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

THIS REPORT IS DEDICATED TO...

Eastman employees and people around the world who show up every day to make an impact.

To those who love what they do. And those who make do with what they’ve got. To those who have fallen in love. And those who lost the ones they loved most. To those who witness inequities. And those who march against them. To those who dare to dream. And those whose dreams didn’t work out. To those who welcomed a new school year. And those who worried about what it might bring. To those who work from home. And those who don’t have that choice. To those who started new families. And to those whose families venture to be different. To those who feel hopeless. And those who spread their light. To those who are experiencing war. And those who celebrate peace. To those who dream big. And those who get it done. To those who give their time. And those who needed it most. To those who are afraid of a changing world. And those who think it can’t change fast enough.

Thank you all for being here and showing up day in and day out, no matter your circumstance. We see you. We hear you. And we will continue to make progress.
Who is Eastman

BUSINESS SEGMENTS
Additives & Functional Products  Advanced Materials
Chemical Intermediates  Fibers

GLOBAL HEADQUARTERS
Kingsport, Tennessee, USA

2021 SALES REVENUE
By region
North America  $4.6 billion  Europe, Middle East, Africa  $2.7 billion
Latin America  $614 million  Asia Pacific  $2.5 billion

By end market
Transportation  15%
Durables and electronics  13%
Building and construction  12%
Consumables  9%
Food, feed, and agriculture  8%
Filter media  8%
Industrial chemicals  7%
Personal care and wellness  6%
Water treatment and energy  6%
Medical and pharma  6%
Other markets  10%

AWARDS AND RECOGNITION

The Wall Street Journal World’s Most Sustainably Managed Companies 2020
WSJ top 100 list

Barron’s list of 100 Most Sustainable Companies
Awarded in 2021

Global Commitment
In 2020, we joined the Ellen MacArthur Foundation Global Commitment, which unites more than 500 organizations behind a common vision of a circular economy for plastics.

Just 100
Named one of America's Most Just Companies in 2022

Fortune Magazine 2021 Change the World list

FTSE Russell
FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Eastman has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series.

ENERGY STAR Partner of the Year
Awarded in 2019 for the eighth straight year

Responsible Care
For more than 30 years, we have incorporated Responsible Care® principles into our business to drive continual improvement in health, safety and environmental performance.

Human Rights Campaign
Scored 100

The U.S. Plastics Pact
In 2020, Eastman became a founding member.

Fast Company’s North American World Changing Ideas
2022 honorable mention

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**2030 Goals and progress**

### Mitigating climate change
- **One-third goal:** One-third reduction in absolute Scope 1 and 2 GHG emissions by 2030
- **13.8% reduction from 2017 to 2021**
- **65% reduction from 2017 to 2021**
- **95% goal**
- **50% goal**
- **100% of North America and Europe purchased electricity will be renewable by 2030**

### Mainstreaming circularity
- **500M** Recycle more than 500 million pounds of plastic waste annually by 2030 via molecular recycling technologies
- **2021: 12.7M lb 1**
- **500M lb goal**
- **2021: >80%**
- **500M** Recycle more than 500 million pounds of plastic waste annually by 2030 via molecular recycling technologies
- **$2B worldwide**

### Caring for society
- **100%** of growth R&D spend aligns with sustainable macro trends to create materials that improve the quality of life for people around the world
- **2021: 37%**
- **2021: >80%**
- **50% goal**
- **30% goal**
- **2x the number of women in leadership roles to achieve gender parity by 2030**
- **2021: 13%**

### Double-digit growth
- **500M** Recycle more than 500 million pounds of plastic waste annually by 2030 via molecular recycling technologies
- **$2B worldwide**
- **Eastman joined The Recycling Partnership’s PET Recycling Coalition as a steering committee member. The Coalition aims to increase capture of hard-to-recycle PET bottles by 250 million pounds annually within five years.**
- **NEW 2022: 10%**
- **NEW 2022: 10%**
- **NEW 2022: 10%**
- **NEW 2022: 10%**

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1 Methanolysis asset coming online in 2023 and expectation with that our recycled content will accelerate immensely

2 Racial/ethnic data are U.S. only; gender representation includes all team members globally

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**Summary | Strategy | Climate | Circularity | Society | Progress**
In 2021, we continued our journey by instituting an updated strategy, A Better Circle, comprised of meaningful and measurable goals that ensure progress toward the environmental, social and corporate governance (ESG) expectations of our employees, customers, investors and the communities we serve. We are excited to share our insights and forward momentum in this report.

At Eastman, we believe there are always solutions to the challenges the world faces. In fact, our innovations are driven with a specific goal in mind: to solve the world’s greatest challenges by creating the most sustainable materials. Our strategy for that is founded in our commitment to the principles of the United Nations Global Compact, where our purpose, leadership and actions continue to guide us toward carbon neutrality, circularity and caring for society. This is what we call "the triple challenge," and our expertise in material science provides the world’s largest industries — like packaging, automotive and architecture — with high-quality sustainable solutions that address those complex global issues we collectively face.

Eastman’s moral purpose is to enhance the quality of life in a material way. A decade ago, that meant improving the quality of products to impact quality of life. Today, it means caring for 10 billion people while combating climate change and the plastic waste crisis. Through our work in molecular recycling, we are addressing the triple challenge while helping build a circular economy — and large brands are joining us in the effort. CamelBak, Clarins, Danone, LVMH Beauty, Nalgene, Patagonia, Procter & Gamble, Stanley Black & Decker, and The Estee Lauder Companies are just a few of the many brands that have committed to sourcing molecular recycled content from Eastman.

This is just the beginning. We will continue partnering up and down our value chain to advance sustainable solutions to address the world’s big challenges.

Mark Costa (he/him/his), Board Chair and Chief Executive Officer
Working to create A Better Circle

Sustainability is integral to our strategy, driven by innovation and focused always on people.

Eastman has the responsibility and opportunity to lead, joining others to address climate change, mainstream circularity as an economic model, and care for society.

OUR GOALS:

MITIGATING CLIMATE CHANGE

• Reduce our Scope 1 and 2 greenhouse gas emissions by one-third by 2030 to achieve carbon neutrality by 2050

• 100% of NAR and EU purchased electricity will be renewable by 2030

We have also received review-level assurance from PricewaterhouseCoopers LLP (PwC) in accordance with attestation standards established by the American Institute of Public Accountants (AICPA) over our scope 1 and scope 2 greenhouse gas emissions for the year ended December 31, 2021.

MAINSTREAMING CIRCULARITY

• Recycle more than 500 million pounds of plastic waste annually by 2030 via molecular recycling technologies, with a commitment to recycle 250 million pounds annually by 2025

Our recycling progress will begin a significant upward trajectory in 2023, when operations begin at our new polyester renewal recycling facility in Kingsport, Tennessee.

CARING FOR SOCIETY

• 100% of growth R&D spend aligns with sustainable macro trends to create materials that improve the quality of life for people around the world

• Achieve gender parity in alignment with our commitment to Paradigm for Parity

• Be a leader for racial equity within our industry sector

While we have made gains in our gender representation across the organization, we slid slightly in our racial equity progress over the past year. Through a root-cause analysis, we are working to better understand the drivers of internal talent movement and turnover. We will continue to support the strong talent we bring in to ensure growth throughout their careers.

TARGET RESULTS

<table>
<thead>
<tr>
<th>TARGET YEAR</th>
<th>RESULTS 2020</th>
<th>RESULTS 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>2030</td>
<td>10.2%</td>
<td>13.8%</td>
</tr>
<tr>
<td>2030</td>
<td>—</td>
<td>10%</td>
</tr>
<tr>
<td>2025</td>
<td>8.8M lb</td>
<td>12.7M lb</td>
</tr>
<tr>
<td>2030</td>
<td>—</td>
<td>&gt;80%</td>
</tr>
<tr>
<td>2030</td>
<td>36%</td>
<td>37%</td>
</tr>
<tr>
<td>2030</td>
<td>14%</td>
<td>13%</td>
</tr>
</tbody>
</table>
To that end, we have recently reorganized the corporate governance and oversight of our sustainability strategy to reflect the complex nature of the opportunities in front of us. To succeed, sustainability cannot live within a corporate function, but instead must be integrated into the culture of an organization. Our approach is cross-functional, giving us line-of-sight to the constantly shifting expectations of our stakeholders and allowing us to design sustainable solutions that address the world’s most pressing needs.

As we implement those solutions, we are data driven in how we define and measure our progress. We are currently shifting our business practices, processes and accountability models to create a corporate culture fueled by courageous leadership across all levels of our organization.

**We will continue to engage with our team, customers and investors to support an Eastman strategy that generates value through decarbonization and circular solutions while ensuring a more inclusive and equitable future.**

We will also continue to manage and leverage the natural tension between our commitments and the readiness of our customers and their value chains to implement sustainable solutions. By 2030, our goal is to create an innovation pipeline where 100% of our products undergo a rigorous sustainability assessment, with 80% or more achieving an advantaged or leader status. In 2021, we demonstrated our commitment in material solutions that are better for people and our planet with progress on what will be the world’s largest polyester renewal recycling facility in Kingsport, Tennessee, and the announcement of plans for two additional molecular recycling plants — one in France and another in the U.S. These three plants will represent an Eastman investment of approximately $2 billion to bring circularity into the mainstream. The way we innovate will become the way we operate — continually shifting the overall performance of our entire commercial portfolio against set sustainability standards.

We are excited about Eastman’s future, and we look forward to providing our customers materials for a more sustainable world.
### GROWTH PLATFORMS

Innovation that converts market complexity into sustainable value

<table>
<thead>
<tr>
<th>BUSINESS</th>
<th>GROWTH PRODUCT PLATFORMS</th>
<th>MITIGATING CLIMATE CHANGE</th>
<th>MAINSTREAMING CIRCULARITY</th>
<th>CARING FOR SOCIETY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Materials</td>
<td>Specialty plastics circular economy solutions (Renew)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Saflex™ next-generation acoustic and head-up displays</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Aventa™ compostable, single-use food service polymers</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Window and paint protection films</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Additives &amp; Functional Products</td>
<td>Tetrasheild™ BPA-free polyester coatings</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Coatings and care sustainable additives</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Animal nutrition Entero-Nova™ and Keitex™</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Biodegradable personal care microbeads</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Fibers</td>
<td>Naia™ Renew cellulosic filament</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Naia™ Renew cellulosic staple fiber</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

On track for new business revenue from innovation approaching $700M in 2024

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

Sustainability is never a single topic; it appears across all regions, all industries and now touches all business functions. Identifying the effects is critical for accelerating our global sustainability journey. It is no longer an add-on to doing business; it is a business imperative. As we look back over the last two years, it’s clear our world is rapidly changing. While this change is accelerating, different regions and countries are responding in unique ways that require collective optimization.

EUROPE, MIDDLE EAST, ASIA
JP Kuijpers (he/him/his), Managing Director, EMEA region

The past few years have highlighted the interconnectedness of our global economies. Supply chains that were tested throughout the COVID-19 pandemic are now being tested by the extraordinary events in Ukraine. This has exacerbated the supply chain crisis and highlights the need for resiliency while actively continuing to confront social issues.

This resiliency is shown by the EU’s unwavering intent to become the first climate-neutral continent by 2050 as a part of the European Green Deal.

MITIGATING CLIMATE CHANGE
We are actively engaging our key markets and customers to reduce emissions across our value chain while also addressing the plastic waste crisis — as evidenced by our announcement of a new molecular recycling plant in France. And in Oulu, Finland, our site no longer uses fossil fuels for energy generation.

MAINSTREAMING CIRCULARITY
To enable a full circular economy, the lack of recycling infrastructure to feed the facilities must be addressed. This requires intensive collaboration with diverse stakeholders. As the need for circular solutions grows, we are seeking extensive and strategic collaborations to ensure viable end-of-life solutions for plastics in the region.

CARING FOR SOCIETY
We put our people and the societies we serve at the heart of our strategy. The way we think about where and how we work, the inclusiveness of our workplaces and communities, and the intentional diversity we add to our teams is stronger than ever. Inclusion brings personal well-being and connectedness, an imperative to doing business in this ever-changing environment.
Global business and our economies are interconnected, and we must be synergistic on the issues we face. The growth of global manufacturing in the region has come at a cost, both socially and environmentally. This “business as usual” model cannot be sustained. Sustainability in the AP region is now considered the next economic growth enabler for decades to come. Several critical countries have published their national growth strategies with aggressive goals to upgrade/transform key industries and supporting power structures to achieve carbon neutrality while unlocking a circular economy.

This change is happening quickly. As Eastman executes our corporate strategy in the region, the scope of our products’ impact on the environment and society at large will continue to be considered. We are proud to be an innovative partner for our customers and will continue to deliver material solutions that address the sustainability goals of the value chain.

For the future, we have the responsibility to acknowledge the issues of waste and pollution in the region and to go further than complying with environmental standards. We must consider the impact that this has on our societies and commit ourselves to doing better. That is why we have a vision of building a common culture of embedding sustainability in everything we do.

The region’s leadership is focused on elevating the level of awareness of sustainability within Eastman and enabling every Eastman employee to be a sustainability ambassador in their personal and professional lives.

Asia Pacific is collectively accelerating sustainability strategies across the region.

### Mitigating Climate Change

Major economic forces in Asia have set ambitious carbon reduction targets over the last two years.

- Carbon neutrality by 2050: Japan, Korea
- Carbon neutrality by 2060: China
- Carbon neutrality by 2070: India
- At the same time, all 10 state members of the Association of Southeast Asian Nations (ASEAN) have also set short-term emission reduction goals.

### Mainstreaming Circularity

Today, a circular economy has been identified as the key strategic approach to accelerate the carbon neutrality journey within the region and has been raised at national strategic level by several countries.

