</th>
<th>Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under investigation</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>To be implemented*</td>
<td>13</td>
<td>60000</td>
</tr>
<tr>
<td>Implementation commenced*</td>
<td>18</td>
<td>90000</td>
</tr>
<tr>
<td>Implemented*</td>
<td>27</td>
<td>121560</td>
</tr>
<tr>
<td>Not to be implemented</td>
<td>13</td>
<td></td>
</tr>
</tbody>
</table>

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings

Other, please specify (Shutting down unused building)
<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Energy efficiency in production processes</th>
<th>Motors and drives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated annual CO2e savings (metric tonnes CO2e)</td>
<td>460</td>
<td></td>
</tr>
<tr>
<td>Scope(s) or Scope 3 category(ies) where emissions savings occur</td>
<td>Scope 2 (location-based)</td>
<td></td>
</tr>
<tr>
<td>Voluntary/Mandatory</td>
<td>Voluntary</td>
<td></td>
</tr>
<tr>
<td>Annual monetary savings (unit currency – as specified in C0.4)</td>
<td>37200</td>
<td></td>
</tr>
<tr>
<td>Investment required (unit currency – as specified in C0.4)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Payback period</td>
<td>No payback</td>
<td></td>
</tr>
<tr>
<td>Estimated lifetime of the initiative</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>Comment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Energy efficiency in production processes</th>
<th>Process optimization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated annual CO2e savings (metric tonnes CO2e)</td>
<td>4900</td>
<td></td>
</tr>
<tr>
<td>Scope(s) or Scope 3 category(ies) where emissions savings occur</td>
<td>Scope 1</td>
<td></td>
</tr>
<tr>
<td>Voluntary/Mandatory</td>
<td>Voluntary</td>
<td></td>
</tr>
<tr>
<td>Annual monetary savings (unit currency – as specified in C0.4)</td>
<td>254000</td>
<td></td>
</tr>
<tr>
<td>Investment required (unit currency – as specified in C0.4)</td>
<td>1350000</td>
<td></td>
</tr>
<tr>
<td>Payback period</td>
<td>4-10 years</td>
<td></td>
</tr>
<tr>
<td>Estimated lifetime of the initiative</td>
<td>11-15 years</td>
<td></td>
</tr>
<tr>
<td>Comment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Energy efficiency in production processes</th>
<th>Reuse of steam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated annual CO2e savings (metric tonnes CO2e)</td>
<td>86000</td>
<td></td>
</tr>
<tr>
<td>Scope(s) or Scope 3 category(ies) where emissions savings occur</td>
<td>Scope 1, Scope 2 (location-based)</td>
<td></td>
</tr>
<tr>
<td>Voluntary/Mandatory</td>
<td>Voluntary</td>
<td></td>
</tr>
<tr>
<td>Annual monetary savings (unit currency – as specified in C0.4)</td>
<td>4000000</td>
<td></td>
</tr>
<tr>
<td>Investment required (unit currency – as specified in C0.4)</td>
<td>2000000</td>
<td></td>
</tr>
<tr>
<td>Payback period</td>
<td>&lt;1 year</td>
<td></td>
</tr>
<tr>
<td>Estimated lifetime of the initiative</td>
<td>11-15 years</td>
<td></td>
</tr>
<tr>
<td>Comment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Energy efficiency in production processes</th>
<th>Reuse of steam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated annual CO2e savings (metric tonnes CO2e)</td>
<td>9200</td>
<td></td>
</tr>
</tbody>
</table>
**Initiative category & Initiative type**

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in production processes</td>
<td>Machine/equipment replacement</td>
</tr>
</tbody>
</table>

**Estimated annual CO2e savings (metric tonnes CO2e)**

21000

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

- Scope 1
- Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

1500000

**Investment required (unit currency – as specified in C0.4)**

2900000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

(C4.3c) **What methods do you use to drive investment in emissions reduction activities?**

<table>
<thead>
<tr>
<th>Method</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dedicated budget for energy efficiency</td>
<td>Eastman’s capital energy budget continues to be supported by upper management and was $5 million for 2021. Eastman’s business strategy clearly reflects an emphasis on energy reduction. Since 2008, Eastman has improved energy intensity by approximately 12%.</td>
</tr>
<tr>
<td>Employee engagement</td>
<td>To guide and direct corporate-wide energy efforts, an energy communications plan is developed and continually updated. To build support in energy management at all levels, the Global Natural Resources Team uses awareness campaigns. Eastman promoted employee engagement in energy through newsletters and videos sharing information on how employees can be more energy efficient, both at work and at home, as well as how saving water also saves energy. Investing in training included providing training to both operators and engineers on energy improvement opportunities regarding condensate and steam traps. Multiple classes on the company’s energy and sustainability programs were also taught as part of the onboarding plan for new engineers. Eastman implemented an educational module and engaged different functional organizations including process engineers and others to learn about life cycle assessment and carbon footprinting. The two-day course exposed employees to the concepts around life cycle thinking, principles of the circular economy, and LCA techniques.</td>
</tr>
<tr>
<td>Internal incentives/recognition programs</td>
<td>To motivate employees, recognition programs are used along with team celebrations and verbal and written reinforcement. Employees are motivated to contribute to company energy efficiency goals through a variety of incentives including recognition for achievements in the company newsletter, individual awards, team celebrations, notes of recognition and nominal prizes for participation. Performance commitments of all personnel include goals and objectives for each year, and performance against these goals is a factor in determining compensation. Site energy champions are given energy savings goals. These goals help Eastman achieve GHG reduction targets.</td>
</tr>
<tr>
<td>Compliance with regulatory requirements/standards</td>
<td>Current regulatory requirements reinforce fuel conversion that results in lower GHG. Eastman is subject to emissions trading schemes in Europe and the Republic of Korea, alongside additional legal compliance in Europe on energy efficiency.</td>
</tr>
</tbody>
</table>

(C4.5) **Do you classify any of your existing goods and/or services as low-carbon products?**

Yes
(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation
Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon
No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

<table>
<thead>
<tr>
<th>Chemicals and plastics</th>
<th>Other, please specify (Polymer)</th>
</tr>
</thead>
</table>

Description of product(s) or service(s)
Acetate Renew

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)
Yes

Methodology used to calculate avoided emissions
Other, please specify (LCA through GaBi software comparison of Renew vs heritage material)

Life cycle stage(s) covered for the low-carbon product(s) or service(s)
Cradle-to-gate

Functional unit used
1 kg reference flow

Reference product/service or baseline scenario used
Heritage cellulose acetate LCA

Life cycle stage(s) covered for the reference product/service or baseline scenario
Cradle-to-gate

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario
0.00121

Explain your calculation of avoided emissions, including any assumptions
Through the combination of Eastman's Carbon Renewal Technology and renewable energy procurement efforts, the GWP of Eastman's Acetate Renew is dramatically reduced vs the heritage product. Acetate Renew has achieved a nearly 50% GWP reduction vs the heritage product. Eastman has line of sight to further reduce the footprint by an additional 10% through additional measures.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

Level of aggregation
Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon
No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

<table>
<thead>
<tr>
<th>Chemicals and plastics</th>
<th>Other, please specify (Polymer intermediate)</th>
</tr>
</thead>
</table>

Description of product(s) or service(s)
DMT (dimethylterephthalate)

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)
Yes

Methodology used to calculate avoided emissions
Other, please specify (LCA through GaBi software comparison of Renew vs heritage material)

Life cycle stage(s) covered for the low-carbon product(s) or service(s)
Other, please specify (Cradle-to-intermediate gate)

Functional unit used
1 kg reference flow

Reference product/service or baseline scenario used
Heritage DMT LCA

Life cycle stage(s) covered for the reference product/service or baseline scenario
Other, please specify (Cradle-to-intermediate gate)

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario
0.0005

Explain your calculation of avoided emissions, including any assumptions
Through Eastman's Polyester Renewal Technology, the GWP of Eastman's dimethylterephthalate (DMT) is dramatically reduced vs the heritage product. DMT has achieved a 30% GWP reduction vs the heritage product. Eastman has line of sight to further reduce the footprint through additional measures.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year
C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?
Yes, a divestment

Name of organization(s) acquired, divested from, or merged with
Eastman completed the sale of its global tire additives business to an affiliate of One Rock Capital Partners, LLC. The sale included the rubber additives (including Eastman’s Crystex™ insoluble sulfur and Santoflex™ antidegradants) and other product lines and related assets and technology of the Additives & Functional Products segment.

Details of structural change(s), including completion dates
The sale included the rubber additives (including Eastman’s Crystex™ insoluble sulfur and Santoflex™ antidegradants) and other product lines and related assets and technology of the Additives & Functional Products segment. The sale was completed on November 1, 2021. The purchasing company, Flexsys, took responsibility for 2021 emissions. The change in emissions did not trigger a baseline adjustment per Eastman’s published Base Year Greenhouse Gas Recalculation Policy.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

Change(s) in methodology, boundary, and/or reporting year definition change(s)

Previous reports used American Chemistry Council GHG conversion factors. Beginning with 2021 data, in an effort to continually improve the accuracy of reported emissions, Eastman began using the “EPA eGrid SubRegion” emissions factors for US sites and Carbon Footprint’s (TM) Country Specific Electricity Grid Greenhouse Gas Emission Factors v0.1 – January 2022” for all other sites except as noted for fuel produced on-site. Additionally, as reported in Eastman’s 2021 CDP report, Question 6.4a, sales of electricity to the grid were not included in the 2021 data. This error was discovered and disclosed in 2021 but was not fully evaluated and resolved in time to be included in the 2021 report. Since that time, Eastman has confirmed that some emissions were excluded that should have been included. In addition, this same situation resulted in some emissions being included in Scope 2 which should have been included in Scope 1. These errors have been corrected in the 2021 data being reported now. In addition, these changes have been included in a restatement of the 2017 baseline year emissions. During due diligence to increase rigor around GHG reporting, it was determined that one site’s emissions were significantly over-reported in the baseline year. This has also been corrected.

C5.1c

(C5.1c) Have your organization’s base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

Base year emission recalculation
Yes

Base year emissions recalculation policy, including significance threshold

Base year emissions will be recalculated for acquisitions or divestitures or significant errors if there is a positive or negative change of five percent or greater. A base year recalculation where changes represent less than 5% of base year emissions may also be carried out at Eastman’s discretion.

C5.2

(C5.2) Provide your base year and base year emissions.
Scope 1
Base year start  
January 1 2017

Base year end  
December 31 2017

Base year emissions (metric tons CO2e)  
7108064

Comment  
In alignment with the Greenhouse Gas Protocol, Eastman routinely normalizes baseline year data by removing GHGs from sites divested since the baseline year and adding GHGs from sites acquired after the baseline year. No such changes meeting the significance threshold of 5% in regard to sites occurred for our 2017 baseline.
Refinement in data accumulation and the reclassification of a co-generation boiler from leased/not operated to owned and operated caused an increase in the baseline, so the Eastman baseline has increased compared to previous disclosures for Scope 1 emissions. Eastman generates steam and electricity but does not consume all of the steam and electricity produced. Some of the steam is sold to third parties, and emissions associated with these sales are included in CDP reporting metrics according to CDP guidance.

Scope 2 (location-based)
Base year start  
January 1 2017

Base year end  
December 31 2017

Base year emissions (metric tons CO2e)  
959211

Comment  
In alignment with the Greenhouse Gas Protocol, Eastman routinely normalizes baseline year data by removing GHGs from sites divested since the baseline year and adding GHGs from sites acquired after the baseline year. No such changes meeting the significance threshold of 5% in regards to sites occurred for our 2017 baseline. Refinement in data accumulation and the reclassification of a co-generation boiler from leased/not operated to owned and operated caused a decrease in the baseline, so the Eastman baseline has decreased compared to previous disclosures.

Scope 2 (market-based)
Base year start  
January 1 2017

Base year end  
December 31 2017

Base year emissions (metric tons CO2e)  
959211

Comment  
In alignment with the Greenhouse Gas Protocol, Eastman routinely normalizes baseline year data by removing GHGs from sites divested since the baseline year and adding GHGs from sites acquired after the baseline year. No such significant changes in regard to sites occurred for our 2017 baseline. Refinement in data accumulation and the reclassification of a co-generation boiler from leased/not operated to owned and operated caused a decrease in the baseline, so the Eastman baseline has increased compared to previous disclosures.

Scope 3 category 1: Purchased goods and services
Base year start  

Base year end  

Base year emissions (metric tons CO2e)  

Comment

Scope 3 category 2: Capital goods
Base year start  

Base year end  

Base year emissions (metric tons CO2e)  

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)
Base year start  

Base year end  

Base year emissions (metric tons CO2e)  

Comment

Scope 3 category 4: Upstream transportation and distribution
Base year start  

Base year end  

Base year emissions (metric tons CO2e)  

Comment
Scope 3 category 5: Waste generated in operations
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 6: Business travel
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 7: Employee commuting
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 8: Upstream leased assets
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 9: Downstream transportation and distribution
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 10: Processing of sold products
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 11: Use of sold products
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 12: End of life treatment of sold products
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 13: Downstream leased assets
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 14: Franchises
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3 category 15: Investments
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3: Other (upstream)
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment
Scope 3: Other (downstream)
Base year start
Base year end
Base year emissions (metric tons CO2e)
Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year
Gross global Scope 1 emissions (metric tons CO2e)
6206603
Start date
January 1 2021
End date
December 31 2021
Comment
Eastman relies heavily on combined heat and power technology to efficiently produce power and steam for industrial processes. Power and steam generated in this way not only is more efficient than much of the U.S. grid with a lower carbon footprint but minimizes distribution losses. Therefore, Eastman's relative share of Scope 1 versus Scope 2 emissions may appear to be inflated compared to other companies that may rely more on power from the grid.

Past year 1
Gross global Scope 1 emissions (metric tons CO2e)
6270072
Start date
January 1 2020
End date
December 31 2020
Comment
(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

**Scope 2, location-based**
We are reporting a Scope 2, location-based figure

**Scope 2, market-based**
We are reporting a Scope 2, market-based figure

**Comment**
Eastman reports a location-based and market-based Scope 2 emissions. Scope 2 emissions are provided by the locations using "EPA eGrid SubRegion" emissions factors for US sites and "Carbon Footprint’sTM Country Specific Electricity Grid GreenHouse Gas Emission Factors v0.1 – January 2022" for all other sites except as noted for fuel produced on-site. Market-based emissions are calculated using country or region specific residual mixes.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

**Reporting year**

**Scope 2, location-based**
736120

**Scope 2, market-based (if applicable)**
746240

**Start date**
January 1 2021

**End date**
December 31 2021

**Comment**
Eastman relies heavily on combined heat and power technology to efficiently produce power and steam for industrial processes. Power and steam generated in this way not only is more efficient than much of the U.S. grid with a lower carbon footprint but minimizes distribution losses. Therefore, Eastman's relative share of Scope 1 versus Scope 2 emissions may appear to be inflated compared to other companies that may rely more on power from the grid.

**Past year 1**

**Scope 2, location-based**
974485

**Scope 2, market-based (if applicable)**

**Start date**
January 1 2020

**End date**
December 31 2020

**Comment**
No market-based Scope 2 emissions reported for year 2020.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a
(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source
Eastman’s boundary is manufacturing sites where we have controlling interest. Non-manufacturing sites such as sales offices and technical centers are excluded but would represent less than 1% of total emissions.

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)
Emissions are not relevant

Explain why this source is excluded
The Scope 2 emissions from non-manufacturing offices are not significant sources of emissions and would represent less than 1% of the total Scope 1 and Scope 2 emissions.

Estimated percentage of total Scope 1+2 emissions this excluded source represents
1

Explain how you estimated the percentage of emissions this excluded source represents
Estimate determined by sampling electrical, and steam used at the largest office facilities to compare to the amount used in manufacturing. These values were less than 0.10% of manufacturing values so a conservative value of 1% was used.

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
8540602

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emission factors were derived from GaBi software reflecting industry average rather than supplier-specific values.

Capital goods

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
In order to evaluate the relevance of capital on Eastman’s total footprint, GHG emissions were estimated based on capital goods expenses. The impact of the activity was estimated using Carnegie Mellon's economic input/output (EIO) LCA tool (http://www.eiolca.net/cgi-bin/dftluse.pl). Because annual GHG emissions from purchased capital goods are estimated to be 200,000 tons of CO2, which is <5% of Eastman annual Scope 1, Scope 2 and Scope 3 emissions, it is reasonable to conclude that emissions from purchased capital goods are not relevant to this study.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1330439

Emissions calculation methodology
Fuel-based method
Other, please specify (GaBi)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emission factors were derived from GaBi software reflecting industry average rather than supplier-specific values.
Upstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Eastman does not contract for and manage the upstream logistics, as it is handled by upstream suppliers as part of purchased goods.

Waste generated in operations

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Insignificant compared to our global Scope 1 and Scope 2 CO2e emissions

Business travel

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
3191

Emissions calculation methodology
Hybrid method
Spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Air travel and hotel stays: Calculated based on (i) business travel data (mileage and nights stayed) obtained through annual reports from the third-party travel management organization responsible for travel for employees in North America, Europe, Middle East and Africa (EMEA), and China or (ii) business travel data obtained from the Concur Travel Management system for employees in Latin America and Asia Pacific (excluding China). Rental cars: Calculated based on (i) business travel data (mileage) obtained through annual reports from the third-party travel management organization responsible for travel for employees in North America or (ii) business travel data obtained from the Concur Travel Management system for employees in EMEA, Latin America, and Asia Pacific. Rail: Calculated based on business travel data (mileage) obtained through annual reports from the third-party travel management organization responsible for travel for employees in North America, EMEA, Latin America, and Asia Pacific. 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 2021. - Business travel data for air travel, rental cars, and hotel stays obtained from the Concur Travel Management system: Quantis online tool (scope 3 evaluator).

Employee commuting

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
15473

Emissions calculation methodology
Other, please specify (GaBi)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Estimated using employee average transportation route and commuting distances for each region with transportation GHG factors from GaBi (Sphera).
Upstream leased assets

**Evaluation status**
Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Please explain**
Eastman has very few upstream leased assets, and emissions are extremely small in comparison to overall corporate evaluation and measurement.

Downstream transportation and distribution

**Evaluation status**
Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
9184

**Emissions calculation methodology**
- Average data method
- Distance-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Please explain**
Calculated using a mass and mode-based method to estimate impact relying on impact characterization factors.

Processing of sold products

**Evaluation status**
Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
5222703

**Emissions calculation methodology**
Spend-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Please explain**
Calculated using the spend-based method to estimate impact.

Use of sold products

**Evaluation status**
Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Please explain**
According to the Quantis Scope 3 Evaluator tool provided by WRI, based on an equivalent total product sold, this category does not generate any impact when considered the type of product that Eastman sells.

End of life treatment of sold products

**Evaluation status**
Not relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
2870078

**Emissions calculation methodology**
- Other, please specify (Mass-based method)

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Please explain**
Calculated using the mass-based method to estimate impact.
Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Eastman has very few downstream assets, such as warehouse space, and emissions are too small for measurement.

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Eastman has no franchise businesses or assets.

Investments

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
48956

Emissions calculation methodology
Investment-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Eastman had 3 joint ventures which are non-consolidated in Eastman's financial accounting and in which Eastman does not have a controlling interest. These emissions are being included in Scope 3 using the equity share approach.