- ASEAN defines circular economy as the cross-sectorial approach for mitigating climate change in the State of Climate Change Report.
- In 2021, the National Development and Reform Commission (NDRC) in China released a Development Plan for the Circular Economy as part of its 14th five-year plan to accelerate the transformation from linear economy to circular economy, and in 2022, NDRC released working guidance for accelerating the development of recycling systems for textile waste in China.
Materiality assessment

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

Stakeholder inclusiveness

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

Sustainability framework

Eastman’s purpose is to enhance the quality of life in a material way. For our key stakeholders, this report presents our sustainability performance and helps ensure progress toward our sustainability framework, A Better Circle. This framework dictates our 2025/30/50 goals and commitments while acknowledging and instituting change where we must do better.
STAKEHOLDER ENGAGEMENT

Governance of material sustainability issues and opportunities

Inclusive stakeholder engagement informs and refines the way we govern material sustainability/ESG issues:

1. Collect data from a diverse set of external and internal stakeholders: materiality assessment
2. Identify key issues and opportunities and align them with reporting standards: GRI, TCFD, SASB, CDP, UNGC, SDGs
3. Conduct internal interviews to prioritize issues and opportunities with substantive impacts: sustainability sub-councils
4. Confirm top issues and priorities with senior leadership: Sustainability Council, Eastman Executive Team and Eastman’s Board of Directors
5. Assess our strategy, goals, metrics, performance and transparency on each issue: corporate sustainability team

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

Eastman is committed to strong governance

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

<table>
<thead>
<tr>
<th>Material Issues</th>
<th>Material Definition</th>
<th>Type of Impact</th>
<th>Impact Materiality Level</th>
<th>SDG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate change risks and management</td>
<td>The physical and transition impacts, risks and opportunities presented by climate change and the transition to a low-carbon economy and adaptation and resilience measures adopted by companies (governance systems to manage climate-related risks and opportunities)</td>
<td>+</td>
<td>⚫⚫⚫</td>
<td>7 15 15</td>
</tr>
<tr>
<td>GHG emissions</td>
<td>Greenhouse gas emissions that an organization generates from activities under its control (Scope 1), from the energy it uses and purchases (Scope 2) and from business-related activities that are created from sources outside its control (Scope 3); it further captures disclosures on GHG emissions reductions, eco-friendly transportation, infrastructure and logistics management.</td>
<td>−</td>
<td>⚫⚫</td>
<td>3 10</td>
</tr>
<tr>
<td>Air emissions</td>
<td>Non-greenhouse gas emissions that impact indoor or outdoor air quality, atmospheric conditions and/or human health (emitted through company operations and/or the use of company products)</td>
<td>−</td>
<td>⚫⚫</td>
<td>2 10 11</td>
</tr>
<tr>
<td>Product design and life cycle management</td>
<td>Integration of sustainability considerations in the production and consumption of products and services during their use phase and at the end of their life (practices and processes that minimize or eliminate negative impacts on both the environment and consumers’ health and safety)</td>
<td>+</td>
<td>⚫⚫</td>
<td>6 3</td>
</tr>
<tr>
<td>Waste and hazardous materials management</td>
<td>The gaseous, liquid and solid substances used or disposed of in business operations or present in products that threaten human health or the environment (captures the generation, treatment, recovery, recycling and reduction measures of hazardous and nonhazardous waste and the handling, storage and application of hazardous material)</td>
<td>−</td>
<td>⚫⚫</td>
<td>6 3</td>
</tr>
<tr>
<td>Water and wastewater management</td>
<td>The management and conservation of water resources to meet business and customer needs (water consumption, water reduction, water effluent, and wastewater treatment and pollution from commercial operations affecting water quality and availability)</td>
<td>+</td>
<td>⚫⚫</td>
<td>6 3 12 13</td>
</tr>
<tr>
<td>Energy management</td>
<td>The management of the environmental and social consequences associated with energy use (management of a company’s energy consumption, production, diversification, recovery and reductions)</td>
<td>+</td>
<td>⚫⚫</td>
<td>6 3 12 13</td>
</tr>
<tr>
<td>Transition to renewables and alternative energies</td>
<td>The transition from a predominantly fossil-based energy production system and consumption to renewable and alternative energy sources, including policies, goals, accounting instruments and technologies that facilitate that transition</td>
<td>+</td>
<td>⚫⚫</td>
<td>6 3 12 13</td>
</tr>
<tr>
<td>Natural capital</td>
<td>The stock of capital derived from biological diversity and ecosystems as well as natural resources</td>
<td>−</td>
<td>⚫⚫</td>
<td>6 3 12 13</td>
</tr>
<tr>
<td>Ecological impacts</td>
<td>The contamination of natural resources due to harmful substances, excessive use or exploitation, and general corporate operational impacts that affect the protection of land, forests and biodiversity resources</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>STRATEGY AND PERFORMANCE</td>
<td>MATERIAL ISSUES</td>
<td>MATERIAL DEFINITION</td>
<td>TYPE OF IMPACT</td>
<td>IMPACT MATERIALITY LEVEL</td>
</tr>
<tr>
<td>--------------------------</td>
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<td>---------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Employee health and safety</td>
<td>A company's safety performance and the mechanisms they have in place to maintain a safe and healthy workplace environment (protocols, training, work arrangements and the physical/mental working conditions to which employees are exposed)</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Product and services safety and quality</td>
<td>The initiatives, procedures, and staff training to ensure product and service quality and end-consumer safety (product ingredients and their potential effects on customer health, references to breaches of product or service quality and safety and general liability concerns)</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Public health risks</td>
<td>Major risks to public health, including the spread of infectious diseases and eventual pandemics, the availability of vaccinations and the anti-vaccine movement, and potentially deadly noncommunicable diseases</td>
<td>−</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Human rights</td>
<td>The fundamental rights and freedoms inherent to all human beings that ensure they are able to live with dignity, freedom, equality, justice and peace. The measures necessary to uphold these rights. The protection of the rights of a child as relates to preventing or responding to any form of violence, exploitation, abuse or practices that might be harmful.</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Employee diversity and inclusion</td>
<td>The processes and mechanisms a company has to grow and maintain diversity in the workforce and ensure equal opportunities and treatment for all employees</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Responsible consumption and production</td>
<td>Ability to promote sustainable consumption and production patterns</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Community relations</td>
<td>The relationship management between businesses and the local communities where they operate/interact (considers engagement mechanisms, community contributions, and positive or negative impact)</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Customer privacy and data security</td>
<td>The aspect of information technology that deals with the protection of private corporate information, critical information systems and networks from security breaches.</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Workforce management</td>
<td>The process of ensuring the workforce is functioning at its most productive levels and copes with organizational changes (employee recruitment, retention and development practices)</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Labor practices</td>
<td>Employment practices regarding internal/external workforce throughout the value chain and compliance with regulatory regimes and internationally accepted labor standards in the workplace (minimum labor rights, employee benefits, fair compensation and worker-related CSR initiatives)</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Caring for society</td>
<td>Selling practices and product labeling</td>
<td>The requirements, standards, certifications and established practices regarding the information presented to consumers when advertising and selling goods and services and the social challenges related to the failure to provide transparent, accurate and complete information</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Sustainable business practices</td>
<td>Competitive behavior</td>
<td>Practices that prevent or restrict free trade or competition between commercial actors in a market, including anticompetitive behavior and protectionism, including protection and infringement of intellectual property rights</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Sustainable business practices</td>
<td>Management of the local impacts</td>
<td>The mechanism to assess, manage and mitigate the direct and indirect negative impacts of the business in the local communities in which they operate</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Sustainable business practices</td>
<td>Access and affordability</td>
<td>Ability to promote sustainable consumption and production patterns</td>
<td>+</td>
<td>⬤ ⬤ ⬤</td>
</tr>
<tr>
<td>Sustainable business practices</td>
<td>Physical and sociopolitical risks</td>
<td>The challenges due to the changes in society, politics and people due to an event or general trend and natural and human-induced disasters</td>
<td>−</td>
<td>⬤ ⬤ ⬤</td>
</tr>
</tbody>
</table>

First and foremost, Eastman ensures the safety of our employees, the communities we serve and the products we make.

We also ensure the necessary measures to uphold human rights as a corporation, and we continue our own journey to advance the inclusion and equity of a diverse set of individuals at work and in our communities.
Eastman fundamentally believes that all stated issues and opportunities within our materiality matrix are important. As we align around issues of the highest impact, we do so with great care. Adjusting our business models to match our mindset of sustainable innovation is precisely how we embed sustainability into the heart of our corporate strategy. As we do so, we will ensure trust through transparent and accurate yearly reporting.

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

We identify and prioritize these sustainability issues using Datamaran, the only software in the world that enables a data-driven and dynamic process for ESG risk identification and monitoring. With Datamaran’s patented technology, we harness innovation to gain a continuous, evidence-based review of ESG-related risks within our regulatory, competitive and operating contexts. Eastman uses Datamaran to aggregate and analyze public communications and disclosures from our top stakeholders, including customers, industries and peers, investors, media, policy makers, regulators and suppliers. Datamaran also sends surveys to a targeted list of Eastman employees and the leaders of our Community Advisory Panels (CAPs).

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

EMPLOYEES
The MyImpact digital platform, implemented in 2021, has greatly expanded our internal communications and capability to educate our global workforce on Eastman’s sustainability strategy. It is leveraged by our six Employee Resource Groups (ERGs), and is the conduit for special events and volunteer and giving opportunities. In addition, Eastman conducts pulse surveys to gain insights from our diverse workforce to better understand and embed sustainability into our culture.

CUSTOMERS
As we fill our innovation pipeline, we take care in understanding the needs and expectations of the value chain through our newly implemented Sustainability Center of Excellence (COE). By actively engaging downstream, we understand the sustainability drivers most important to our customers and provide sustainable innovations to help them achieve their goals.

COMMUNITIES
We regularly engage with Community Advisory Panels (CAPs) in communities in which we operate to connect on and address topics of shared interest like public health and safety.

MEDIA
We proactively communicate across media channels to reach our target audiences and ensure transparency. Eastman regularly monitors traditional and social media across the globe to track and identify issues that are key to our sustainability strategy and the general population’s sentiment toward them. We use these insights as signposts to inform our corporate strategy and proactively disseminate information in leadership meetings and through weekly emails.

INVESTORS
Sustainability issues are increasingly important to investors. We regularly engage with the investment community through our annual stockholder meeting and report, quarterly financial results, public webcast and calls, SEC filings and other public releases; targeted ESG road shows, and in-person investor events.

POLICYMAKERS AND REGULATORS
Our government affairs team interacts directly with legislators regarding issues that concern our stakeholders or that could potentially affect our ability to achieve our corporate commitments. This engagement has highlighted the need for broader industry efforts in recycling, improving feedstocks of plastic waste and more.

NONGOVERNMENTAL ORGANIZATIONS (NGOS)
Philanthropic partners and other NGOs share knowledge that helps inform our sustainability efforts. Some examples include our Eastman Foundation partnering with organizations to enhance social well-being, environmental integrity and economic success, to our circularity teams engaging and collaborating with nonprofits like The Recycling Partnership, where we collectively help to expand and improve recycling in the U.S.

SUPPLIERS
Led by sustainable procurement leadership team, Eastman is actively engaging with suppliers to assess their level of commitment to sustainability and help drive improvements where needed. We are members of Together for Sustainability (TfS), a global network of chemical companies focused on improving sustainability performance in their supply chains. Supplier assessments are conducted via EcoVadis and site audits are conducted as needed.
DRIVING CROSS-FUNCTIONAL INTEGRATION

Leading progress toward sustainability goals

CATHY COMBS (she/her/hers)
Sustainability Director; Facilitator of Sustainability Council and Sub-Councils

With broad experience across the enterprise, Cathy is uniquely positioned to lead corporate sustainability at Eastman. Her background in finance, business, human resources, marketing and communication plus a decade in corporate sustainability provides the perfect context as Eastman tackles some of the world’s biggest challenges. With ESG becoming increasingly important in boardrooms and the UN transforming standards that balance social, environmental and economic issues, Cathy is committed to sustainability as a core element of Eastman’s growth strategy.

SHELLEY PORTER (she/her/hers)
Executive Champion; Design, Environment and Natural Resources Sub-Council

An analytical chemist by training, Shelley joined Eastman in 1999 and spent eight years doing lab bench work — including the analytical lab trials in the mid-2000s that proved the safety of BPA-free Eastman Tritan in food-contact applications. This lab-to-leader experience has given her a holistic view of our material differences as she has excelled in various technology roles and transitioned to her current role as Eastman’s director of sustainability and circular solutions.

ERYN O’BRIEN (she/her/hers)
Executive Champion; People and Society Sub-Council

As vice president of global talent and inclusion, Eryn believes that to transform cultures and build capabilities, you must unlock the full potential in people and teams. Whether through building an inclusive culture, professional development, recognition and awards, or community engagement, she is committed to creating positive environments for our diverse teams that drive rewarding experiences and sustainable business growth.

“If we tackle the important things from multiple angles intentionally, we are going to scale our positive impact on our team members — and it will ripple into our communities, how we engage our customers and how we preserve our natural capital.”

Eryn O’Brien
SUSTAINABILITY CENTER OF EXCELLENCE

Sustainability drivers define Eastman’s winning position

To ensure we’re on track to deliver progress on our ambitious A Better Circle framework, the corporate sustainability team instituted a Sustainability Center of Excellence (COE) in 2021. This COE was designed to educate and engage Eastman’s various business units on the market-specific sustainability drivers of their value chains, using those insights as inspiration for sustainable product innovation.

A methodology was defined and standardized to set expectations across the business hierarchy, and in 2022, this process was formally embedded into Eastman’s midterm business review process. Eastman’s corporate sustainability team enables business partners to accelerate top business platforms that are aligned with A Better Circle.