Other (upstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

C6.5a
(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

End date

Scope 3: Purchased goods and services (metric tons CO2e)
Scope 3: Capital goods (metric tons CO2e)
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
Scope 3: Upstream transportation and distribution (metric tons CO2e)
Scope 3: Waste generated in operations (metric tons CO2e)
Scope 3: Business travel (metric tons CO2e)
Scope 3: Employee commuting (metric tons CO2e)
Scope 3: Upstream leased assets (metric tons CO2e)
Scope 3: Downstream transportation and distribution (metric tons CO2e)
Scope 3: Processing of sold products (metric tons CO2e)
Scope 3: Use of sold products (metric tons CO2e)
Scope 3: End of life treatment of sold products (metric tons CO2e)
Scope 3: Downstream leased assets (metric tons CO2e)
Scope 3: Franchises (metric tons CO2e)
Scope 3: Investments (metric tons CO2e)
Scope 3: Other (upstream) (metric tons CO2e)
Scope 3: Other (downstream) (metric tons CO2e)

Comment

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00066369

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

6952843

Metric numerator

unit total revenue

Metric denominator: Unit total

10476000000

Scope 2 figure used

Market-based

% change from previous year

11.7

Direction of change

Decreased

Reason for change

The metric provided is a standard total revenue intensity metric. The % change in the metric compared to the previous year indicates an 11.7% decrease. Revenues increased by 23.6% compared to 2020 due to a production rebound from a challenging 2020 impacted by COVID-19. Combined Scope 1 and Scope 2 emissions decreased 4.0% compared to 2020. The net decrease in GHG intensity is attributed to a return to typical capacity factors for some Eastman plants.

C7. Emissions breakdowns
C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

<table>
<thead>
<tr>
<th>Greenhouse gas</th>
<th>Scope 1 emissions (metric tons of CO2e)</th>
<th>GWP Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO2</td>
<td>616318</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>CH4</td>
<td>13229</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>N2O</td>
<td>11654</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>HFCs</td>
<td>18102</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>PFCs</td>
<td>0</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
</tbody>
</table>

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific (or JAPA)</td>
<td>9911</td>
</tr>
<tr>
<td>Europe</td>
<td>188052</td>
</tr>
<tr>
<td>Latin America (LATAM)</td>
<td>7617</td>
</tr>
<tr>
<td>North America</td>
<td>6001023</td>
</tr>
</tbody>
</table>

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.
By facility

C7.3b
(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
<th>Latitude</th>
<th>Longitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility 1</td>
<td>30932</td>
<td>33.65</td>
<td>-85.85</td>
</tr>
<tr>
<td>Facility 2</td>
<td>18107</td>
<td>39.26</td>
<td>-76.09</td>
</tr>
<tr>
<td>Facility 3</td>
<td>314</td>
<td>51.15</td>
<td>14.02</td>
</tr>
<tr>
<td>Facility 4</td>
<td>12291</td>
<td>36.73</td>
<td>-79.88</td>
</tr>
<tr>
<td>Facility 5</td>
<td>20</td>
<td>36.68</td>
<td>-76.92</td>
</tr>
<tr>
<td>Facility 6</td>
<td>51238</td>
<td>51.1</td>
<td>3.72</td>
</tr>
<tr>
<td>Facility 7</td>
<td>0</td>
<td>51</td>
<td>3.72</td>
</tr>
<tr>
<td>Facility 8</td>
<td>2</td>
<td>-23.69</td>
<td>-46.47</td>
</tr>
<tr>
<td>Facility 9</td>
<td>79032</td>
<td>42.1</td>
<td>-72.59</td>
</tr>
<tr>
<td>Facility 10</td>
<td>0</td>
<td>40.68</td>
<td>-4.82</td>
</tr>
<tr>
<td>Facility 11</td>
<td>3048</td>
<td>39.82</td>
<td>-76.84</td>
</tr>
<tr>
<td>Facility 12</td>
<td>10882</td>
<td>41.72</td>
<td>2.54</td>
</tr>
<tr>
<td>Facility 13</td>
<td>7220</td>
<td>50.4</td>
<td>27.28</td>
</tr>
<tr>
<td>Facility 14</td>
<td>8000</td>
<td>3.71</td>
<td>103.22</td>
</tr>
<tr>
<td>Facility 15</td>
<td>0</td>
<td>3.81</td>
<td>103.22</td>
</tr>
<tr>
<td>Facility 16</td>
<td>1376</td>
<td>51.32</td>
<td>12.02</td>
</tr>
<tr>
<td>Facility 17</td>
<td>0</td>
<td>40.62</td>
<td>-74.24</td>
</tr>
<tr>
<td>Facility 18</td>
<td>60698</td>
<td>51.5</td>
<td>3.61</td>
</tr>
<tr>
<td>Facility 19</td>
<td>178</td>
<td>43.2</td>
<td>-89.51</td>
</tr>
<tr>
<td>Facility 20</td>
<td>15</td>
<td>32.11</td>
<td>118.8</td>
</tr>
<tr>
<td>Facility 21</td>
<td>0</td>
<td>33.98</td>
<td>-81.05</td>
</tr>
<tr>
<td>Facility 22</td>
<td>41377</td>
<td>51.58</td>
<td>-3</td>
</tr>
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<td>Facility 23</td>
<td>5386</td>
<td>51.68</td>
<td>7.1</td>
</tr>
<tr>
<td>Facility 24</td>
<td>10361</td>
<td>65.01</td>
<td>25.47</td>
</tr>
<tr>
<td>Facility 25</td>
<td>35932</td>
<td>30.6</td>
<td>-87.16</td>
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<td>Facility 26</td>
<td>7577</td>
<td>36.7</td>
<td>-79.94</td>
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<tr>
<td>Facility 27</td>
<td>5787</td>
<td>21.18</td>
<td>-102.47</td>
</tr>
<tr>
<td>Facility 28</td>
<td>0</td>
<td>36.81</td>
<td>118.06</td>
</tr>
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<td>Facility 29</td>
<td>122786</td>
<td>30.26</td>
<td>-91.1</td>
</tr>
<tr>
<td>Facility 30</td>
<td>1823</td>
<td>31.35</td>
<td>120.59</td>
</tr>
<tr>
<td>Facility 31</td>
<td>0</td>
<td>31.25</td>
<td>120.59</td>
</tr>
<tr>
<td>Facility 32</td>
<td>3083016</td>
<td>36.55</td>
<td>-82.56</td>
</tr>
<tr>
<td>Facility 33</td>
<td>7725</td>
<td>29.38</td>
<td>-64.1</td>
</tr>
<tr>
<td>Facility 34</td>
<td>2250321</td>
<td>36.55</td>
<td>-82.56</td>
</tr>
<tr>
<td>Facility 35</td>
<td>73</td>
<td>35.54</td>
<td>129.31</td>
</tr>
<tr>
<td>Facility 36</td>
<td>1828</td>
<td>19.41</td>
<td>-102.04</td>
</tr>
<tr>
<td>Facility 37</td>
<td>2803</td>
<td>43.97</td>
<td>-75.91</td>
</tr>
<tr>
<td>Facility 38</td>
<td>0</td>
<td>30.59</td>
<td>114.31</td>
</tr>
</tbody>
</table>

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-T07.4/C-TS7.4

(C-C7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-T07.4/C-TS7.4) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

<table>
<thead>
<tr>
<th>Sector Production Activity</th>
<th>Gross Scope 1 emissions, metric tons CO2e</th>
<th>Net Scope 1 emissions , metric tons CO2e</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Chemicals production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Coal production activities</td>
<td>620663</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Electric utility activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Metals and mining production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Oil and gas production activities (upstream)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Oil and gas production activities (midstream)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Oil and gas production activities (downstream)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Steel production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Transport OEM activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Transport services activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

C7.5
### (C7.5) Break down your total gross global Scope 2 emissions by country/region.

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Scope 2, location-based (metric tons CO2e)</th>
<th>Scope 2, market-based (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific (or JAPA)</td>
<td>123546</td>
<td>123546</td>
</tr>
<tr>
<td>Europe</td>
<td>211158</td>
<td>221825</td>
</tr>
<tr>
<td>Latin America (LATAM)</td>
<td>6056</td>
<td>6056</td>
</tr>
<tr>
<td>North America</td>
<td>395361</td>
<td>394814</td>
</tr>
</tbody>
</table>

### C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

### C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Scope 2, location-based (metric tons CO2e)</th>
<th>Scope 2, market-based (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility 1</td>
<td>4975</td>
<td>4975</td>
</tr>
<tr>
<td>Facility 2</td>
<td>2264</td>
<td>2264</td>
</tr>
<tr>
<td>Facility 3</td>
<td>9875</td>
<td>9875</td>
</tr>
<tr>
<td>Facility 4</td>
<td>19663</td>
<td>19663</td>
</tr>
<tr>
<td>Facility 5</td>
<td>5091</td>
<td>5091</td>
</tr>
<tr>
<td>Facility 6</td>
<td>12359</td>
<td>12413</td>
</tr>
<tr>
<td>Facility 7</td>
<td>10637</td>
<td>10637</td>
</tr>
<tr>
<td>Facility 8</td>
<td>201</td>
<td>201</td>
</tr>
<tr>
<td>Facility 9</td>
<td>12269</td>
<td>12269</td>
</tr>
<tr>
<td>Facility 10</td>
<td>34</td>
<td>64</td>
</tr>
<tr>
<td>Facility 11</td>
<td>10026</td>
<td>10026</td>
</tr>
<tr>
<td>Facility 12</td>
<td>2197</td>
<td>4153</td>
</tr>
<tr>
<td>Facility 13</td>
<td>37205</td>
<td>33751</td>
</tr>
<tr>
<td>Facility 14</td>
<td>5504</td>
<td>5504</td>
</tr>
<tr>
<td>Facility 15</td>
<td>11053</td>
<td>11053</td>
</tr>
<tr>
<td>Facility 16</td>
<td>42065</td>
<td>48816</td>
</tr>
<tr>
<td>Facility 17</td>
<td>286</td>
<td>286</td>
</tr>
<tr>
<td>Facility 18</td>
<td>27238</td>
<td>27238</td>
</tr>
<tr>
<td>Facility 19</td>
<td>39999</td>
<td>39999</td>
</tr>
<tr>
<td>Facility 20</td>
<td>5521</td>
<td>5521</td>
</tr>
<tr>
<td>Facility 21</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Facility 22</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Facility 23</td>
<td>930</td>
<td>1847</td>
</tr>
<tr>
<td>Facility 24</td>
<td>89725</td>
<td>89141</td>
</tr>
<tr>
<td>Facility 25</td>
<td>84937</td>
<td>84937</td>
</tr>
<tr>
<td>Facility 26</td>
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<tr>
<td>Facility 27</td>
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<tr>
<td>Facility 28</td>
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<td>13806</td>
</tr>
<tr>
<td>Facility 29</td>
<td>10104</td>
<td>10104</td>
</tr>
<tr>
<td>Facility 30</td>
<td>14255</td>
<td>14255</td>
</tr>
<tr>
<td>Facility 31</td>
<td>23</td>
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<td>Facility 34</td>
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<td>Facility 36</td>
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<td>Facility 37</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Facility 38</td>
<td>318</td>
<td>318</td>
</tr>
</tbody>
</table>

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7
Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

<table>
<thead>
<tr>
<th>Sector Activity</th>
<th>Scope 2, location-based, metric tons CO2e</th>
<th>Scope 2, market-based (if applicable), metric tons CO2e</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Chemicals production activities</td>
<td>736120</td>
<td>746240</td>
<td></td>
</tr>
<tr>
<td>Coal production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Metals and mining production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Oil and gas production activities (upstream)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Oil and gas production activities (midstream)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Oil and gas production activities (downstream)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Steel production activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Transport OEM activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Transport services activities</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

(C-CH7.8) Disclose the percentage of your organization’s Scope 3, Category 1 emissions by purchased chemical feedstock.

<table>
<thead>
<tr>
<th>Purchased Feedstock</th>
<th>Percentage of Scope 3, Category 1 CO2e from purchased feedstock</th>
<th>Explain calculation methodology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ammonia</td>
<td>4.4</td>
<td>Percent burden is calculated by dividing the GWP of each class of purchased raw material by the total GWP of all purchased raw materials calculated in section 6.5</td>
</tr>
<tr>
<td>High Value Chemicals (Steam cracking)</td>
<td>4.9</td>
<td>Percent burden is calculated by dividing the GWP of each class of purchased raw material by the total GWP of all purchased raw materials calculated in section 6.5</td>
</tr>
<tr>
<td>Methanol</td>
<td>3.6</td>
<td>Percent burden is calculated by dividing the GWP of each class of purchased raw material by the total GWP of all purchased raw materials calculated in section 6.5</td>
</tr>
<tr>
<td>Propylene (FCC)</td>
<td>6.1</td>
<td>Percent burden is calculated by dividing the GWP of each class of purchased raw material by the total GWP of all purchased raw materials calculated in section 6.5</td>
</tr>
<tr>
<td>Specialty Chemicals</td>
<td>9.9</td>
<td>Percent burden is calculated by dividing the GWP of each class of purchased raw material by the total GWP of all purchased raw materials calculated in section 6.5</td>
</tr>
<tr>
<td>Coal</td>
<td>0.6</td>
<td>Percent burden is calculated by dividing the GWP of each class of purchased raw material by the total GWP of all purchased raw materials calculated in section 6.5</td>
</tr>
<tr>
<td>Propane gas</td>
<td>6.8</td>
<td>Percent burden is calculated by dividing the GWP of each class of purchased raw material by the total GWP of all purchased raw materials calculated in section 6.5</td>
</tr>
<tr>
<td>Ethane</td>
<td>1.2</td>
<td>Percent burden is calculated by dividing the GWP of each class of purchased raw material by the total GWP of all purchased raw materials calculated in section 6.5</td>
</tr>
</tbody>
</table>

(C-CH7.8a) Disclose sales of products that are greenhouse gases.

<table>
<thead>
<tr>
<th>Product</th>
<th>Sales, metric tons</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon dioxide (CO2)</td>
<td>0</td>
<td>Not an Eastman product</td>
</tr>
<tr>
<td>Methane (CH4)</td>
<td>0</td>
<td>Not an Eastman product</td>
</tr>
<tr>
<td>Nitrous oxide (N2O)</td>
<td>0</td>
<td>Not an Eastman product</td>
</tr>
<tr>
<td>Hydrofluorocarbons (HFC)</td>
<td>0</td>
<td>Not an Eastman product</td>
</tr>
<tr>
<td>Perfluorocarbons (PFC)</td>
<td>0</td>
<td>Not an Eastman product</td>
</tr>
<tr>
<td>Sulphur hexafluoride (SF6)</td>
<td>0</td>
<td>Not an Eastman product</td>
</tr>
<tr>
<td>Nitrogen trifluoride (NF3)</td>
<td>0</td>
<td>Not an Eastman product</td>
</tr>
</tbody>
</table>

(C-7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year? Decreased.
### C7.9a Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

<table>
<thead>
<tr>
<th>Change in emissions (metric tons CO2e)</th>
<th>Direction of change</th>
<th>Emissions value (percentage)</th>
<th>Please explain calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in renewable energy consumption</td>
<td>Decreased</td>
<td>0.06</td>
<td>This decrease was due to the increase of green electricity consumption in 2021 (in two different countries - USA and Finland). These sites consumed 55,222 MWh of renewable electricity last year. Through this renewable energy consumption, Eastman reduced its emissions by 4,248 metric tons of CO2e. The company's total Scope 1 &amp; 2 emissions in the previous year were 7,244,537 tons of CO2e. Therefore, we arrived at -0.06% through (-4,248 / 7,244,537) * 100 = -0.06% (i.e. an 0.06% decrease in emissions).</td>
</tr>
<tr>
<td>Other emissions reduction activities</td>
<td>Decreased</td>
<td>1.68</td>
<td>This emissions reduction is due to the efficiency projects implemented in 2021, in the total of 5 projects described in question C4.3b. Through these projects, Eastman reduced its emissions by 121,560 metric tons of CO2e. The company's total Scope 1 &amp; 2 emissions in the previous year were 7,244,537 tons of CO2e. Therefore, we arrived at -1.68% through (-121,560 / 7,244,537) * 100 = -1.68% (i.e. an 1.68% decrease in emissions).</td>
</tr>
<tr>
<td>Divestment</td>
<td>Decreased</td>
<td>1.45</td>
<td>This emissions reduction is due to site divestment in 2021. Because it does not meet our significance threshold of 5%, the baseline year has not been adjusted for this. Through these divestments, Eastman reduced its emissions by 105,244 metric tons of CO2e. The company’s total Scope 1 &amp; 2 emissions in the previous year were 7,244,537 tons of CO2e. Therefore, we arrived at -1.45% through (-105,244 / 7,244,537) * 100 = -1.45% (i.e. an 1.45% decrease in emissions).</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mergers</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in output</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in methodology</td>
<td>60,642</td>
<td>Decreased</td>
<td>0.84</td>
</tr>
<tr>
<td>Change in boundary</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in physical operating conditions</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unidentified</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

- Market-based

### C8. Energy

#### C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

#### C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Indicate whether your organization undertook this energy-related activity in the reporting year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td>No</td>
</tr>
<tr>
<td>Generation of electricity, heat, steam, or cooling</td>
<td>Yes</td>
</tr>
</tbody>
</table>
(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

<table>
<thead>
<tr>
<th>Consumption of fuel (excluding feedstock)</th>
<th>HHV (Higher heating value)</th>
<th>MWh from renewable sources</th>
<th>MWh from non-renewable sources</th>
<th>Total (renewable and non-renewable) MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>28485314</td>
<td>28485314</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>&lt;Not Applicable&gt;</td>
<td>55222</td>
<td>2572173</td>
<td>2627395</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>1848957</td>
<td>1848957</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Consumption of self-generated non-fuel renewable energy</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>&lt;Not Applicable&gt;</td>
<td>55222</td>
<td>32961666</td>
<td>32961666</td>
</tr>
</tbody>
</table>
**Report your organization’s energy consumption totals (excluding feedstocks) for chemical production activities in MWh.**

### Consumption of fuel (excluding feedstocks)

**Heating value**

- **HHV (higher heating value)**

<table>
<thead>
<tr>
<th>Category</th>
<th>MWh Consumed</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWh consumed from renewable sources inside chemical sector boundary</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>MWh consumed from non-renewable sources inside chemical sector boundary</td>
<td>23672947</td>
<td>(excluding recovered waste heat/gases)</td>
</tr>
<tr>
<td>MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary</td>
<td>4812367</td>
<td></td>
</tr>
<tr>
<td>Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary</td>
<td>28485314</td>
<td></td>
</tr>
</tbody>
</table>

### Consumption of purchased or acquired electricity

**Heating value**

- **<Not Applicable>**

<table>
<thead>
<tr>
<th>Category</th>
<th>MWh Consumed</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWh consumed from renewable sources inside chemical sector boundary</td>
<td>55222</td>
<td></td>
</tr>
<tr>
<td>MWh consumed from non-renewable sources inside chemical sector boundary</td>
<td>2572173</td>
<td>(excluding recovered waste heat/gases)</td>
</tr>
<tr>
<td>MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary</td>
<td>2627395</td>
<td></td>
</tr>
</tbody>
</table>

### Consumption of purchased or acquired steam

**Heating value**

- **<Not Applicable>**

<table>
<thead>
<tr>
<th>Category</th>
<th>MWh Consumed</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWh consumed from renewable sources inside chemical sector boundary</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>MWh consumed from non-renewable sources inside chemical sector boundary</td>
<td>1848957</td>
<td>(excluding recovered waste heat/gases)</td>
</tr>
<tr>
<td>MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary</td>
<td>1848957</td>
<td></td>
</tr>
</tbody>
</table>

### Consumption of self-generated non-fuel renewable energy

**Heating value**

- **<Not Applicable>**

<table>
<thead>
<tr>
<th>Category</th>
<th>MWh Consumed</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWh consumed from renewable sources inside chemical sector boundary</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>MWh consumed from non-renewable sources inside chemical sector boundary</td>
<td>0</td>
<td>(excluding recovered waste heat/gases)</td>
</tr>
<tr>
<td>MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

### Total energy consumption

**Heating value**

- **<Not Applicable>**

<table>
<thead>
<tr>
<th>Category</th>
<th>MWh Consumed</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWh consumed from renewable sources inside chemical sector boundary</td>
<td>55222</td>
<td></td>
</tr>
<tr>
<td>MWh consumed from non-renewable sources inside chemical sector boundary</td>
<td>28094077</td>
<td>(excluding recovered waste heat/gases)</td>
</tr>
<tr>
<td>MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary</td>
<td>4812367</td>
<td></td>
</tr>
<tr>
<td>Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary</td>
<td>32961666</td>
<td></td>
</tr>
</tbody>
</table>

C8.2b
(C8.2b) Select the applications of your organization's consumption of fuel.