OUR APPROACH:

- **COE** Sustainability Center of Excellence (COE) instituted in 2021
- **BUILD INSTITUTIONAL KNOWLEDGE TO DEVELOP SUSTAINABILITY FLUENCY**
  - Train diverse teams, driving understanding of global environmental and social issues and opportunities
  - Translate market trends and sustainability drivers into Eastman’s A Better Circle framework
- **TRANSLATE INSIGHTS INTO ACTION**
  - Align businesses with market expectations
  - Optimize product portfolio and positioning
  - Stimulate innovation pipeline
  - Identify workstreams and resources for execution
- **ESTABLISH FEEDBACK LOOPS, ACCOUNTABILITY AND VALUED PARTNERSHIPS**
  - Assess and manage commercial portfolio
  - Assess sustainability for all innovation projects
  - Monitor sustainability drivers in markets
  - Establish milestones to ensure progress

“We received excellent support from the corporate sustainability team to look at global sustainability drivers and understand their impact on our business. The corporate methodology helped to identify the unmet needs in the value chain generating a market specific opportunity road map. The best part came when we compared the road map with current business strategy, priorities and project pipeline. The sustainability perspective helped us to review the strategy, prioritizing the most sustainable initiatives versus the less sustainable ones — identifying top priorities where we would disproportionally invest with additional resources.”

— Damiano Beccaria (he/him/his)
Sustainability Manager, Coatings and Inks

“Making our advanced interlayers business more sustainable goes beyond offering new technical solutions; it requires a deep understanding of the full product life cycle in the different stages of its design, manufacturing and use. The corporate sustainability team helped us to identify and prioritize over multiple time horizons the opportunities to reduce the environmental footprint of our product line. Our life cycle analysis methodology guided us in the quantification of these insights, leading to innovation projects that will allow us to offer solutions across the value chain to help our customers and their customers successfully deal with the biggest environmental challenges.”

— Peter Roose (he/him/his)
Sustainability Director, Advanced Advanced Interlayers and EMEA Technology
INNOVATION PIPELINE
Committed to a sustainable future

In 2020, Eastman committed to the goal of assessing 100% of our innovation portfolio, with 80% of the portfolio achieving advantaged or leader rating by 2030.

While we are not yet ready to report against this goal, we have made progress. Eastman has instituted new systems and processes within our business practices to drive alignment around our vision for A Better Circle and to educate our broad employee base on what sustainability means at Eastman.

As we scale our Sustainability COE, we will align the innovation sustainability assessment methodology in accordance with the great work done in 2018 with the World Business Council for Sustainable Development (WBCSD) Chemical Industry Methodology for Portfolio Sustainability Assessment, promoting fluency across our organization.

We are committed to applying a standardized sustainability assessment to Eastman’s current commercial portfolio in 2022. This assessment will establish a baseline of understanding that will inform our business strategies.

The methodology that our Sustainability COE has implemented will inspire new product innovations in accordance with the sustainable macro trends, resulting in market-driven results.

COMPOSTABLE PLATFORM
True circularity in plastics requires creative solutions — especially for food packaging. This packaging may be used only once and often isn’t recycled because of leftover food or food residue. We have a solution in Aventa™ Renew, a material for the North American food service industry in which the packaging and the food can be deposited in a bin and transformed into soil-enriching compost.

INNOVATION FOR ELECTRIC VEHICLES
With the accelerated electrification of vehicles, the premium laminated glass market is significantly expanding. Our interlayer solutions are delivering the experiences that customers want. From large head-up (HUD) displays to solar controls for expanded sunroofs to the reduction of glare and noise, Eastman interlayers are making it cool to go electric.
Q: Why is ESG so important to Eastman?

ESG principles are already integrated across our company and are core to our company purpose to enhance the quality of life in a material way. We want to engage all stakeholders, including investors, because our strategy and direction align with everything that ESG is about. ESG is linked to our growth strategy, and it’s forging a new vector of growth that makes Eastman more attractive as an investment and multiplies our power to have a positive impact on the world.

Q: Are you saying we were already ahead on some areas that now fall under ESG?

Yes, we were already going down the ESG road because sustainability has been core to our strategy for a long time. Approximately 10 years ago, we made a clear strategy shift with a focus on sustainable innovation across our portfolio. We have a goal of assessing 100% of our innovation portfolio with 80% sustainably advantaged by 2030, and we look forward to reporting progress.

We’re a world leader in molecular recycling technologies that can reduce plastic waste, provide sustainable materials the world needs and produce those products with a lower carbon footprint. We established ambitious climate goals, and we’re making progress on our plan to reach them. We’ve been intentional over the past five years about building a more inclusive and diverse culture, so every person at Eastman can be their authentic selves and achieve their full potential, and we set definitive goals to underpin that vision and are reporting our progress.

Q: How is Eastman ensuring that we deliver on ESG expectations?

Eastman has an increased focus on public disclosure of data and transparency — it’s clearly a movement in the direction of how financial data is reported. This transparency is forcing accountability, and we welcome that. We’re accelerating public reporting metrics for investor-led standards like Sustainability Accounting Standards Board (SASB) and climate frameworks such as Task Force on Climate-related Financial Disclosures (TCFD) and CDP as well as the Global Reporting Initiative (GRI), considered by many to be the gold standard for sustainability reporting.

Q: Is ESG only about metrics and scoring?

The metrics collectively demonstrate how we are positioned as a company with regards to risks and opportunities. We believe that expectations around ESG factors will continue to increase. It is this framework that allows us to understand and continue to advance sustainable business practices within our company so that, as Eastman grows, so does our positive impact.
GOVERNANCE

Progress updates against our 2030/2050 climate goals are managed across our corporate governance structure — from our climate and carbon working group to our design, environment and natural resources sub-council to the Sustainability Council, Executive Team and Board of Directors.

STRATEGY

Eastman will achieve carbon neutrality by 2050. In line with our ambitions, we have intensified our efforts and dramatically expanded Eastman teams that are working to reduce our greenhouse gas (GHG) emissions while innovating new products and technologies that contribute towards climate improvements.

BUSINESS RISK/OPPORTUNITY

A key component of managing climate-related business risks and opportunities is Eastman’s global issue management process and specifically the climate and carbon working group. These risks and opportunities are integrated with strategic business decision-making through regular engagements with corporate and business leaders.

METRICS AND PROGRESS

We have also received review-level assurance from PricewaterhouseCoopers LLP (PwC) in accordance with attestation standards established by the American Institute of Public Accountants (AICPA) over our Scope 1 and Scope 2 greenhouse gas emissions for the year that ended December 31, 2021.
MITIGATING CLIMATE CHANGE

Our transition to carbon neutrality
Evaluating risks and opportunities

The aim of the Task Force on Climate-related Financial Disclosures (TCFD) is to improve transparency of the organizations’ climate-related risks and opportunities. A key audience for this information is our investors. With the TCFD as our framework, we continuously evaluate potential transitional and physical risks as well as opportunities related to climate change.

We are committed to continuing to increase our transparency and alignment with reporting through independent agencies such as the Carbon Disclosure Project (CDP), a leading nonprofit for stakeholders. Eastman continues to align and map our responses to the CDP Climate Change assessment against the TCFD (see TCFD Index).

Our strategy is guided by Eastman’s Climate Policy that includes three key commitments:

- We are committed to developing material solutions to address society’s climate change challenges.
- We are committed to reducing our carbon footprint, building resiliency measures, and managing climate change risks and opportunities.
- We are committed to pursuing strategic partnerships and initiatives to advance the understanding of climate change to bring forward innovative solutions.

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Governance around climate-related risks including Board oversight and management’s role

Impact of actual and potential climate-related risks and opportunities on the company’s business, strategy and financial planning, and strategy resilience in line with different climate scenarios

Process for identifying, assessing and managing climate-related risks and opportunities

Metrics and targets used to assess and manage climate-related risks and opportunities

TCFD | CLIMATE IMPACT

EASTMAN’S VOLUNTARY TCFD REPORTING JOURNEY

Initial TCFD gap analysis undertaken

Published first TCFD index aligned with CDP climate change reporting in the 2020 Sustainability Report

Increased focus on identification of climate-related risks and opportunities; published second TCFD index online

Climate scenario analysis and financial impact modeling under four different climate scenarios

2018

Eastman officially signed as a supporter of TCFD

2019

2020

Published first ESG Data Sheet for investors, including key metrics on dedicated ESG Investor webpage

2021

2022

24
The TCFD recommends that organizations describe the resilience of their strategy and take into consideration different climate-related scenarios, including a 2°C or lower scenario. In 2021, Eastman commissioned a high-level scenario analysis review of the company’s climate strategy resilience and the impact and likelihood of our climate-related to four different climate scenarios with a leading sustainability consultancy group.

**Scenario analysis** is a process for identifying and assessing the potential implications of a range of plausible future states under conditions of uncertainty. Scenarios are hypothetical constructs and not designed to deliver precise outcomes or forecasts. Instead, scenarios provide a way for organizations to consider how the future might look if certain trends continue or certain conditions are met.

<table>
<thead>
<tr>
<th>SCENARIO DESCRIPTION</th>
<th>REGULATORY ENVIRONMENT</th>
<th>SUSTAINABLE DEVELOPMENT SCENARIO</th>
<th>ANNOUNCED PLEDGES SCENARIO</th>
<th>STATED POLICIES SCENARIO</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUSTAINABLE DEVELOPMENT SCENARIO</td>
<td>Ambitious regulatory environment especially focused on electrification of operations, critical minerals, phase-out of emissions-intensive assets, and net-zero carbon building standards with the expectation to reach nearest term milestones by 2025 and 2030</td>
<td>There is a surge in clean energy policies and investment, ensuring universal access to affordable and sustainable energy. Actions to combat climate change (not limited to energy) result in a significant reduction of pollution. Net-zero is achieved for all countries no later than 2070. The emphasis on economic growth shifts to an emphasis on human well-being. Inequality is reduced both across and within countries. The chemical industry sees an increase in consumption, but a strong reduction in GHG emissions (more than 60%). The energy sector reduces its emissions but also offsets the remaining by forestry or land use. Governments keep their commitments with NDCs and net-zero targets, but there is a major focus on domestic issues. Inequality is reduced both across and within countries. Mitigation efforts, supported by investments in environmental and energy technology lead to improvements in renewables and efficiency. The chemical industry sees an increase in consumption but with a considerable reduction in GHG emissions (more than 30%).</td>
<td>The world’s sustainable trends do not change considerably from historical patterns. Both achievements and limitations from energy and climate policies are considered. With fewer government actions, sectors become more protagonists (with efficiency standards and electrification). Income inequality persists or improves slowly. There are some environmental improvements and technological development proceeds but without fundamental breakthroughs. The chemical industry sees an increase in consumption as well as in GHG emissions (more than 20%).</td>
<td>Limiting global warming to 1.5°C in 2100 Global net zero by 2050 Advanced economies net zero by 2050 China net zero 2060 Unstabilized temperature trend</td>
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</tbody>
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Results of scenario-based impacts

Climate scenario analysis is a first step to further enhance our climate commitments — to be a part of the solution to the climate crisis. Our Sustainability Council and climate-related working teams will integrate the scenario analysis findings into our strategies to mitigate climate risks and realize business opportunities.
Our path toward carbon neutrality

**ENERGY EFFICIENCY**
Eastman’s climate progress today leans heavily on energy efficiency, where we have received multiple ENERGY STAR® awards.

**PROCESS TRANSFORMATION**
We are helping lead the world into a new age of plastics recycling with molecular recycling technologies that produce new materials at a substantially reduced carbon footprint. By using plastic waste as feedstock, molecular recycling leaves fossil feedstocks in the ground and produces virgin-quality intermediates for plastic production with 20%–50% fewer greenhouse gas emissions than heritage processes. We will continue to identify and pursue additional enhancements to our manufacturing processes.

**RENEWABLE ENERGY**
We are working to bring more renewable energy to Eastman, and we are committed to 100% of our purchased electricity in North America and Europe will be renewable by 2030.

**ALTERNATIVE TECHNOLOGIES**
We are exploring alternative energy technologies that have the potential to accelerate our progress toward decarbonization. Our project team is studying uses of clean hydrogen, carbon capture, utilization and storage (CCUS) and other emerging innovations.

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**OUR PEOPLE**

**Meet Becky Horton** (she/her/hers)
Manager of Sustainable Infrastructure Platform

Becky Horton manages the wide spectrum of projects Eastman is pursuing to decarbonize.

“No one solution will be enough; we’re approaching this with a portfolio of solutions that give us a path toward decarbonization,” Becky said. “Working to advance our climate strategy is professionally satisfying, and this is personal for me, too. I love the outdoors — my husband and I like to get outdoors as often as possible with our 4-year-old — so it’s a satisfying feeling to know the work our team is doing at Eastman will contribute to protecting the environment today and for generations to come.”
**ENERGY EFFICIENCY**

**In Kingsport, digital technology project drives 2021 energy efficiencies**

In 2021, Eastman developed in-house software that increases energy efficiency at our largest manufacturing site, receiving an award from the U.S. Department of Energy for our results.

Eastman cogenerates steam and electricity for our Kingsport, Tennessee, site with more than a dozen boilers and turbogenerators. In this system, there are significant variables such as capacity and age of equipment, efficiency profile and operational parameters. Identifying the ideal equipment set points across the system is a complex problem, but we knew that the energy gains made it a challenge worth tackling.

We developed a digital model of the powerhouse equipment that simulates real-time mass and energy balance and evaluates current constraints. Access to these real-time set point recommendations — presented to Eastman operators on an interactive digital interface — enables operators to implement changes that improve site-wide efficiency and reduces GHG emissions and energy costs.