<table>
<thead>
<tr>
<th>Consumption of fuel for the generation of electricity</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel for the generation of heat</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of steam</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of cooling</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of fuel for co-generation or tri-generation</td>
<td>Yes</td>
</tr>
</tbody>
</table>

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

**Sustainable biomass**

- **Heating value**
  - Unable to confirm heating value

  - Total fuel MWh consumed by the organization
    - 0

  - MWh fuel consumed for self-generation of electricity
    - 0

  - MWh fuel consumed for self-generation of heat
    - 0

  - MWh fuel consumed for self-generation of steam
    - 0

  - MWh fuel consumed for self-generation of cooling
    - <Not Applicable>

  - MWh fuel consumed for self-cogeneration or self-trigeneration
    - 0

- **Comment**
  - Eastman does not consume sustainable biomass

**Other biomass**

- **Heating value**
  - Unable to confirm heating value

  - Total fuel MWh consumed by the organization
    - 0

  - MWh fuel consumed for self-generation of electricity
    - 0

  - MWh fuel consumed for self-generation of heat
    - 0

  - MWh fuel consumed for self-generation of steam
    - 0

  - MWh fuel consumed for self-generation of cooling
    - <Not Applicable>

  - MWh fuel consumed for self-cogeneration or self-trigeneration
    - 0

- **Comment**
  - Eastman does not consume biomass
Other renewable fuels (e.g. renewable hydrogen)

- Heating value
  - Unable to confirm heating value

Total fuel MWh consumed by the organization
- 0

MWh fuel consumed for self-generation of electricity
- 0

MWh fuel consumed for self-generation of heat
- 0

MWh fuel consumed for self-generation of steam
- 0

MWh fuel consumed for self-generation of cooling
- <Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
- 0

Comment
- Eastman does not consume renewable fuels

Coal

- Heating value
  - HHV

Total fuel MWh consumed by the organization
- 4368242

MWh fuel consumed for self-generation of electricity
- 0

MWh fuel consumed for self-generation of heat
- 0

MWh fuel consumed for self-generation of steam
- 0

MWh fuel consumed for self-generation of cooling
- <Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
- 4368242

Comment

Oil

- Heating value
  - HHV

Total fuel MWh consumed by the organization
- 87344

MWh fuel consumed for self-generation of electricity
- 0

MWh fuel consumed for self-generation of heat
- 87344

MWh fuel consumed for self-generation of steam
- 0

MWh fuel consumed for self-generation of cooling
- <Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
- 0

Comment
Gas

Heating value
HHV

Total fuel MWh consumed by the organization
19147485

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
3208769

MWh fuel consumed for self-generation of steam
1034056

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
14904660

Comment
Natural gas is used primarily in co-generation or general boiler systems for site usage. Other usage examples include site utilities such as environmental control and material heating systems.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
4882243

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
4882243

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Comment

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
28485314

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
8178356

MWh fuel consumed for self-generation of steam
1034056

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
19272902

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

<table>
<thead>
<tr>
<th></th>
<th>Total Gross generation (MWh)</th>
<th>Generation that is consumed by the organization (MWh)</th>
<th>Gross generation from renewable sources (MWh)</th>
<th>Generation from renewable sources that is consumed by the organization (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricy</td>
<td>9636451</td>
<td>9636451</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Heat</td>
<td>8178356</td>
<td>8178356</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Steam</td>
<td>10670507</td>
<td>10670507</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cooling</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Produce details on electricity, heat, steam, and cooling your organization has generated and consumed for chemical production activities.

**Electricity**
- Total gross generation inside chemicals sector boundary (MWh) 9636451
- Generation that is consumed inside chemicals sector boundary (MWh) 9636451
- Generation from renewable sources inside chemical sector boundary (MWh) 0
- Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh) 0

**Heat**
- Total gross generation inside chemicals sector boundary (MWh) 8178356
- Generation that is consumed inside chemicals sector boundary (MWh) 8178356
- Generation from renewable sources inside chemical sector boundary (MWh) 0
- Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh) 0

**Steam**
- Total gross generation inside chemicals sector boundary (MWh) 10670507
- Generation that is consumed inside chemicals sector boundary (MWh) 10670507
- Generation from renewable sources inside chemical sector boundary (MWh) 0
- Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh) 0

**Cooling**
- Total gross generation inside chemicals sector boundary (MWh) 0
- Generation that is consumed inside chemicals sector boundary (MWh) 0
- Generation from renewable sources inside chemical sector boundary (MWh) 0
- Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh) 0
(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method
Unbundled energy attribute certificates (EACs) purchase

Energy carrier
Electricity

Low-carbon technology type
Solar

Country/area of low-carbon energy consumption
United States of America

Tracking instrument used
US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
700

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2021

Comment

Sourcing method
Unbundled energy attribute certificates (EACs) purchase

Energy carrier
Electricity

Low-carbon technology type
Wind

Country/area of low-carbon energy consumption
United States of America

Tracking instrument used
US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
552

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2021

Comment

Sourcing method
Unbundled energy attribute certificates (EACs) purchase

Energy carrier
Electricity

Low-carbon technology type
Wind

Country/area of low-carbon energy consumption
Finland

Tracking instrument used
GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
54000

Country/area of origin (generation) of the low-carbon energy or energy attribute
Finland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2021

Comment

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area
United States of America
<table>
<thead>
<tr>
<th>Country/Area</th>
<th>Consumption of electricity (MWh)</th>
<th>Consumption of heat, steam, and cooling (MWh)</th>
<th>Total non-fuel energy consumption (MWh)</th>
<th>Is this consumption excluded from your RE100 commitment?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>151972</td>
<td>67600</td>
<td>219572</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Brazil</td>
<td>9555</td>
<td>0</td>
<td>9555</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>China</td>
<td>122545</td>
<td>202472</td>
<td>325017</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Estonia</td>
<td>71165</td>
<td>80758</td>
<td>151923</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Finland</td>
<td>200372</td>
<td>375403</td>
<td>575775</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Country/Area</td>
<td>Consumption of electricity (MWh)</td>
<td>Consumption of heat, steam, and cooling (MWh)</td>
<td>Total non-fuel energy consumption (MWh) [Auto-calculated]</td>
<td>Is this consumption excluded from your RE100 commitment?</td>
</tr>
<tr>
<td>-------------------</td>
<td>----------------------------------</td>
<td>-----------------------------------------------</td>
<td>----------------------------------------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>Germany</td>
<td>82040</td>
<td>164405</td>
<td>246445</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>76622</td>
<td>122532</td>
<td>199354</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Malaysia</td>
<td>81473</td>
<td>23049</td>
<td>104522</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Mexico</td>
<td>39779</td>
<td>0</td>
<td>39779</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Netherlands</td>
<td>111378</td>
<td>0</td>
<td>111378</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Spain</td>
<td>41784</td>
<td>0</td>
<td>41784</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>
United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)
0

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
0

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

(C-CH8.3) Does your organization consume fuels as feedstocks for chemical production activities?
Yes
Disclose details on your organization's consumption of fuels as feedstocks for chemical production activities.

**Fuels used as feedstocks**

**Coal**
- **Total consumption**: 465374 metric tons
- **Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit**: 2.7
- **Heating value of feedstock, MWh per consumption unit**: 8.4

**Comment**: All carbon feedstock is not combusted to CO2 emissions but is used as a raw material to produce chemicals.

**Natural gas**
- **Total consumption**: 3410 million cubic feet
- **Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit**: 0.06
- **Heating value of feedstock, MWh per consumption unit**: 0.3

**Comment**: All carbon feedstock is not combusted to CO2 emissions but is used as a raw material to produce chemicals.

**Heavy fuel oil**
- **Total consumption**: 0 metric tons
- **Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit**: 2.9
- **Heating value of feedstock, MWh per consumption unit**: 11.7

**Comment**: All carbon feedstock is not combusted to CO2 emissions but is used as a raw material to produce chemicals.

**C-CH8.3b**

**State the percentage, by mass, of primary resource from which your chemical feedstocks derive.**

<table>
<thead>
<tr>
<th>Percentage of total chemical feedstock (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil</td>
</tr>
<tr>
<td>Natural Gas</td>
</tr>
<tr>
<td>Coal</td>
</tr>
<tr>
<td>Biomass</td>
</tr>
<tr>
<td>Waste (non-biomass)</td>
</tr>
<tr>
<td>Fossil fuel (where coal, oil cannot be distinguished)</td>
</tr>
<tr>
<td>Unknown source or unable to disaggregate</td>
</tr>
</tbody>
</table>

C9. Additional metrics
C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-CH9.3a

(C-CH9.3a) Provide details on your organization's chemical products.

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Output product</th>
<th>Production (metric tons)</th>
<th>Capacity (metric tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialty chemicals</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct emissions intensity</td>
<td>0</td>
</tr>
<tr>
<td>Electricity intensity</td>
<td>0</td>
</tr>
<tr>
<td>Steam intensity</td>
<td>0</td>
</tr>
<tr>
<td>Steam/heat recovered</td>
<td>0</td>
</tr>
</tbody>
</table>

Comment

Eastman is a global advanced materials and specialty additives company that produces a broad range of products found in items people use every day. Recently developed, introduced, or commercialized products and technologies include the following:

- Plastic waste feedstock procurement and commercial-scale operations of proprietary, innovative chemical recycling carbon renewal technology which breaks down waste plastics into molecular building blocks (carbon monoxide and hydrogen) for feedstocks of acetyl manufacturing stream products.
- Introduction of advanced circular recycling polymer renewal technology to depolymerize waste plastics to re-create specialty monomers for use in manufacture of specialty copolyester products sold into a wide array of end markets.
- Saflex™ E series, an enhanced acoustic interlayer product, is formulated to dampen sound, particularly in the high frequency range, and provides improved performance including potential light weighting to improve fuel efficiency compared to traditional acoustic interlayers.
- Tetrashield™ performance polyester resins based on proprietary monomer technology with improved performance and sustainability features for automotive coatings, industrial, and food packaging end-users.
- Naia™, a yarn product for the apparel market developed from Eastman's proprietary cellulose ester technology.

Eastman considers production, capacity, and technical details to be confidential information, and therefore entered zero in the appropriate fields above.


<table>
<thead>
<tr>
<th>Investment in low-carbon R&amp;D</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

C-CH9.6a

(C-CH9.6a) Provide details of your organization's investments in low-carbon R&D for chemical production activities over the last three years.

<table>
<thead>
<tr>
<th>Technology area</th>
<th>Stage of development in the reporting year</th>
<th>Average % of total R&amp;D investment over the last 3 years</th>
<th>R&amp;D investment figure in the reporting year (optional)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radical process redesign</td>
<td>Full/commercial-scale demonstration</td>
<td>21 - 40%</td>
<td></td>
<td>Circular technology development (PRT/CRT)</td>
</tr>
<tr>
<td>Radical process redesign</td>
<td>Full/commercial-scale demonstration</td>
<td>≤20%</td>
<td></td>
<td>Interlayers</td>
</tr>
<tr>
<td>Radical process redesign</td>
<td>Full/commercial-scale demonstration</td>
<td>≤20%</td>
<td></td>
<td>Performance Films</td>
</tr>
<tr>
<td>Bio technology</td>
<td>Full/commercial-scale demonstration</td>
<td>≤20%</td>
<td></td>
<td>Aventa biodegradable/compostable development</td>
</tr>
</tbody>
</table>

C10. Verification
(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Verification/assurance status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 2 (location-based or market-based)</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 3</td>
<td>Third-party verification or assurance process in place</td>
</tr>
</tbody>
</table>

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Eastman PwC ESG Conclusion Final 8.5.2022.pdf

Page/section reference
2/4

Relevant standard
Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)
100

C10.1b
(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

**Scope 2 approach**
Scope 2 location-based

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**
Eastman PwC ESG Conclusion Final 8.5.2022.pdf

**Page/section reference**
2/4

**Relevant standard**
Attestation standards established by AICPA (AT105)

**Proportion of reported emissions verified (%)**
100

---

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

**Scope 3 category**
Scope 3: Business travel

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**
Eastman PwC ESG Conclusion Final 8.5.2022.pdf

**Page/section reference**
2/4

**Relevant standard**
Attestation standards established by AICPA (AT105)

**Proportion of reported emissions verified (%)**
100

---

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure
C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.
- EU ETS
- Korea ETS
- Netherlands carbon tax
- UK carbon price floor
- UK ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

<table>
<thead>
<tr>
<th>Scheme</th>
<th>% of Scope 1 emissions covered by the ETS</th>
<th>% of Scope 2 emissions covered by the ETS</th>
<th>Period start date</th>
<th>Period end date</th>
<th>Allowances allocated</th>
<th>Allowances purchased</th>
<th>Verified Scope 1 emissions in metric tons CO2e</th>
<th>Verified Scope 2 emissions in metric tons CO2e</th>
<th>Details of ownership</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU ETS</td>
<td>1.5</td>
<td>4.5</td>
<td>January 1 2021</td>
<td>December 31 2021</td>
<td>103267</td>
<td>2022</td>
<td>82161</td>
<td>34305</td>
<td>Other, please specify (A mixture of 'owned and operated' and 'operate but do not own')</td>
<td>One of the EU ETS facilities in the Netherlands, purchased allowances in CER's in early 2021 that were exchanged for EUA's for the FY 2020 phase III compliance period.</td>
</tr>
</tbody>
</table>
Korea ETS

% of Scope 1 emissions covered by the ETS 0.01
% of Scope 2 emissions covered by the ETS 7.3

Period start date
January 1 2021

Period end date
December 31 2021

Allowances allocated
49622

Allowances purchased
0

Verified Scope 1 emissions in metric tons CO2e
69

Verified Scope 2 emissions in metric tons CO2e
55195

Details of ownership
Facilities we own and operate

Comment
This data includes information for one manufacturing site in South Korea which is a joint venture. The data is only calculated with originally allocated allowances without the volume carried over and sales volume to the market. The 2021 allowances allocated to Ulsan is 49,622 ton but the remained emission (6,962ton) was carried over to 2021, so total allowances for 2021 are 56,584ton. in 2021, Total verified emission (including scope1/2) for Ulsan are 55,264 ton. so remained allowance for 2021 are 1,320 ton.

UK ETS

% of Scope 1 emissions covered by the ETS 0.8
% of Scope 2 emissions covered by the ETS 0

Period start date
January 1 2021

Period end date
December 31 2021

Allowances allocated
13940

Allowances purchased
15000

Verified Scope 1 emissions in metric tons CO2e
44421

Verified Scope 2 emissions in metric tons CO2e
0

Details of ownership
Other, please specify (Eastman owned and operated plants captured by the scheme.)

Comment

C11.1c
(C11.1c) Complete the following table for each of the tax systems you are regulated by.

**Netherlands carbon tax**

- **Period start date**: January 1 2021
- **Period end date**: December 31 2021
- **% of total Scope 1 emissions covered by tax**: 100
- **Total cost of tax paid**: 0

**Comment**
Percentage of total scope 1 emissions refers to one facility in the Netherlands. The facility had a surplus of “dispensation rights” meaning no extra taxes were required to be paid in FY2021. In FY2022, the Netherlands Corporate Tax will likely not apply due to the divestiture of this site in Middelburg site (Eastman Chemical Middelburg B.V).

**UK carbon price floor**

- **Period start date**: January 1 2021
- **Period end date**: December 31 2021
- **% of total Scope 1 emissions covered by tax**: 50
- **Total cost of tax paid**: 19259

**Comment**
Percentage of total scope 1 covered by the tax refers to one UK facility. Converted to USD($), total cost value in GBP(£) £14,68230,583 (exchange rate used on 04/01/2022, 1 GBP =1.311724157 USD). CPS (carbon pricing support) only affects the fuel that is used to generate electricity - This is in addition to EU ETS allowances.

The UK carbon floor price impacts one of Eastman’s manufacturing sites, with ~50% of the site’s scope 1 emissions covered by the tax.

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Eastman’s current strategy for allowance trading under all emission trading schemes is to properly manage compliance obligations of facilities worldwide by pursuing operating decarbonization and efficiency improvements wherever possible to minimize compliance and financial exposure. Eastman will then purchase allowances/compliance instruments to satisfy any net compliance obligations. If allowances allocated to the company exceed the current compliance obligations, allowances are generally retained for future compliance requirements. Eastman does not trade allowances speculatively and has participated in the Clean Development Mechanism (CDM).

An internal Energy ETS team comprised of both corporate, regional and site level functional groups including procurement, health safety and environmental, engineering and utilities, government affairs and ESG representatives, periodically meet to review site ETS emission data, trading activities and update ETS scenario analysis based on trading period forecasts. ETS forecasting and financial analysis is integrated into Eastman’s global issue management process which is used for business planning and decision making at the enterprise level.

Case Study 1 for advocacy on energy efficiency and optimization:
Several years ago Eastman’s European facility in Ghent, Belgium, which is under the EU ETS, conducted major investments in Cogen and energy optimization for one of their production units. This led to a large decrease of CO2 emissions, avoiding the necessity to purchase compliance credits on the market for phase III (2013-2020). – This step prevented exposure to increased EUA market price hikes during that period and partially cover the facility in the future phase V compliance period (2021-2030). The rising cost of additional compliance instruments further incentivizes investment in efficiency projects within the facilities impacted, as shared in this case study example early investments can have significant impact over the long term.

Case study 2 – Feedstock switching for decarbonization investments:
In 2021, Eastman made significant sustainable investments at its manufacturing site in Oulu, Finland - which also falls under the EU ETS - to decarbonize operations and reduce CO2 emissions. The most significant change in CO2 reductions was as a result of feedstock switching from heavy fuel oil to LNG (liquefied natural gas), which contributed to reducing the scope 1 site emissions by two-thirds, as part the site’s decarbonization measures that in turn helps to reduce the cost burden from the ETS. In addition, for scope 2 emissions (not covered under the EU ETS) the site has started using 100% renewable electricity, as well as manufacturing process steam used from non-recyclable municipal waste with a carbon capture utilization system. Eastman’s goals for mitigating climate change are priority sustainability targets that include not only deep decarbonization reductions for scope 1 and 2, but also scope 3 emission reductions to meet climate neutrality across our value chain.