**With this software, we reduced our energy use in Kingsport more than 2% in 2021, which translates into an estimated emissions reduction of 72,000 tons of CO₂-equivalent over the course of the year. For this improvement, the Department of Energy (DOE) presented Eastman a 2022 Better Plants Better Project award, which recognizes Better Plants partners for innovations that include decarbonization projects.**

Eastman is already world-class in energy efficiency, but we constantly strive to improve. One example of creative thinking made a real difference in Kingsport — and could eventually be applied to other sites.
To enhance the quality of life in a material way, we are not only mitigating our own product footprints but also scaling process transformations like our molecular recycling technologies to holistically minimize the material footprints of our value chains, allowing them to demonstrate progress against ambitious sustainability goals.

At Eastman, we’re dedicated to creating a circular economy that creates value from material waste. To do this, we leverage two advanced recycling technologies: carbon renewal and polyester renewal.

Carbon renewal technology (CRT), a type of molecular recycling, gives new life to the most complex waste plastic, recycling many types of plastic that cannot be recycled with traditional mechanical recycling methods. Our polyester renewal technology (PRT) processes a particular family of materials — polyesters — and unzips them back to their basic monomers. Both technologies allow for material-to-material conversion, and those new materials are used to make a wide range of consumer goods.

Meet Inari Seppä (she/her/hers)
Director, Circular Economy Advocacy, Europe

“In Europe, we want to transform plastic and textile waste into valuable materials, and this takes rethinking the system of how the circular economy should work. Through our collaborations with organizations, policymakers, our value chain and others, we’re creating new ways to turn waste plastic into new, durable materials using fewer natural resources and creating an infinite life span for our products. Our investment in France demonstrates our commitment to think long term.”
How we innovate
Sustainable innovations across the automotive industry

Mitigating Climate Change
Automotive brands are quickly transitioning to a decarbonized supply chain, and Eastman is right there with them. Committed to carbon neutrality by 2050, we are applying new methodologies to our technologies to not only lower our operational footprints but also provide products to the market that are more energy efficient.

- Aggressively lowering our operational footprint across all products
- Molecular recycling technologies with lower GHG emissions versus virgin process
- In-house life-cycle assessment (LCA) team to quantify carbon impacts
- Materials that safely lightweight the vehicle
- Materials that advance EV adoption

Mainstreaming Circularity
When it comes to sustainable materials, the automotive industry has set aggressive goals, and Eastman sees this as a great opportunity to partner with the value chain. We are advancing circular solutions with our customers by supplying materials that contain both certified recycled content* and/or biobased raw materials:

Specialty Plastics
- Eastman Tritan™ Renew, Eastman Trēva™ Renew
- Saflex PVB, Eastman recycles ~80 million lb/year

Interlayers

Coatings
- Raw materials for car coatings that contain certified biobased and recycled content

Eastman uses blockchain to track certified recycled content through the value chain (GreenToken by SAP pilot).

Caring for Society
Safety has always been the heartbeat of the automotive industry. Eastman continues to build on a legacy of innovative materials that meet the industry’s stringent safety and VOC requirements.

- Saflex head-up display not only keeps driver attention focused on the road but also reduces exterior noise by up to three decibels and blocks more than 96% of harmful ultraviolet radiation.
- Our coatings solutions provide safe manufacturing materials that are APEO-free as well as low-VOC solvents and resins for e-coat, primers, base coats and clear coats.
- Eastman created the Eco-Tak mixture solution for installing paint protection film to help reduce VOCs in the environment.
- We support OEMs in removing materials of concern from their paint booth operations.

*Certified recycled content through ISCC PLUS certified mass balance process
As Eastman introduces Eastman Tritan™ Renew and Trēva™ Renew to the automotive sector, we know we need to do more than provide sustainable materials. We need to help close the loop.

That is why Eastman is partnering with the United States Automotive Materials Partnership LLC (USAMP) and automotive recycler PADNOS for a concept feasibility study to demonstrate a closed-loop project that recycles automotive-industry mixed plastic waste in the automotive supply chain. USAMP is a subsidiary of the United States Council for Automotive Research LLC, the collaborative technology company of Ford Motor Company, General Motors and Stellantis.

- Overall, 80%–90% of metals, tires and glass in automobiles can be recycled through traditional mechanical recycling streams at the end of their life.
- The other 10%–20% of automotive shredder residue (ASR), which consists of mixed plastic and other nonrecycled materials, currently ends up in landfills or are recovered through waste-to-energy technologies.
- USAMP sees the potential for energy savings and reduced overall greenhouse gas emissions while eliminating a significant fraction of the 5–7 million tons of ASR generated annually in the United States from landfills.
- PADNOS will study ASR as a sustainable feedstock for Eastman’s molecular recycling process, creating a truly circular solution.

Circular economy

- The study will also assess how well Eastman’s molecular recycling technologies, carbon renewal technology (CRT) and polyester renewal technology (PRT), break down the plastic-rich fraction of ASR into molecular building blocks. By recycling these complex plastics, Eastman can replace fossil-based feedstock and create polymers without compromising performance for use in new automotive applications.

“Eastman Tritan™ Renew and Trēva™ Renew is part of USAMP’s broad materials research and sustainability program. Programs like this are critical to establishing a cost-effective pathway for addressing challenges associated with the consumption of ASR back into automotive parts to enable true industry circularity.”

Steve Zimmer
Executive Director of USCAR
RENEWABLE ENERGY

Going greener through renewables

As part of our strategy to mitigate climate change, Eastman has set a goal of 100% of purchased electricity in North America and Europe will be renewable by 2030.

We have made early progress on our renewable goal at sites in Europe, with Oulu, Finland, serving as a prime example.

OULU EMBRACES GREEN ENERGY

Eastman is on a journey to scale renewable energy. As Europe leads the way in transitioning to a decarbonized economy, our Oulu, Finland, site is a good example.

For years, the steam used for Oulu’s manufacturing processes was generated from nonrecyclable municipal waste and scrap wood. Now, using green electricity in our manufacturing processes, our site has reduced its carbon footprint by 82% since 2019 and no longer uses fossil fuels for generation of electricity.

Eastman has also invested in a carbon capture and utilization system in which carbon dioxide is captured and recycled as a raw material, significantly reducing Scope 1 and Scope 2 GHG emissions even further.

RENEWABLE STRIDES IN THE U.S.

Eastman’s largest manufacturing emission footprint is in the U.S., which has been a key focus for initial decarbonization. As a result, we formed a renewable energy sourcing team of experts to tackle a core challenge: make more of our power renewable — and do it quickly.

A project to procure renewable energy has made progress. Within four months of the project’s creation, two sites in Martinsville, Virginia, were procuring 100% of their energy from renewable sources.

Our renewable energy project is part of a long-term strategy to increase renewables at Eastman. We expect to make progress through the end of 2022 for procuring more renewable energy in the U.S.
These days, Greg Wellman has his eyes on the future like never before. He’s looking out on the horizon and thinking about the future of the company he has invested his entire career in. He’s thinking about his family, his kids. He’s thinking about the future of the planet and — in particular — the climate crisis. For Greg, all those elements are interwoven with the work he’s doing as a sustainable solutions leader for Eastman. A chemical engineer by training and a deep appreciator of the outdoors who spends several days each year backpacking, Greg is one of the many Eastman people immersed in reducing our greenhouse gas emissions.

The journey to carbon neutrality will not be simple. Making materials on a global scale requires ample thermal and electrical energy, and our company is already leveraging some of the areas we’re best at — such as energy efficiency and lower-emissions processes like molecular recycling — on the path to our 2030 goal of a one-third emissions reduction.

Beyond those levers, technology breakthroughs are essential for generating energy useful on an industrial scale. That’s where Greg comes in as he leads the group that is looking closely at low-GHG thermal technologies like clean hydrogen and electrified process heat.

“Our group is tasked to chart the future,” Greg said. “What are the pathways we can identify to support Eastman’s commitment to both the circular economy and our greenhouse gas reduction goals for 2030 and 2050? There’s likely no silver bullet, but we can identify the silver buckshot — the combinations of approaches that will reduce our CO₂ footprint over time. I think CCUS, clean hydrogen and the electrification of heat will all play a role. My perspective over the past several months has changed from ‘can we do it?’ to ‘when will we do it?’ It’s an exciting time.”
SCAPE 3

Upstream/downstream impact

We have a cross-functional steering team focused on driving results on Scope 3 upstream and downstream impacts. This steering team is championed by Julie McAlindon, SVP, supply chain, regions and transformation.

UPSTREAM

Eastman is a member of Together for Sustainability (TfS), a procurement-led initiative focused on increasing sustainability of the chemical industry supply chain. As a member, we request suppliers complete the TfS-endorsed EcoVadis sustainability assessment which has four elements, including an environmental element which incorporates questions and scoring related to the supplier’s climate impact. Eastman is actively participating in a TfS work stream focused on developing and launching a standard guideline for consistent product carbon footprints across chemical supply chains. This standard will provide the visibility needed to drive specific improvements in Scope 3 emissions.

DOWNSTREAM

Eastman has engaged external experts to consult with us on deepening the understanding of our downstream Scope 3 emissions. Reducing emissions that are directly in our control is the priority; meanwhile, we’re working with key customers and collaboratively looking for opportunities to reduce product footprints. As product circularity is a key pillar of our climate strategy, we are actively identifying opportunities, like molecular recycling, where possible. Eastman is also focused on scaling the efficiency of our downstream transportation.

PRODUCT LIFE CYCLE ASSESSMENTS

Eastman uses life cycle assessment (LCA) to analyze the potential cradle-to-gate environmental impacts of our products and the implied impact along the value chain. To expand this capability, Eastman established a curriculum that trained approximately 200 process improvement engineers in the LCA methodology in 2021. This program is ongoing and will be incorporated into the onboarding for new hires in such roles. We are excited for this cohort to take the next level of training that is being developed, allowing engineers to take a systems approach in how we manufacture innovative materials with reduced footprints.

Eastman is at the beginning of our Scope 3 journey, and we acknowledge that there is much more work to do.

“We view decarbonization of our value chains as a transformational issue, and we are committed to collaborating innovatively with our suppliers and other key parties to drive the needed emissions reductions.”

Julie McAlindon, (she/her/hers)
Senior Vice President, Supply Chain, Regions and Transformation
WATER

Our planet’s most precious resource
Enhancing global water stewardship

Informed by our water excellence team, our strategy ensures that we manage our global resources as it relates to water withdrawal, water discharges, water consumption and associated impacts from our manufacturing processes.

And we are making progress.

Eastman has received a score of B in our CDP Water Security assessment consecutively from 2019–2021.

In 2022, Eastman executives are rolling out a new water policy to all manufacturing sites — ensuring we use and manage this precious resource with the greatest of care.

In addition, Eastman:

- Will participate in a collaborative study with the National Alliance for Water Innovation (NAWI) to develop a circular water system at our sites in Ghent, Belgium, and Springfield, Massachusetts. Eastman is one of the few chemical industry advisors for NAWI, a $100 million research effort led by the U.S. Department of Energy. In Kingsport, we developed digital software that will optimize boiler feedwater treatment.
- Conducted a collaborative study with the Woods Hole Oceanographic Association (WHOI) in 2021 that shows cellulose acetate, a biobased polymer derived from wood pulp, disintegrates in the ocean much faster than previously assumed.
- Established a collaboration with the Blue Deal of Flanders, a commitment by the chemical industry to reuse water. Our two sites in Ghent are using various tactics to conserve and reuse water — including rainwater reuse — and Ghent North has launched a study to work toward net-zero water use.
- Conducted extensive work and mapping to survey miles of underground city water piping for leaks at our Kingsport, Tennessee, site.

Keeping it cool

Our largest manufacturing site depends on drawing large quantities of water from the South Holston River that passes through our site, but most of that water — approximately 94% — is used for noncontact cooling.

In other words, that noncontact water flows through pipes for cooling process streams and is returned to the river with no changes to its chemistry.

This benefits Eastman’s energy efficiency strategy while also ensuring we are good stewards within our Kingsport, Tennessee, community.

Third-party experts agree with our evidence that drawing water from the river is a more environmentally friendly solution than the alternative of cooling towers and refrigeration. Our decades of study of the Holston River — including a comprehensive study conducted by the Academy of Natural Sciences of Drexel University — confirm that the South Holston is a healthy, thriving habitat for wildlife.
INNOVATIONS IN PERSONAL CARE

A biodegradable solution for microbeads

As consumers look for leave-on personal care solutions that enable oil absorption and provide optical effects (called “blurring” or wrinkle reduction), they want products that don’t harm the environment. With the rising awareness of microplastics in our waterways, Eastman offers a biodegradable solution that meets the performance and sustainability requirements. We are focused on using our cellulose ester technology to optimize a microbeads solution that delivers leave-on personal care products. And we hope to expand our offerings in the near future.

INNOVATIONS IN WASTEWATER TREATMENT

Recovering water as the world’s most vital resource

As climate change influences the availability and quality of water resources, investing in more resilient water infrastructure becomes imperative.

Today’s increased populations and greater volume of domestic and industrial wastewater require that nature’s own purification processes are optimally supported. The basic function of wastewater treatment is to speed up the natural processes by which water is purified while leaving no or a minimal amount of solid waste behind in the water that’s being disposed of — avoiding pollution of our waterways and oceans. Wastewater treatment itself is a significant recycling system where billions of cubic meters of water are consumed and treated every single day.

Eastman’s products that serve the global water treatment market include intermediates for flocculants which are used in water treatment processes. Flocculation is the process of encouraging the formation of solids in the water so they can be more easily removed by filtration.
BIODIVERSITY

Preserving our natural capital
At Eastman, we understand our activities, products and services can have an impact on biodiversity. So we’re always engaged, looking for ways to partner with our communities, industry and organizations to put programs in place that ensure we protect, preserve and restore the natural habitats that surround us.