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

(C11.2a)
(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

<table>
<thead>
<tr>
<th>Credit origination or credit purchase</th>
<th>Credit purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project type</td>
<td></td>
</tr>
<tr>
<td>Energy efficiency: households</td>
<td></td>
</tr>
<tr>
<td>Project identification</td>
<td></td>
</tr>
<tr>
<td>CDM project IN3223 CFL lighting scheme – “Bachat Lamp Yojana” (see * link to project) CDM: CFL lighting scheme – “Bachat Lamp Yojana” (unfccc.int)</td>
<td></td>
</tr>
<tr>
<td><a href="https://cdm.unfccc.int/ProgrammeOfActivities/poa_db/CZ59J1XMRI8K-4ELU56WY38A0/NTQ2Fw/view">https://cdm.unfccc.int/ProgrammeOfActivities/poa_db/CZ59J1XMRI8K-4ELU56WY38A0/NTQ2Fw/view</a> Eastman Chemical Middelburg B.V purchased CERs in 2021 to cover the FY2020 compliance period. Phase III of the EU ETS allowed for the purchase of CERs that could be swapped/traded for EUA (Emission Allowances under the EU ETS compliance scheme). Going forward into phase IV (2021-2030) companies are no longer allowed to swap CERs. In the past this was a preferential strategy as typically CERs are cheaper on the market.</td>
<td></td>
</tr>
<tr>
<td>Verified to which standard</td>
<td></td>
</tr>
<tr>
<td>CDM (Clean Development Mechanism)</td>
<td></td>
</tr>
<tr>
<td>Number of credits (metric tonnes CO2e)</td>
<td>2022</td>
</tr>
<tr>
<td>Number of credits (metric tonnes CO2e): Risk adjusted volume</td>
<td>2022</td>
</tr>
<tr>
<td>Credits cancelled</td>
<td>Yes</td>
</tr>
<tr>
<td>Purpose, e.g. compliance</td>
<td>Compliance</td>
</tr>
</tbody>
</table>

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

<table>
<thead>
<tr>
<th>Objective for implementing an internal carbon price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Navigate GHG regulations</td>
</tr>
<tr>
<td>Stakeholder expectations</td>
</tr>
<tr>
<td>Change internal behavior</td>
</tr>
<tr>
<td>Drive low-carbon investment</td>
</tr>
<tr>
<td>Stress test investments</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GHG Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
</tr>
<tr>
<td>Scope 2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Application</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastman uses ICP for financial analysis on business and investment decisions. All large capital projects over $1M and $5M are evaluated for carbon emissions by Eastman’s Worldwide Engineering &amp; Construction (WWE&amp;C) group. Eastman’s Public Policy &amp; ESG group tracks and monitors emerging and regulatory carbon pricing schemes by country and works with Eastman’s Corporate Finance team to align and maintain the carbon pricing modelling in Eastman’s Investment Development Model (IDM). The IDM incorporates the ICP to stress test capital decisions to encourage investments in low-carbon technologies and product solutions, change internal behavior as well as prepare for emerging regulation and/or more stringent carbon pricing regulations.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Actual price(s) used (Currency /metric ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Variance of price(s) used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price in countries under regulated programs reflect a significantly higher market price range in those jurisdictions, such as the EU, UK and South Korea, where Eastman sites are located. For example, in 2021 the EU ETS market price increased significantly with a range between $33-$100. In addition, for Eastman site locations in an unregulated market, price is based on purchase of voluntary offsets for carbon emissions, which was a fixed price. The price point for non-regulated markets is under review for 2022 as carbon offset market prices have increased as demand has increased for voluntary offsetting.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of internal carbon price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shadow price</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Impact &amp; implication</th>
</tr>
</thead>
<tbody>
<tr>
<td>In 2022, Eastman plans to update the pricing strategy for the IDM to include a forward-looking ICP of $130 by 2030, in addition to the unregulated and regulated prices, which will be applied to all capital projects globally. Eastman’s cross functional Internal Carbon Pricing team continues to explore and evaluate ICP improvements opportunities for integration within existing processes.</td>
</tr>
</tbody>
</table>

C12. Engagement
(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

(C12.1a) Provide details of your climate-related supplier engagement strategy.

**Type of engagement**

Information collection (understanding supplier behavior)

**Details of engagement**

Collect climate change and carbon information at least annually from suppliers

%(of suppliers by number)
75

%(of total procurement spend (direct and indirect))
69

%(of supplier-related Scope 3 emissions as reported in C6.5)
0

**Rationale for the coverage of your engagement**

We continue to expand our systemic approach to assessing our suppliers, initially focusing on areas of highest direct spend (excluding energy, internal, supply, toll conversions and exchanges etc.) then expanding to the very fragmented 'tail' of smaller spend to establish a baseline. The intent is to engage with lower scoring suppliers to help drive improvements. Our engagement currently covers 75% of Direct raw material suppliers with 2021 spend >$1M and 69% of Direct raw material spend with suppliers of 2021 spend >$1M. The Indirect supplier base is extremely fragmented, but efforts are progressing to also assess this supplier base.

**Impact of engagement, including measures of success**

Eastman is measuring the success of our engagement in the following four ways: (1) In 2021, Eastman increased the number of its Direct and Indirect suppliers that had a valid (< 3 years old) Ecovadis assessment from 544 suppliers (296 in 2019) to 658 suppliers. (2) In 2021, 411 suppliers (320 in 2020) completed new assessments or completed reassessments. (3) In 2021, Eastman increased the percent of continuing Direct spend that was covered by valid assessments from 63% to 69% (44% in 2019) (excluding energy, internal, supply, toll conversions and exchanges, etc.). (4) Of those suppliers who performed a reassessment in 2021, 66% achieved an improvement in their overall Ecovadis Score, which was an increase from the 55% achieved in 2020 and 52% achieved in 2019. (5) In 2021 Eastman completed its first on-site, 3rd party conducted supplier audits, using the Together for Sustainability (TfS) methodology.

**Comment**

Eastman is a member of the Together for Sustainability Initiative (TfS), the chemical industry initiative for Sustainable Supply Chains. TfS is a member-driven initiative founded in 2011 by six major chemical companies. Membership of the cooperative has now grown to 36 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 requests suppliers to complete an Ecovadis sustainability assessment, which has four elements: Environmental, Labor and Human Rights, Ethics, and Sustainable Procurement. The Environmental element assessment includes questions about the supplier’s climate impact and provides a score which can be benchmarked. The TfS initiative also coordinates 3rd 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. In 2021, TfS began a new initiative to develop a standard methodology for suppliers to calculate their individual product GHG impact so that the TfS members could then calculate their overall scope 3 emissions using a standard and so directly comparable framework.

(C12.1b) Give details of your climate-related engagement strategy with your customers.

**Type of engagement & Details of engagement**

| Education/Information sharing | Share information about your products and relevant certification schemes (i.e. Energy STAR) |

%(of customers by number)
75

%(of customer-related Scope 3 emissions as reported in C6.5)
70

**Please explain the rationale for selecting this group of customers and scope of engagement**

We have conducted LCAs on approximately 80% of our products which we share with customers upon request and use that opportunity to engage with them in a deeper dialogue regarding our commitment to reducing our carbon footprint and better understanding their priorities. Additionally, we share via our website and in discussions with customers, the relevant sustainability-related certifications that our products carry. Eastman is an ENERGY STAR® Partner and we share that information with customers.

**Impact of engagement, including measures of success**

This positions Eastman as a company committed to managing and reducing emissions. This allows us to develop deeper engagement and shared alignment with customers who value this commitment. Our measure of success is maintaining and growing market share with those targeted customers.
Give details of your climate-related engagement strategy with other partners in the value chain.

As a member of the American Chemistry Council (ACC), Eastman encourages and supports logistics providers in becoming Responsible Care® Partners. For more than 25 years, Responsible Care® Partners have worked hand-in-hand with ACC members to promote continual environmental, health, safety and security performance improvements throughout the chemical industry supply chain. Eastman is striving to collaborate with suppliers through strategic relationship management teams, performance metric reviews, and innovation discussions to surface and vet sustainable solutions for our logistics needs.

The Global Supply Chain at Eastman partners with our logistics providers to actively look for solutions that can improve our carbon footprint and reduce accidental releases of material. Our suppliers are always looking for ways to implement sustainable solutions such as upgrading to new trucks and maximizing the miles per gallon realized over mountainous terrain. Many of our logistics partners are members of SmartWay®, which encourages fuel savings and reduced emissions through a variety of sustainable strategies, such as wind deflectors, idle reduction equipment and speed control.

We believe companies should lead by example, not only by making improvements and innovating within their own gates, but by also supporting sound public policies and actively participating in partnerships that address the threats of climate change holistically. Eastman also engages with other partners in the value chain through membership in, support for, and participation in organizations that are involved in climate-related activities.

***For example, Eastman’s chief sustainability officer currently serves on the American Chemistry Council’s Sustainability Council and Circularity Working Group to help facilitate collective action and collaborations to address stakeholder expectations and sustainability challenges. Among other things, the committee is focusing on climate to support reductions of greenhouse gas emissions in our industry. The committee is also focused on the value chain and circularity to support a more circular economy through resource efficiency improvements and the development of systems and approaches that increase the lifespan and value of materials through reuse, recycling and recovery.

***In 2021, Eastman joined the Center for Climate & Energy Solutions (“C2ES”) as a member of its Business Environmental Leadership Council (BELC). BELC includes the top companies in the power, manufacturing, transportation, high-tech, oil and gas, finance, and other sectors and is the largest U.S.-based group of companies devoted solely to addressing climate change.

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization’s purchasing process?

Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement
Climate-related disclosure through a public platform

Description of this climate related requirement
As a member of Together for Sustainability (TfS) we request direct suppliers complete an Ecovadis assessment which encompasses four categories, one of which is focused on Environment. That assessment requires suppliers to include information on their greenhouse gas emissions and what plans they have to reduce them. For those suppliers not completing Ecovadis assessments, a different ESG lens is applied to assess any potential immediate risks that may need to be considered and addressed.

% suppliers by procurement spend that have to comply with this climate-related requirement
98

% suppliers by procurement spend in compliance with this climate-related requirement
69

Mechanisms for monitoring compliance with this climate-related requirement
Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement
No response
(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate
Yes, we engage directly with policy makers
Yes, we engage indirectly through trade associations
Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
Yes

Attach commitment or position statement(s)
Eastman Climate Policy
EMN-Climate-Policy.pdf

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy
Eastman’s chief sustainability officer chairs the company’s Sustainability Council which is responsible for Eastman’s overall climate change strategy. This council, which includes Eastman’s Chief Legal Officer who is responsible for government affairs among other areas of the company, reviewed and approved Eastman’s public commitments and position on climate change. This ensures that Eastman’s engagement activities are consistent with our overall climate change strategy.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate
Minimum energy efficiency requirements

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Policy, law, or regulation geographic coverage
National

Country/region the policy, law, or regulation applies to
United States of America

Your organization's position on the policy, law, or regulation
Support with minor exceptions

Description of engagement with policy makers
Eastman is engaged with the US Department of Energy (DOE), Oak Ridge National Laboratory, the National Renewable Energy Laboratory, and Lawrence Berkeley National Laboratory and the US EPA in support of our efforts to promote energy efficiency across the company. Eastman is a DOE Better Plants Challenge partner. Our efforts led Eastman to be named as an ENERGY STAR® Partner of the Year for eight consecutive years including.

Details of exceptions (if applicable) and your organization’s proposed alternative approach to the policy, law or regulation
Exceptions exist where definitions of recycling may not include material-to-material molecular recycling technologies and mass balance accounting for recycled content.

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Focus of policy, law, or regulation that may impact the climate
Circular economy

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Eastman is engaged on several circular economy-related proposals on both the federal and state levels in the United States as well as in Europe. Eastman believes we should reduce, reuse, and recycle and that, specifically, we can play a role in solving the waste plastic and climate change crises through our material-to-material recycling technologies.

Policy, law, or regulation geographic coverage
Global

Country/region the policy, law, or regulation applies to
<Not Applicable>

Your organization's position on the policy, law, or regulation
Support with minor exceptions

Description of engagement with policy makers
Eastman believes in an inclusive suite of definitions that allows for material-to-material molecular recycling technologies and mass balance accounting for purposes of recycled content.

Details of exceptions (if applicable) and your organization’s proposed alternative approach to the policy, law or regulation
Exceptions exist where definitions of recycling may not include material-to-material molecular recycling technologies and mass balance accounting for recycled content.

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?
No, we have not evaluated
(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

**Trade association**
American Chemistry Council

**Is your organization’s position on climate change consistent with theirs?**
Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**
We publicly promote their current position

State the trade association’s position on climate change, explain where your organization’s position differs, and how you are attempting to influence their position (if applicable)
The ACC advocates for chemical-based products and technologies that address climate change in applications such as renewable energy sources, electric and high-efficiency vehicles and building materials that reduce energy consumption. ACC supports the chemical industry and its scientists who are developing new emission reduction technologies and clean energy alternatives to safeguard the environment and people around the world. ACC generally opposes regulatory approaches that it believes will impose significant costs on the chemical industry.

**Funding**

**Trade association**
Business Roundtable

**Is your organization’s position on climate change consistent with theirs?**
Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**
We publicly promote their current position

State the trade association’s position on climate change, explain where your organization’s position differs, and how you are attempting to influence their position (if applicable)
Business Roundtable’s position on climate change is consistent with Eastman’s and is explained as follows: Access to reliable, affordable energy undergirds U.S. national and economic security, and a clean, healthy environment is essential for economic prosperity now and for future generations. The Business Roundtable supports policies that capitalize on America’s strengths in technology and energy diversity to maximize U.S. energy options and preserve environmental quality. The business community has a special obligation to step forward and help build an environmentally and economically sustainable future. Because the consequences of climate change for society and ecosystems are potentially serious and far-reaching, Business Roundtable believes that steps to address the risks of such climate are prudent and supports collective actions that will lead to the reduction of greenhouse gas emissions on a global basis.

**Funding**

**Trade association**
European Chemical Industry Council (CEFIC)

**Is your organization’s position on climate change consistent with theirs?**
Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**
We publicly promote their current position

State the trade association’s position on climate change, explain where your organization’s position differs, and how you are attempting to influence their position (if applicable)
CEFIC recognizes the industry need for reliable supplies of competitively priced energy and supports establishment of competitive energy markets with energy flowing freely across national borders in the EU. A key element is energy efficiency and a recognition that the chemical industry is a provider of energy efficiency and energy saving solutions throughout the economy. Policies fostering energy savings, e.g., in transport and buildings, will open new market opportunities for the chemical industry. At the same time, policies should safeguard industry access to competitive, reliable energy to remain able to provide such services to society. CEFIC believes the way to achieve the move towards a low carbon economy is to fully expose renewables to the market which would drive down costs. CEFIC supports a path to a low carbon economy under which the aim of the policy is to ‘innovate down’ the cost of decarbonization to make it competitive, rather than to increase the cost of essential feedstocks and energy.

**Funding**
Has your organization influenced, or is your organization attempting to influence their position?
We publicly promote their current position

State the trade association’s position on climate change, explain where your organization’s position differs, and how you are attempting to influence their position (if applicable)

Ellen MacArthur Foundation believes that putting in place a circular economy is a fundamental step to achieving climate change targets. EMF believes that doing so goes beyond minimizing emissions and offers a systemic response to the climate crisis by minimizing emissions and increasing resilience to the effects of climate change. The benefits encompass meeting other goals such as creating more liveable cities, distributing value more widely in the economy, and spurring innovation. These attributes make the circular economy a potent contributor to achieving zero-carbon prosperity. Further, the Foundation believes that greenhouse gas emissions causing climate change are a product of the world’s “take-make-waste” extractive economy, which relies on fossil fuels and does not manage resources for the long-term. The organization posits that a step-change is needed to put the world on track to achieve zero emissions by 2050 to meet the 1.5°C target set out in the Paris Agreement. In industry, the Foundation believes a transformation can be achieved by substantially increasing the use rates of assets, such as buildings and vehicles, and recycling the materials used to make them. This reduces the demand for virgin steel, aluminium, cement, and plastics, and the emissions associated with their production.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization’s funding
<Not Applicable>

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Trade association
Other, please specify (Center for Climate & Energy Solutions (“C2ES”))

Is your organization’s position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We publicly promote their current position

State the trade association’s position on climate change, explain where your organization’s position differs, and how you are attempting to influence their position (if applicable)
The Center for Climate & Energy Solutions or “C2ES” is the successor of the Pew Center on Global Climate Change. Eastman is a member of the C2ES Business Environmental Leadership Council (BELC). BELC includes the top companies in the power, manufacturing, transportation, high-tech, oil and gas, finance, and other sectors and is the largest U.S.-based group of companies devoted solely to addressing climate change. C2ES’s climate position is to advance strong policy and ambitious action to: reduce greenhouse gas emissions; promote and accelerate the clean energy transition; strengthen adaptation and resilience to climate impacts; and facilitate the necessary financial investments to do so. It believes a range of solutions, including market-based approaches and other complementary policies will be critical to achieve each of these goals. Further, C2ES believes a sound climate strategy must reflect the urgent need for ambitious action. Solutions developed through inclusive stakeholder engagement, informed by the latest science focused on the long-term goals of the Paris Agreement, which are equitable and just leaving no one behind, and which create good jobs, are essential to ensure a strong, sustainable domestic and global economy.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization’s funding
<Not Applicable>

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization
Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding
Center for Climate & Energy Solutions (“C2ES”) 35000

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
The funding supports Eastman’s membership in C2ES’s Business Environmental Leadership Council (BELC) and facilitates the organization’s climate position. Its position is to advance strong policy and ambitious action to: reduce greenhouse gas emissions; promote and accelerate the clean energy transition; strengthen adaptation and resilience to climate impacts; and facilitate the necessary financial investments to do so. It believes a range of solutions, including market-based approaches and other complementary policies will be critical to achieve each of these goals.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4
Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

**Publication**
In mainstream reports

**Status**
Complete

**Attach the document**
Eastman-2021-Annual-Report.pdf

**Page/Section reference**
Pages 4, 7 and 41

**Content elements**
Governance
Risks & opportunities
Emission targets

**Comment**

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**Publication**
In voluntary communications

**Status**
Complete

**Attach the document**
EMN Global-Reporting-Initiative.pdf

**Page/Section reference**
Pages 16, 17, 25.

**Content elements**
Strategy
Risks & opportunities
Emission targets
Other metrics

**Comment**

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**C15. Biodiversity**

**C15.1**

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

<table>
<thead>
<tr>
<th>Board-level oversight and/or executive management-level responsibility for biodiversity-related issues</th>
<th>Description of oversight and objectives relating to biodiversity</th>
<th>Scope of board-level oversight</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, but we plan to have both within the next two years</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

**C15.2**

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

<table>
<thead>
<tr>
<th>Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity</th>
<th>Biodiversity-related public commitments</th>
<th>Initiatives endorsed</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, but we plan to do so within the next 2 years</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

**C15.3**

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

<table>
<thead>
<tr>
<th>Does your organization assess the impact of its value chain on biodiversity?</th>
<th>Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, and we do not plan to assess biodiversity-related impacts within the next two years</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

**C15.4**
What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

<table>
<thead>
<tr>
<th>Row</th>
<th>Have you taken any actions in the reporting period to progress your biodiversity-related commitments?</th>
<th>Type of action taken to progress biodiversity-related commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

<table>
<thead>
<tr>
<th>Does your organization use indicators to monitor biodiversity performance?</th>
<th>Indicators used to monitor biodiversity performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, we do not use indicators, but plan to within the next two years</td>
<td>Please select</td>
</tr>
</tbody>
</table>

(C15.6) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

<table>
<thead>
<tr>
<th>Report type</th>
<th>Content elements</th>
<th>Attach the document and indicate where in the document the relevant biodiversity information is located</th>
</tr>
</thead>
<tbody>
<tr>
<td>No publications</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

<table>
<thead>
<tr>
<th>Row</th>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>&lt;Please select&gt;</td>
</tr>
</tbody>
</table>

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

<table>
<thead>
<tr>
<th>Row</th>
<th>Annual Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2
(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

<table>
<thead>
<tr>
<th>Allocation challenges</th>
<th>Please explain what would help you overcome these challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>We face no challenges</td>
<td></td>
</tr>
</tbody>
</table>

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>Understand that my response will be shared with all requesting stakeholders</th>
<th>Response permission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Please select your submission options</td>
<td>Public</td>
</tr>
<tr>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

Please confirm below

I have read and accept the applicable Terms