**KINGSPORT, TENNESSEE, HEADQUARTERS**

**Conservation Camp — Keep Kingsport Beautiful:**
Hosted on the Eastman campus, local 4th grade students had the opportunity to participate in learning activities that increased awareness of environmental issues.

**New green spaces:** In 2022, Eastman planted over 200 trees to serve both as a visual screen for our nearby neighbors as well as a new habitat for increased biodiversity. The species of trees were selected specifically for their ability to host a range of butterfly and moth caterpillars. In addition, the corporate campus has begun two pollinator gardens within its landscape.

**Holston River study:** On a regular basis since the 1960s, Eastman has commissioned the world-renowned, Philadelphia-based Academy of Natural Sciences of Drexel University to study the rivers upstream and downstream of our major United States manufacturing sites to ensure that our operations are not negatively impacting the environment. Two of the most extensive of these river studies are focused around the Kingsport, Tennessee, and Longview, Texas, sites.

**LONGVIEW, TEXAS**

**Nature Center:** Our Texas Operations Nature Center is recognized as a Conservation Certification Silver site through the Wildlife Habitat Council for a long-standing environmental education program that provides site-based outdoor classrooms, a demonstration forest, a stream, an observation beehive and an amphitheater.

**NEWPORT, SOUTH WALES**

**Gwent Wildlife Trust:** Our facility at Newport, South Wales, leases Gwent Wildlife Trust, 31 hectares of fields to manage as a nature reserve known as Great Traston Meadows. The trust is a charity dedicated to nurturing and restoring wildlife and is part of a network of wildlife trusts across the United Kingdom.

**OUR PEOPLE**

Meet Kristin Guillera *(she/her/hers)*

Co-op

A sophomore chemical engineering major at the University of Alabama, Kristen said that Eastman’s focus on the environment was the deciding factor in her co-op decision.

“I am passionate about environmental sustainability. My first year at Alabama, I heard a presentation from Eastman employees where they discussed the circular economy. It was clear to me that Eastman was big on sustainability — and I decided, I want to work for them.”

During her semester, Kristin studied Eastman’s impact on biodiversity and mapped current activities and potential future initiatives.

“The more I looked at what Eastman was doing, the better I felt about our impact on the environment.”

**OPERATION CLEAN SWEEP® BLUE PROGRAM**

Eastman has enhanced our internal reporting to better capture data associated with pellet, flake and powder containment loss. We are pleased to report that there have been no reportable plastic pellet losses to the environment outside company-operated facilities since our baseline year of 2021.
Building a sustainable business from the ground up takes dedication. As Eastman entered the textiles industry, we built a sustainable brand that inspires trust and confidence and can have a measurable impact.

The Naia™ team is fully committed to the protection of forest ecosystems. This means we’re committed to adding more value in the world than the resources we use, and protecting natural environments is key to achieving this.

**SUSTAINABLE SOURCING**

- With full transparency from tree to fiber, Naia™ is responsibly sourced from sustainably managed pine and eucalyptus forests and plantations to ensure no deforestation of ancient and endangered forests.

- Eastman’s sustainable dissolving wood pulp sourcing policy prohibits the sourcing of dissolving wood pulp from controversial sources, endangered species habitats, illegal forestry, and forestry in violation of traditional, community, and/or civil rights. The policy also reduces ecological and environmental impacts in the supply chain and promotes sustainable forest management practices.

- Click here for Eastman qualified suppliers of pulp and their locations.

**CONSERVATION AND STRATEGIC PARTNERSHIPS**

- Partnered with the Eastman Foundation, Georgia-Pacific Cellulose and The Longleaf Alliance in a reforestation project that provided 60,000 longleaf pine seedlings to Torreya State Park.

- Eastman holds certification from the Forest Stewardship Council (FSC™) and Programme for the Endorsement of Forest Certification (PEFC™).

- Our efforts to create a more sustainable textiles industry are recognized by Canopy 2021 Hot Button Report with a green shirt designation in 2021.
Mainstreaming circularity

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

STRATEGY
Eastman is making circularity a mainstream concept because the future of our planet depends on it. However, we must engage all stakeholders to ensure acceptance of material-to-material molecular technologies and the necessity of mass balance framework to help drive innovation more quickly.

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

METRICS AND PROGRESS
By 2025, Eastman expects to operate two new facilities that will annually recycle more than 250 million pounds of plastic waste. Our goal is to double that amount by 2030.

To round out our strategy in mainstreaming circularity, we know that customers are looking for compostable materials and we are excited to offer new solutions that close that loop.

Continuing to address our corporate waste will remain a pillar of our strategy.
Materials for a sustainable future

GRI 301

MAINSTREAMING CIRCULARITY

Tumblers made from Eastman Tritan™ copolyester
The world has a plastic waste problem

The world desperately needs a materials revolution that will help address the global waste crisis and climate change. Eastman has launched two molecular recycling technologies — carbon renewal technology and polyester renewal technology — that are game-changers for material circularity.

As additional drivers emerge, Eastman’s integrated facilities position us to support the transition to more circular products for additional markets across additional manufacturing streams.

We will continue to hold to our principles for mainstreaming circularity as we move forward. We will only launch molecular recycling technologies if we can do it at scale, if using waste plastics leaves fossil feedstocks in the ground, if the products we produce have no performance compromise, and if product LCA improves in line with our climate goals.
Polyester renewal technology

At Eastman, we’re dedicated to creating a circular economy that creates value from material waste. To do this, we leverage two molecular recycling technologies: carbon renewal and polyester renewal. Polyester renewal technology (PRT) gives new life to waste polyester plastics, including sources that cannot be recycled with traditional mechanical recycling methods such as post-consumer carpet, colored materials, textiles, and reclaimer rejects.

Not only does this technology help keep plastic waste out of landfills and incinerators, but it also reduces greenhouse gas (GHG) emissions.

By using plastic waste as a raw material to replace conventional fossil-based feedstocks, **PRT reduces the GHG emissions for polyester intermediates production by 20%–30%** compared to processes using fossil fuels.

This is enabled by the fact that PRT breaks down plastic waste directly to original monomers, eliminating 10 process steps compared to the fossil fuel process.

Read the third-party validated life cycle assessment summary on our polyester renewal technology, and take a deeper dive by [reading our detailed technical report](#).
MOLECULAR RECYCLING

A new vector for growth

A BLUEPRINT FOR THE RECYCLING REVOLUTION

We are nearing the end of construction in Kingsport, Tennessee, on one of the world’s largest material-to-material molecular recycling plants and we expect it to be mechanically complete in early 2023. This polyester renewal technology facility will process hard-to-recycle polyester waste to make new products with certified recycled content. We are excited to report that over 75% of the annual feedstock requirements are already being procured, are under contract or are in active negotiation.

In addition to the recycling facility, we are also building a processing facility that will transform different types of polyester waste, from textiles and film to packaging materials, into a form factor suitable for molecular recycling.

LEADING IN FRANCE

Waste is a global problem — and Eastman is scaling our innovative technologies to address Europe’s needs for sustainable materials.

In January 2022, Eastman CEO Mark Costa and French President Emmanuel Macron announced intention to bring Eastman molecular recycling to France. Eastman plans to invest up to $1 billion USD to build a facility that will recycle up to 160,000 tons of waste plastic annually, making it larger than our Kingsport plant. The facility is projected to be located in Port-Jerome-sur-Seine in the Normandy region, and we expect operations to begin in 2025.

MORE TO COME

We are not stopping in Kingsport or France. Later this year, we expect to announce another planned molecular recycling facility within the United States.

“Molecular recycling addresses multiple challenges. These advanced technologies are essential to solving the plastic waste crisis by reusing valuable carbon rather than sending it to landfill or incineration — while leaving valuable natural resources in the ground. This has positive benefits for climate too, as molecular recycling produces substantially fewer greenhouse gas emissions than traditional processes that use fossil resources.”

Brad Lich, (he/him/his)
Executive Vice President and Chief Commercial Officer
EASTMAN IN FRANCE

A game-changer for recycling in Europe

The partnership between Eastman and France will contribute to a true circular economy for polyester materials.

As a material-to-material recycling plant, Eastman’s operations will include on-site polymerization. This provides Eastman the capability to take hard-to-recycle polyester waste and sort, depolymerize and produce new recycled polyesters at a single location. This lets us recycle material like colored or degraded PET or textiles that are typically incinerated because they cannot be mechanically recycled.

By utilizing hard-to-recycle plastic waste as feedstock in conjunction with available renewable energy sources, the plant will reduce French dependency on imported fossil fuel and lower overall carbon emissions.

Eastman projects that with our technology’s highly efficient polyester yield and the renewable energy sources in Normandy, we can transform plastic waste into first-quality polyesters with greenhouse gas emissions up to 80% less than traditional production processes.

This combination has allowed the project to garner support from an impressive roster of leading global brands. LVMH Beauty, The Estée Lauder Companies, Clarins, Procter & Gamble, L’Oréal and Danone are leading the way by signing letters of intent for multiyear supply agreements from this facility.

“Accelerating the transition to a circular economy is one of the main challenges in the years to come. Eastman’s substantial investment in France demonstrates our country’s willingness to embrace innovative technologies that will help us achieve our ecological and economic ambitions by revolutionizing our country’s plastics recycling capacities. France has always been at the forefront of this journey, and together with Eastman, is giving itself the means to achieve its ambitious plastics recycling targets set for 2025. We are very excited to welcome a company that has a 100-year history of innovation at a global scale and more than 30 years of molecular recycling experience.”

Barbara Pompili, French Minister for Ecological Transition
Materials matter

For the products we need for everyday life, materials matter.

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

Leading global brands that care about their footprint are turning to Eastman Renew products such as Tritan™ Renew and Cristal™ Renew to meet their own sustainability goals, doing their part to protect and preserve our planet’s resources.

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

Click each brand to see how they are using Renew in their products.
Reducing the need for virgin plastic

LVMH Perfumes & Cosmetics joined forces with Eastman to develop packaging that utilizes Eastman’s molecular recycling technologies. Parfums Christian Dior is the first of LVMH’s major historic Houses to introduce Eastman Cristal™ Renew copolyester, with 30% certified recycled content, for its Dior Addict Lip Maximizer packaging. Cristal™ Renew recycled content is achieved by allocation of recycled waste material using an ISCC PLUS certified mass balance process.

“Eastman’s innovative molecular recycling technologies are playing a crucial role in helping LVMH achieve our sustainability targets. We are at the very beginning of our journey to meet our targets, and with our first deadline in 2023, we need solutions that are available now and at a global scale, ensuring our customers experience these benefits immediately.”

Hélène Valade, LVMH Environmental Development Director
Eastman’s carbon renewal technology

Carbon renewal technology (CRT) takes a wide array of mixed plastic waste (with the exception of PVC) and breaks it back down into its molecular building blocks, allowing the molecules to be reassembled to build new products. This allows materials to be recycled an infinite number of times — unlike mechanical recycling — with no compromise or loss of quality.

Better yet, CRT reduces greenhouse gas emissions by 20%–50% when compared to processes using fossil fuels, and the end products are identical to those produced with virgin content.

Our team is committed to actively collaborating with companies, experts, policymakers and members of the value chain, among others, to create policies and standards and build systems that preserve our natural resources and accelerate a circular economy.

Read the life cycle assessment summary on our carbon renewal technology, and take a deeper dive by reading our detailed technical report.
Inspiring impact through vision, purpose and style

One of the greatest environmental impacts within the eyewear industry is the lack of a recycling solution for demo lenses — the clear plastic lenses used across the industry to maintain frame shape and integrity while in transit, on display and for try-on. With the 600 million frames produced annually industry-wide, this practice accounts for over 5,000 tons of waste per year globally.

The new partnership between Eastman and Warby Parker is pioneering a first-of-its-kind demo lens molecular recycling program. The new program breaks down discarded demo lenses from Warby Parker’s labs to create feedstock for Eastman Acetate Renew, making progress towards a circular solution for the eyewear industry.

Since the summer of 2021, discarded demo lenses from Warby Parker’s optical labs, located in Sloatsburg, New York, and Las Vegas, Nevada, have been sent to Eastman’s facility in Kingsport, Tennessee, where carbon renewal technology is used to break the lenses down to their molecular level. Once broken down, the molecules are reused as the building blocks to create Eastman Acetate Renew — an acetate exclusively supplied by Eastman that is 60% biobased and 40% certified recycled content. Acetate Renew is chemically and physically identical to traditional acetate; it offers a sustainable solution with no compromise to aesthetics, durability or performance. The brand plans to begin incorporating Acetate Renew into a selection of its core frames.

“From day one, Warby Parker has set out to find innovative solutions to everyday problems — and along the way, we’ve taken a stakeholder-centric approach. We’re committed to evaluating how our operations impact our employees, customers and the environment, and our partnership with Eastman exemplifies this commitment,” said Neil Blumenthal, co-founder and co-CEO of Warby Parker. “We hope that others in the eyewear industry will join us as we work toward solutions to lessen our impact on the planet and its people.”
EASTMAN NAIA™ CELLULOSIC FIBER

Sustainable solutions at scale

Naia™ Renew is an innovative and sustainable cellulosic fiber that’s helping solve one of the textile industry’s biggest issues, developing circularity at scale.

With transparency at the forefront, we continue to make great progress in our goal to make sustainable textiles accessible to all.

• New collaborations with renowned brands promoting Naia™ in their sustainable collections
• Growth in our value chain partnerships across the globe creating high-quality, sustainable fabrics to show that sustainability does not mean compromise on quality or design
• Delivering valuable insights to the industry, including studies on our fiber’s rapid biodegradability in marine environments by partnering with the Woods Hole Oceanographic Institution
• Collaborations with industry organizations focused on sustainability, such as Textile Exchange, Accelerating Circularity, the Microfiber Consortium, CNTAC and ZDHC, to develop new industry guidelines
• Supporting young designers through a myriad of efforts to inspire, educate and encourage sustainable designs
• Elevating our offerings with industry recognition such as Canopy’s green shirt and other acclaimed sustainability certifications
• Partnering with award-winning TextileGenesis™ traceability technology to provide track-and-trace solutions for Naia™
• Launching a Fibers I&D council focused on diversity, inclusiveness and equality at all levels
• Transparent efforts to protect, conserve and restore forest ecosystems

OUR PEOPLE

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

“We need to empower designers to make the sustainable choice by building awareness on the many high-quality sustainable fiber choices available in the market. Our Naia™ team is passionate about sustainability, and we want to collectively work with our partners to make sure that sustainable textiles are accessible to all.”
NAIA™ 2021 SUSTAINABILITY GOAL SCORECARD

Making sustainable textiles accessible to all

MITIGATING CLIMATE CHANGE
• By 2030, lower the greenhouse gas (GHG) footprint of the current Naia™ portfolio by 40%.
• By 2025, establish at least three agreements with customers to make measurable environmental impacts.

MAINSTREAMING CIRCULARITY
• Commercialize a next-generation Naia™ fiber solution with non-wood-based cellulosic pulp with a goal to progressively increase proportion in our portfolio.
• By 2025, more than 50% of the textiles portfolio is Naia™ Renew and, by 2030, more than 90% of the portfolio is Naia™ Renew.
• By 2025, more than 25% of recycled content is derived from waste textiles.
• By 2025, invest more than 75% of our textiles R&D resources in circular solutions.
• By 2022, enable advanced technology and information solutions for "track and trace" of materials from forest floor and recycled feedstocks to factory door.

CARING FOR SOCIETY
• Proactively engage in advocacy and programs to protect forest ecosystems and support thriving communities through membership and contribution to MMCF initiatives, supporting the United Nations Free, Prior and Informed Consent (FPIC) policy.
• Have an active partnership that sponsors education and business setup for emerging, talented, sustainability-minded designers.
• Annually publish and commit to improving our I&D metric.
• Maintain our commitment to zero discharge of hazardous chemicals and use of certified wood pulp in the manufacture of Naia™ products.
• Drive industry advancement in chemical usage and water quality in production of man-made cellulosic fibers (MMCFs).

STATUS | SDG
---|---
On track | 13
On track | 17
Completed | 12
On track | 12
On track | 12
On track | 9
Completed | 9
On track | 15
On track | 4
On track | 5
On track | 12
On track | 6
Track-and-trace solutions enable transparency for sustainable materials

Conscious of making better environmental choices, consumers are demanding more sustainable materials in the products they use every day. They also want transparency in the form of proof that the goods they purchase really are better for the planet. That is why Eastman has chosen two blockchain solutions that deliver maximum transparency into how a product is fully made. This blockchain technology enables product traceability, starting with the raw materials it is made from and ending with a finished consumer good.

**GREENTOKEN BY SAP**

Molecular recycling is essential to ensure the world builds a true circular economy, and we see blockchain as a critical building block. In 2021, Eastman became the first company in the chemical industry to collaborate with SAP and pilot its blockchain technology GreenToken by SAP to deliver full traceability of Eastman Renew materials with certified recycled content through mass balance allocation.

**TEXTILEGENESIS™**

With a portfolio that incorporates renewable resources and recycled waste content as feedstocks, Eastman Naia™ cellulose yarns and fibers are fully traceable, sustainable solutions for fashion and home textile brands. Teaming up with TextileGenesis™, Eastman is using blockchain technology to identify and track the path Naia™ takes from raw materials to final garment.

Here’s how it works:

1. Verifying the point of origin by digitizing any textile asset to ensure there is no double counting
2. Capturing real-time shipment transactions across supply tiers
3. Value chain modeling, using augmented intelligence to gain insight on complex textile value chains along with wastage and loss factors
4. Creating a cross-industry ecosystem by working with organizations, exchanges, established protocols and sustainable fiber producers — applying premier environmental, social, and governance (ESG) standards
5. Supporting independent, third-party verification, including by those that perform forensic fiber audits and verify the ESG credentials of suppliers

Empowering consumers to make ethical choices with Naia™ Renew

Made with the vision to inspire more eco-friendly fashion and home textiles, Naia™ cellulose yarns and fibers are responsibly sourced from sustainably managed forests to ensure no deforestation of ancient and endangered forests.

For further sustainability, Naia™ Renew gives brands the opportunity to offer circularity at scale. Produced from 60% sustainably sourced and traceable wood pulp and 40% certified* recycled waste materials, Naia™ Renew creates new value from hard-to-recycle materials that would otherwise be destined for landfills, incinerators or other undesirable end-of-life destinations.

Naia™ Renew recycled content is achieved by allocation of recycled waste material using an ISCC PLUS certified mass balance process.

Emblematically, Naia™ Renew is made from 60% sustainably sourced and traceable wood pulp and 40% certified* recycled waste materials.
Brand collaborations driving sustainability in the textile industry

Brands are accelerating their efforts to offer more sustainable fashion and home textile products to meet the growing consumer need for more transparent and sustainable products. The Eastman Naia™ cellulosic staple fiber portfolio combines sustainability and superior performance for brands that are looking to differentiate their collections. Transforming versatile and comfortable fabrics for casual everyday wear and bedding products, Naia™ staple fiber offers softness, improved dry rates and reduced pilling. We are proud to work with a wide range of international brands in fashion and casualwear as well as home textiles.

Click each brand to see how they are using Naia™ staple fiber in their products.
We can no longer ignore the impact our choices make on Earth. After all, our planet is precious, and Eastman is committed to doing what we can to protect and preserve it.

Our exclusive, enhanced sustainability fiber — Eastman Naia™ Renew ES — is a great example. Made from 60% recycled waste material and 40% sustainable wood pulp, it’s our answer to the overconsumption of raw materials, the growing plastic and textile waste problem and rising greenhouse gases. Naia™ Renew ES is our innovative fiber — with increased recycled content to appeal to those who enjoy exploring the outdoors and reveling in nature.

For 50 years, outdoor clothing manufacturer Patagonia has led secondary waste-stream material innovations and used their business to help solve the climate crisis. We’ve partnered with them to offer a limited run of shirts made with Naia™ Renew ES for their Workwear line, which “supports folks who bust ass on the daily to leave our home planet better than they found it.”

Unlike other cellulose-based yarns and fibers, Naia™ Renew ES requires less virgin materials. Produced from a combination of recycled waste content (40%), recycled cellulose (20%) and sustainably harvested wood pulp (40%), the result is a high-quality, sustainable fiber product made from 60% recycled content — while not compromising on comfort, quality or style.

Naia™ Renew ES is a lower-impact solution compared to generic man-made cellulosics and is ideal for a variety of clothing and home textiles. Think of it as the future-focused fiber made with the next generations in mind.
We believe in the philosophy to reduce, reuse and recycle materials to the fullest extent possible to reduce plastic waste. Organic recycling or composting offers an ideal solution in certain situations, especially where food is involved — such as food service applications like containers, platters and cutlery that are used once.

That’s where Eastman Aventa™, our new range of compostable materials, comes in. It provides a safe packaging alternative to serve and preserve our food in restaurants, cafes and takeaways. And when we’re done using it, everything can go into a single bin and be composted, even at home.

Food packaging waste is only part of the problem. The packaging often contains leftover food, which gets landfilled and creates methane gas that can leak into the atmosphere — and methane is 25 times worse than carbon dioxide in its ability to trap greenhouse gases. This problem drove us to create Aventa™ Renew, made with up to 99% sustainable content and 100% compostable.

Eastman supports and advocates for the expansion of industrial and home composting infrastructure by working with NGOs, trade associations and test/standards organizations. For example, Eastman is a supporting partner of the Closed Loop Partners’ composting consortium, a multiyear collaboration across the value chain to pilot industry-wide solutions and build a road map for investment in technology and infrastructure that enables the recovery of compostable food packaging and food scraps.

We are working with leading brands who, like us, see a better, bigger picture. We can use this material for some food applications, toss everything in one bin and let microorganisms turn everything into soil-enriching compost. By reducing food waste in landfill, we help mitigate climate change by curbing methane production.

We believe in a world made better through materials circularity — and Aventa™ Renew can help us get closer to completing the circle.
Enabling a circular economy is more complex than traditional innovation cycles

At Eastman, we’re excited about the innovative solutions we have introduced to mainstream the circular economy. But just bringing new technologies to market is not enough. Even the best solutions will fail if we don’t have the collaboration and support to conceive and build a whole new system.

In order to lead this transformation, Eastman is engaging, educating and looking to partner with key stakeholders to create significant change as we collectively transition to a circular economy.

“Dialogue and open communication are crucial for engaging external stakeholders. Solving complex issues is not about answering questions on your own but inviting other perspectives to find more impactful and long-term solutions.”

Sofie Vergucht (she/her/hers), Strategic Initiatives Manager, Circular Economy

“Bridging chemical industry and waste management value chains is key to achieving plastics circularity. It’s rewarding to build partnerships that put all kinds of plastic waste to good use in our molecular recycling facilities.”

Camiel Steffanie (he/him/his), Sustainability Manager

“Standards support global trade, and the standards that ensure safety, quality, sustainability are written by expert volunteers from around the world. When it comes to defining the circular economy and the supporting elements needed to build trust in molecular recycling technologies, Eastman is at the table lending our expertise to draft the best standards possible to enable a swifter transition to a circular economy.”

Julia Farber (she/her/hers), Strategic Initiatives Manager, Standards

For system-changing innovation, it is critical that:

• Recycling definitions do not exclude material-to-material molecular recycling technologies
• Mass balance frameworks are accepted for calculations of recycled content
MOLECULAR RECYCLING

Feedstocks, standards and transparency

The world needs plastic for myriad uses, but we waste far too much of it after a product serves its use. With our integrated recycling operations in Kingsport, Tennessee, and two additional planned facilities around the globe, Eastman is confident that we will achieve our goal to recycle more than 500 million pounds of hard-to-recycle plastic waste annually by 2030 — and that we’ll be recycling at least half of that amount annually by 2025.

FEEDSTOCKS

Eastman is securing and storing abundant feedstocks for our Kingsport methanolysis facility. We are excited to say that over 75% of the annual feedstock requirements are already being procured, are under contract or are in active negotiation.

STANDARDS

The International Organization for Standardization, commonly called ISO, is connecting the dots for a true circular economy with accepted standards and regulations for circularity. Eastman experts are among the voices at a global table that includes many companies, NGOs, nonprofits and universities.

TRANSPARENCY

Eastman is collaborating with SAP to pilot the GreenToken by SAP technology — bringing an extra layer of transparency and traceability of certified recycled content to the market. Using blockchain technology, this platform is designed to give brands and consumers traceable information of sustainable attributes of products, including their percentage of certified recycled content.

OUR GOAL

500 MILLION POUNDS
of hard-to-recycle plastic waste recycled annually by 2030

75%+
of annual feedstock is already procured for Kingsport facility

OUR PEOPLE

Meet Jason Pierce (he/him/his)
Senior Technical Leader

Jason is co-chair of the Circular and Bioeconomy Technical Stakeholder Committee within the ISCC Association and is serving as one of the U.S. experts in development of detailed ISO standards for mass balance.

“My passion for the environment and for being part of the solution from within industry inspired me to be a chemical engineer. Now, 25 years later, I’m thrilled to be helping Eastman contribute to solutions to two of the biggest problems of our time — climate change and elimination of plastic waste.”
Eastman is catalyzing improvements of the U.S. recycling system by continuing to expand capabilities to recycle more complex products and by participating in initiatives and collaborations to drive increased collection both locally and across the United States.

**NATIONAL IMPACT**

In June 2022, Eastman joined The Recycling Partnership’s PET Recycling Coalition as a Steering Team member.

The Coalition will focus on increasing capture of PET bottles, broadening acceptance of non-bottle rigid items, such as PET trays, cups, and clamshells, in community recycling collection systems, unlocking new supplies of recycled PET (rPET) for packaging manufacturers and strengthening recycling systems for pigmented and opaque PET.

Within five years, The Coalition aims to:
- Increase capture by 250M lb annually
- Achieve >60% access for PET thermoforms
- Earn a more favorable designation for pigmented/opaque PET

**COMMUNITY IMPACT**

Working with local stakeholders, Eastman and neighboring company Domtar have entered an agreement to split the cost of a feasibility study exploring curbside recycling for the East Tennessee region.

The Recycling Partnership will consult on the study which will look at all aspects of recycling, including the existing marketplace for recyclable materials, potential geographic reach, estimated volumes of residential recyclable materials generated and current destination of materials to start.

A final report will be generated to share with a local steering team comprised of Eastman, Domtar, East Tennessee State University, the Tennessee Department of Environment and Conservation (TDEC) and the First Tennessee Development District (FTDD).

The report will include feasibility study conclusions, next-step recommendations, regionally needed recycling collection program improvements, and impacts of opt-in versus automatic recycling programs.

A meeting with stakeholders will be held in early 2023 to generate a conceptual road map for building a processing facility in the region. Analysis of feasibility study, meeting outcomes and list of recommendations will indicate the scope of work for next phase of engagement to advance materials recovery facility development from concept to reality.

We will have a plan in place by early 2023.
RECYCLING FOR THE MODERN AGE

The critical connection between public policy, advanced technologies and the future of recycling

Of the 300 million tons of plastic produced each year, only 12% gets recycled. We can radically change this, but it will take a collective effort and new approach. The market for recycled plastic exists — as do new technologies to solve the plastic waste crisis.

No company or government can solve this alone. Working together, we can:

• Take an active role in solving the global plastic waste issue
• Collectively advocate for smart policies that will drive increased recycling through a combination of incentives, mandates and infrastructure investment
• Encourage partnerships with companies, nonprofits and local/state governments to enact smart, effective models for aggregating and collecting plastic waste

Learn more about how you can be an advocate for A Better Circle.

We have a vision for a fossil-free future with full circularity of materials. To turn this into reality, Eastman follows key principles.

Reduce, reuse, recycle
Solution should adhere and encourage the reduction, reusability and recycling of plastics packaging

Material circularity
Plastics should be recovered using high yield material-to-material recycling

Environmental and social impact
Lower CO₂ and other emissions impact compared to virgin production; technologies meet or exceed regulatory requirements to improve quality of life for employees and communities

Complementary to mechanical recycling
Enabling integrated waste ecosystem with complementary roles of mechanical and molecular recycling

Economic viability
Recycling option should be economically efficient to enable long-term success of the circular economy

Transparency
Claims about molecular recycling technologies are clear, transparent and accountable with third-party certifications when possible

3 THINGS U.S. POLICYMAKERS CAN DO

5 THINGS EU POLICYMAKERS CAN DO
CERTIFIED RECYCLED CONTENT

Trust and transparency are essential for the circular economy to succeed

The product of our molecular recycling technologies is recycled content, and it is certified as such by an independent agency, the International Sustainability and Carbon Certification (ISCC). The molecules we produce are blended with — and indistinguishable from — molecules created using traditional processes to create new materials.

The ISCC certification of our recycled content is based on an approach known as mass balance. The term may be unfamiliar, but the process is well established. Many industries rely on mass balance to track resources through complex manufacturing and sourcing processes. The best example of this is a power purchase agreement (PPA) for renewable electricity. While the exact electrons created cannot be traced directly, your purchase ensures that greener energy is added to and pulled from the grid in balance. In general, mass balance is an accounting system — a set of rules for how manufacturers can credibly calculate and disclose the recycled content of their products.

Mass balance will allow for a faster and broad adoption of the circular economy by enabling:

• Repurposing of manufacturing assets
• Use of a broader array of lower-value mixed waste plastics as feedstocks
• A high concentration of recycled content with no compromise in product performance — in line with consumer expectations

The alternative to mass balance is building new and separate processing lines, factories, storage and distribution systems to accommodate the use of 100% waste plastic feedstocks, resulting in tremendous environmental impacts and prohibitive costs.

Eastman’s current focus is on advancing our molecular recycling capabilities by leveraging our existing manufacturing facilities when possible and building new ones when necessary.

Eastman’s ISCC PLUS certification confirms that all materials and processes are being appropriately tracked and accounted for within an established mass balance accounting standard. It ensures the amount of certified recycled content Eastman produces for sale exactly matches the amount of waste plastic we have recycled. Ultimately, it enables brands and consumers to make informed, sustainable purchase decisions.
Defining mass balance

At Eastman, we’re revolutionizing recycling on the molecular level — repurposing waste that could otherwise end up in landfills, incinerators or oceans. In fact, our molecular recycling technologies enable waste plastic to be recycled an infinite number of times.

But unlike mechanical recycling, which essentially cleans, chops, and melts plastic into reused plastic, molecular recycling breaks down waste to the molecular level to create renewed resources. So how are those recycled materials accounted for? After all, businesses, brands, consumers and communities want to know how the decisions they make regarding recycled materials truly benefit the environment.

Enter an approach called “mass balance.”

Mass balance is an accepted and certified protocol that documents and tracks recycled content through complex manufacturing systems. It’s used when sustainable inputs like recycled plastic are mixed with traditional inputs like fossil feedstocks.

For example, at Eastman, we use both sources to make identical building blocks for materials. Because they are identical, it is impossible to trace exact molecules to end products. However, we can record how much recycled plastic has been used in manufacturing and balance it with the certified recycled content in end products.

Mass balance FAQ

What does mass balance do?
It’s an accounting system — an important one for the circular economy. Mass balance documents and tracks the certified recycled content used to manufacture products in complex systems where the recycled content cannot be physically tracked.

Why is mass balance necessary?
This system allows Eastman to allocate the recycled content to various products and ensures that the amount of recycled content allocated to the products is balanced with the amount of recycled materials fed into the manufacturing process.

How is mass balance good for the environment?
Mass balance can accelerate the adoption of molecular recycling by allowing an economical transition to plastic waste as a raw material and by directing investments to enhance plastic recycling capabilities rather than building duplicate production facilities.

Is mass balance just greenwashing?
Actually, mass balance accounting is used to prevent greenwashing. The system is an established, vetted and standardized system used by many industries. Along with third-party ISCC certification and regular audits, its tracking systems offer new levels of corporate transparency.
MATERIALS AND WASTE

 Reduce, reuse, recycle

GRI 301 & 306 | SDG 3, 6, 12
Recycled input materials used

Eastman is an industry leader in integrated manufacturing, producing a large number of products, most of which are sold as raw materials for our downstream customers.

Eastman’s integrated manufacturing streams and internal recycling of materials are critical to minimizing waste and maximizing value creation. Opportunities to purchase materials with recycled content are limited due to our vertical integration to basic commodity raw materials and currently represent a relatively small percentage of total purchases.

However, Eastman is committed to value-added recycling and has many examples of the use of recycled material, including:

- **Our 2019 launch of carbon renewal technology** used existing assets to move rapidly to commercial scale. This technology consumes post-consumer plastics as raw material feedstocks, diverting plastic waste away from landfills and turning it into new, high-quality consumer products. Carbon renewal technology can process plastics with Resin Identification Codes 1, 2, 4, 5, 6 and 7 that mechanical recycling cannot handle.

- In 2020, Eastman began to purchase pilot quantities of feedstocks for its polyester recycling technology facility that is currently under construction. Our unique platform of solutions can significantly reduce plastic waste and support the evolution of the circular economy, delivering value to our stakeholders and the global community.

- **Recycled Saflex** — Eastman assets associated with Saflex production recycle waste Saflex sheets in the U.S. and European regions through a toll agreement with Soca.

- **Recycled acid** — Eastman purchases recycled acid for use as an internal feedstock or for resale as a feedstock to other manufacturers.

- **Catalyst recycling program** — When possible, Eastman replaces spent catalysts with fresh catalysts, both of which contain varying amounts of precious metals. As the spent catalyst becomes available, the material is sent to catalyst refiners who extract the precious metals from the spent material for reuse in the production of fresh catalysts. This recycling program helps reduce the amount of precious metals mined to satisfy global demand.

- Other purchased materials made with recycled materials include drums (steel, plastic and fiber), bulk boxes, plastic liners, and plastic and steel pails. In addition to purchasing materials with recycled content, our special materials team oversees the sale of Eastman’s used materials streams to manufacturers who recover and convert these materials into useful products.

“Every day you see the results of climate change in the news. We as citizens want to do our part by reducing waste and that’s what we’re doing through our collaboration with Eastman. And in the case of Eastman, not only are they walking the walk, they’re putting significant investment into solutions that keep millions of pounds of carpet out of landfills. Working with Eastman has been inspiring.”

David Bender, CEO, Circular Polymers
Corporate waste

Waste minimization is a core part of Eastman’s sustainability journey and long-term planning. There are four main focus areas: developing infrastructure for waste, alignment with Eastman’s circular economy position, promoting innovative recycling methods and education and engagement of various stakeholders with a focus on waste minimization.

DEVELOPING AN INFRASTRUCTURE FOR WASTE

Our waste prevention, control and reduction efforts are being designed to reduce or eliminate waste whenever possible. We understand that the most effective method to eliminate waste is at source reduction. When waste reduction elimination is not possible, Eastman will look to reduce potential adverse environmental impacts by treating waste.

To generate an accurate baseline of corporate waste, Eastman has conducted a waste characterization study in 2022, using this data to set measurable waste metrics that will be reported against in the future.

MAINSTREAMING A CIRCULAR ECONOMY

Alignment with Eastman’s circular economy initiatives will allow for new, innovative solutions to reduce Eastman’s corporate waste footprints. Internal and external (post-consumer) waste streams will be prioritized as they relate to our material-to-material recycling plant. These internal and external feedstocks are providing Eastman the opportunity to take hard-to-recycle waste and sort, process and produce materials with recycled content.

RECYCLING INITIATIVES

Recycling programs for cardboard, metal, paper products and plastics are in process at various levels within the organization. Other recycling initiatives are focused on universal waste (including mercury containing equipment, lamps, batteries), oils, pallets and catalyst recovery.

EDUCATION AND ENGAGEMENT

Training opportunities are being assessed on an ongoing basis in accordance with our feasibility study and waste metric development and implementation strategy.
A slam-dunk solution for recycling

Eastman and the University of Tennessee are natural partners, with the Knoxville, Tennessee, campus a 90-minute drive from Eastman’s world headquarters. For 30 years, we have worked on reducing waste through a recycling program called Good Sports Always Give Back.

In 2021, Eastman decided to up our game, showing the world what is possible with next-generation recycling.

Over the course of two UT football games at Neyland Stadium, more than 200,000 football fans gave back 12,000 pounds of used PET bottles. Eastman took this plastic waste back to its molecular recycling facilities and, in return, gifted fans over 8,000 reusable CamelBak® bottles sporting the “power T.”

Recycling is a team effort — and the Kingsport, Tennessee, Eastman team answered the call to volunteer their time to spread the word about how molecular recycling can keep bottles out of landfill. During the festival, more than 150 Eastman volunteers showed up and helped collect more than 17,500 plastic bottles that were otherwise destined for landfill.
Caring for society

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

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

BUSINESS RISK/OPPORTUNITY
Eastman strives to ensure we manufacture products that are safe for our employees to handle and our customers to use. As the world has faced a global pandemic and vast geopolitical unrest, we have witnessed implications across the business landscape. With global populations projected to reach 10 billion people by 2030, Eastman remains dedicated to the care of our people and society. We will continue to create an inclusive environment built on a diverse set of backgrounds, driving positive systemic changes inside and outside of our walls. These perspectives are imperative to accelerate innovative solutions that address society’s most pressing needs.

METRICS AND PROGRESS
Eastman is taking a comprehensive approach in how we impact our people and society. We are focused on the health, safety and inclusion of our employees while adding diverse talent across the company. We will continue to better understand the drivers of our collective safety processes as well as internal talent movement.
BUILDING AN INCLUSIVE CULTURE AT EASTMAN

Broadening our circle
Our strategic pillars

While Eastman is a materials innovator, our purpose is to enhance the quality of life in a material way. We pursue that goal intentionally with accountability and the use of outcome-based metrics. To that end, our inclusion and diversity (I&D) strategy is centered on four strategic pillars, each with target objectives designed to build an inclusive, diverse, high-performing organization.

In 2021, we carried out a range of initiatives to advance these pillars detailed in our 2022 Inclusion and Diversity Annual Report.

Mitigate Unconscious Bias
We strive to build inclusive leadership behaviors at all levels, so every team member can bring their full, authentic self to work and contribute fully. To do so, we use experiential workshops, educational resources and scorecards that equip leaders and their teams to recognize and mitigate the impact of unconscious biases. These initiatives provide a strong foundation for increasing engagement, driving results and promoting innovation.

Nearly 300 leaders participated in 2021, and an impact survey shows the vast majority took subsequent actions to address inequities, including sourcing and hiring more diverse talent and having candid conversations about inclusion and diversity with their teams.

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

In 2021, global ERG membership increased 55% and Eastman added APEX as our newest ERG — promoting inclusion, representation and empowerment of Asian and Pacific Islander team members and allies.

Build Inclusive Teams
Innovative recruiting and hiring practices help us source and attract a broader pool of talent, opening pathways for the people we need. To that end, we have strengthened our sourcing strategies, selection processes and benefit programs to attract diverse talent, bring underrepresented groups to above industry levels and meet the needs of a diverse world.

These efforts include expanding our work with external partners, educating hiring managers on unintended barriers and inviting candidates before they join the company to build relationships with members of Eastman Resource Groups.

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

For example, Eastman introduced a new program, LEAD, in 2021. This program is a comprehensive 16-month developmental journey for Black talent designed to build skills needed for advanced levels of leadership and consists of multiple developmental experiences that foster foundational leadership skills while expanding participants’ networks of mentors and sponsors.
BUILDING AN INCLUSIVE CULTURE

Globally united

We are building an inclusive culture that has the power to ignite people’s passions and creativity. At Eastman, we are using that power to show the world what’s possible.

In just the past two years, we have collectively witnessed a global pandemic, social unrest, labor shortages, supply chain disruptions, rising inflation and an invasion in Europe — among other steep challenges. In the process, many people have reset their priorities, raising the stakes for employers.

Companies competing for premier talent must demonstrate exceptional values and a sincere commitment to helping their people succeed. Otherwise, talented individuals may leave, as many have done in what’s been dubbed the Great Resignation.

Our future depends on our ability to create an inclusive environment. To do so, we are investing in our Eastman Resource Groups (ERGs), learning opportunities, and systems and processes that promote allyship and encourage full engagement. Our goal is to ensure everyone who works at Eastman feels valued for what they bring to the business and fully accepted for whom they are.

For example, we have formed ten I&D councils throughout the company, each headed by a business leader. The councils determine and track I&D metrics and develop organization-specific action plans to deepen belonging and engagement and remove barriers that create inequities, creating high-performing, inclusive teams.

We’re also backing up our commitment to these business imperatives financially and with leadership accountability. In 2021, we announced new supplemental metrics to our performance share award program that could increase or decrease payouts for senior leaders based on achievement of newly added metrics around climate impact, circularity, and diversity and gender representation.

OUR PEOPLE

Meet Subhashini Vashisth (she/her/hers)
Group Leader, Corporate Innovation and Catalysts Global Chair

Responsible for growing revenue and earnings through innovation in technology platforms, Subhashini served as the Global Chair of Catalysts, Eastman’s ERG focused on the advancement of women. Her expertise allowed her to represent Eastman at industry events, speaking before hundreds of people, gaining exposure and helping her consider things in new ways.

“The color of your skin, your gender, your sexual orientation or any other personal characteristic doesn’t dictate who you are and what you are capable of. Inclusion and diversity is about celebrating our differences and approaching each other with love, empathy and respect.”
BUILDING AN INCLUSIVE CULTURE

Committed to our future

To keep solving complex problems and growing our business, we must continue to attract and retain exceptional people and motivate them to excel. Having an inclusive culture that brings out the best in every individual is the starting point for making that happen.

BY 2030, WE COMMIT TO:

• Twice the number of women in leadership roles to achieve gender parity
• Double-digit growth in racially and ethnically diverse talent at all levels
• No differences in promotion or turnover rates across key demographics
• Continue to ensure pay equity (audited by a third-party) and no differences in inclusion scores across key demographics
• Ensuring LGBTQ+ team members are visible, fully accepted and empowered to be authentic in all aspects of employment

Leaders at all levels are held accountable for creating an inclusive culture at Eastman, and this accountability is reflected in our measurement and reward systems.

2021 ACTUAL PROGRESS

Gender Parity: Professional

<table>
<thead>
<tr>
<th>Goal</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020 Target: 50%</td>
<td>2021 Actual: 38%</td>
</tr>
</tbody>
</table>

2021 Hiring

<table>
<thead>
<tr>
<th>Racially/ethnically diverse</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020 Hiring: 18%</td>
<td>2021 Hiring: 42%</td>
</tr>
</tbody>
</table>

Racial/ethnic diversity by organizational level

<table>
<thead>
<tr>
<th>Goal</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020: 14%</td>
<td>2021: 13%</td>
</tr>
</tbody>
</table>

Double-digit growth in racially and ethnically diverse talent at all levels to increase representation to above industry levels by 2030

REPRESENTATION MATTERS

In 2022, we are focused on building a more racially and ethnically diverse talent pool by increasing investments in diversity sourcing, requiring diverse candidate slates, and strengthening partnerships with universities, racially/ethnicly diverse campus organizations and Future of STEM Scholars Initiative (FOSSI).

Through a root-cause analysis, we are working to better understand the drivers of internal talent movement and turnover. We want to ensure the talented people we bring in are retained and growing throughout their careers.

We have made gains in our gender representation across the organization over the past year. One area of focus has been increasing the number of women who make the transition from individual contributor to manager, and we’ve had the most progress in this area with 38% in our professional level roles and 27% in our manager and above. We also are seeing strong progression at the most senior levels of the organization. We will continue to emphasize diverse candidate slates for internal and external roles and invest in professional development and career growth for women.

Our recruitment focus is yielding progress, as our diversity representation in hiring exceeds our current population demographics for both race/ethnicity and gender. While we have more work to do, diversifying our external pipeline will help us continue to advance diversity at all levels of the company.
As we continue to see horrific acts of hate such as the killing of 10 Black people in Buffalo in May 2022, legislation action against gender-affirming health care for youth and hate crimes against Asian Americans and others, Eastman and the Eastman Foundation have responded.

In 2021, we formed a social issues working team to proactively review social justice issues that may impact our Eastman team members. Using a principles-based approach and acting in alignment with our mission and values, the team makes recommendations on the role of the corporation as it relates to speaking out and taking a public stance on social justice issues.

Within our operations, we are guided by our Code of Ethics and the principles behind our zero-incident mindset. We continue to create an environment that fosters a sense of belonging, acceptance and personal and psychological safety. Our Eastman Resource Groups (ERGs) continue to help make underrepresented voices heard, and our training and development programs focus on cultivation of breakthrough leaders to drive positive systemic change.
### Eastman Resource Groups

Eastman Resource Groups (ERGs) are uniquely positioned to bring our inclusion and diversity strategy to life through their insights and access to key populations. Chaired by a team member and sponsored by a senior executive, each ERG is dedicated to helping its members bridge cultural gaps, grow professionally and maximize business contributions. Any Eastman team member is encouraged to join or participate in any or multiple ERGs as a member of the target community, an ally or just to learn more.

All of our ERGs sponsor leadership opportunities, community events, mentorship programs and other initiatives that support I&D objectives.

**In 2021, our global ERG membership increased by 55% with members located in 19 countries.**

<table>
<thead>
<tr>
<th>APEX</th>
<th>Accelerates Eastman’s growth by promoting inclusion, representation and empowerment of Asian and Pacific Islander team members and allies</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONNECT</td>
<td>Promotes the inclusion, development and advancement of African American and Black team members throughout the company</td>
</tr>
<tr>
<td>CATALYSTS</td>
<td>Acts as a catalyst for advancing career and leadership opportunities for women and ensuring they receive recognition for their contributions</td>
</tr>
<tr>
<td>EVETS</td>
<td>Supports an environment where military veterans and active reservists are fully engaged and their unique skills are integrated and valued</td>
</tr>
<tr>
<td>EQUALITY</td>
<td>Ensures LGBTQ+ team members and their allies are visible, fully accepted and empowered to be authentic in all aspects of employment</td>
</tr>
<tr>
<td>MOSAIC</td>
<td>Leverages the unique backgrounds, skill sets, and talents of Latinos and Hispanics to drive innovation and business growth</td>
</tr>
</tbody>
</table>

**APEX makes its mark**

The Asia Pacific region is among the most culturally diverse areas of the world, representing over 60 countries and territories where more than 3,200 languages are spoken. This region also represents a large and growing share of Eastman’s business due to its rapidly expanding consumer markets and deep reservoir of talent situated around the world.

To help this key population reach its full potential, in 2021 we launched APEX, an Eastman Resource Group dedicated to promoting the inclusion, representation and empowerment of our API team members and their allies.

With a membership base now representing 26 cities in 15 countries and outreach efforts designed to push these numbers higher, APEX has moved quickly to build its presence. And it’s just getting started.
EASTMAN RESOURCE GROUPS

2021 ERG accomplishments

• Hosted heritage month celebrations, veteran’s initiatives, allyship programs, recruiting events, career development discussions and several video series

• Increased access to ERG communities worldwide through a new digital platform (MyImpact) that supports events, partnership opportunities and education on inclusion and diversity topics

• Promoted awareness and understanding of inclusion and diversity issues in communities where team members live and work

• Partnered with the Eastman Foundation to support food banks, book drives, preschool access and other community initiatives

• Coordinated across ERGs on educational activities and cross-promotion of events (such as Women Veterans Day)

• Supported COVID-19 vaccination events in partnership with local organizations to build trust in the vaccine processes with various communities

“Supporting I&D means encouraging and valuing everyone’s contributions, no matter who they are or what they do for the organization. When we give each team member the chance to succeed and make every idea count, we are unstoppable.”

Arzu Aktas, (she/her/hers)
Project Manager, Finance and Chair of Catalysts EMEA Chapter

55%
increase in global ERG membership

19
ERGs have members located in 19 countries
When it comes to beauty, we all have one thing in common: We’re all different.

That’s why personal care brands must formulate their products with inclusion and diversity in mind. It cannot be limited to one group, one physical characteristic, one ethnicity or one preference.

Working closely with customers, Eastman’s care team developed a portfolio of specialty ingredients that empowers formulators to create products that meet growing consumer expectations for beauty, sustainability, comfort and expression.

The beauty market can inspire confidence in all people.

New formulations are unlocking the potential for inclusive products. For example, there is a need for personal care applications, like foundations, that are tailored to varying skin tones. Hair products can be made to meet the needs of people with various beliefs, lifestyles and backgrounds. And gender-neutral mascara and nail polish can enhance personal expression with expanded color palettes.

Each of us has a specific formula that make us unique, and Eastman is committed to helping the personal care industry formulate for every definition of human beauty.
A zero-incidence mindset
Committed to safety

Eastman has a comprehensive occupational health and safety management program led by the company’s global health, safety, and environmental (HSE) organization.

The program aligns to Responsible Care® standards and includes a corporate safety policy that covers all employees and contractors at all Eastman facilities. It is governed by the company’s chief legal officer who has oversight for global HSE and reports quarterly to the Board of Directors Environmental Safety and Sustainability (ESS) committee.

OVERVIEW OF SAFETY POLICY AND PROGRAMS

Eastman’s administrative policy for employee health and safety and supporting operating procedures and risk management programs outline our processes to identify, evaluate and mitigate potential health and safety risks and process hazards in planned or existing facilities. We use industry-standard reporting mechanisms for employees to report incidents and near misses. We have policies and processes in place for preventive maintenance, housekeeping, completing incident investigations and implementing corrective actions. The policy also includes:

• Management expectations and accountability
• Opportunities for employees to participate in development, implementation, and review of health and safety programs, including emergency plans/programs, nonprivileged incident investigations, safety committees, training, inspections, personal protective equipment (PPE) hazard assessments and behavior-based safety programs, among others.
• Employee health assessments, exposure assessments and medical surveillance programs
• Safety data monitoring to continuously evaluate health and safety performance, analyze and report, determine trends, and identify areas for improvement.
• Investigation of incidents/injuries in a timely manner
• Health and safety training, including documentation and evaluation. All employees must receive training on appropriate safety expectations, notably the corporate safety policy and site/organization-specific safety policies and procedures. Ongoing refresher training is implemented at intervals deemed appropriate based on roles/responsibilities as well as applicable laws, regulations and site management.

OUR PEOPLE

Meet Kellye Walker
(she/her/hers)
Executive Vice President and Chief Legal Officer

“Each employee has a role to play to keep ourselves and those around us safe, and we must all have some level of accountability to ensure we are doing our part. This is certainly the most important accountability for our leaders. We want EVERY team member, contractor or site visitor to go home safely EVERY day. That is foundational to our zero-incident mindset approach to safety.”

A mindset is personal. When we collectively bring our mindsets together to create a culture founded on doing things the right way — every time — that can be powerful. It’s about approaching every decision and every task with the mindset that we’re going to proceed without incident.
ZERO-INCIDENT MINDSET

Employee safety

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

• Operate with a zero-incident mindset and always take time to do the job safely, which includes stopping any process or work an employee deems unsafe.

• Follow all procedures and training that have been established, including area and site-specific procedures and safety rules, Eastman process safety ground rules, and Eastman life-critical processes.

• Raise concerns if current procedures are not adequately written to ensure the highest safety standards.

• Drive toward a team-level zero-incident mindset by having a positive and proactive attitude to workplace safety, actively identifying and eliminating hazards, and suggesting improvements.

• Watch out for the safety of co-workers, contractors and visitors.

• Accept the responsibility to know and always use appropriate PPE.

• Report all job-related injuries or illnesses and near-miss incidents in a timely manner.

• There are opportunities for employees to participate in development, implementation and review of Eastman’s health and safety programs.
Contractor safety

Eastman’s safety policy also addresses contractor safety. Company safety and health expectations are communicated to contractor employees and include Eastman site-specific safety rules, hazard information and the emergency response procedures for the site.

Contractor safety programs and safety performance are included as elements of the selection process. Each site has a preselection process or criteria in place to ensure that potential contractors meet Eastman safety requirements. Contractors are also required to maintain health and safety training programs, including documentation of the programs and methods to evaluate the effectiveness of these training activities.

At least annually, Eastman site management reviews contractor safety performance, including injury and illness incidence rates. Contractor health and safety assessments are conducted and documented, and follow-up actions take place to assure implementation of corrective action.
**ZERO-INCIDENT MINDSET**

**Safety is our goal**

In 2021, we unfortunately experienced an increased number of personal safety incidents and injuries compared to our annual target and our overarching goal for zero serious injuries and fatalities. We did reduce the number of Tier 1 process safety events in 2021 to meet our target of 17; however, we recognize that isn't enough. To achieve top quartile performance as measured against American Chemistry Council (ACC) and American Fuel & Petrochemical Manufacturers (AFPM) companies, we must do something differently.

Following a thorough review of incident and injury data, we’ve identified the top root causes, the potential hazards and risks related to each injury, potential gaps in procedures and training at all employee levels.

**STEPS WE ARE TAKING TO MAKE A CULTURE SHIFT AND IMPROVE SAFETY PERFORMANCE**

We have established an enhanced executive process safety governance committee responsible for corporate risk reduction. The committee takes responsibility and accountability to identify the greatest risks, ensure we have the appropriate and acceptable risk-reduction plans in place to address them, and immediately address any risks related to safety.

We initiated mandatory safety stand-downs across the company to reinforce the need to improve our hazard awareness and to emphasize the need to commit to operational excellence and procedure discipline in all we do, especially relative to our life-critical processes.

**IN 2022, WE ARE ACCELERATING OUR INVESTMENT AND FOCUS IN THE FOLLOWING AREAS:**

- Recommitting to personal accountability for all Eastman employees to our basic safety expectations
- Increasing leadership training for our first- and second-line leaders
- Improving procedures, onboarding of new employees and training
- Changing work responsibilities to keep our first- and second-line manufacturing leaders in the operating areas
- Improving our procedure-based culture through training on our essential operating and maintenance disciplines
- Committing more capital resources to fund additional high-value safety projects each quarter

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**SAFETY METRICS**

<table>
<thead>
<tr>
<th>SAFETY MEASUREMENT</th>
<th>2019 data</th>
<th>2020 data</th>
<th>2021 data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global injury and illness rates (OSHA recordable equivalent to total recordable incident rate) (Annual incidents per 100 employees (200,000 work hours) involving treatment beyond first aid in relation to annual work hours)</td>
<td>0.85</td>
<td>0.81</td>
<td>0.75</td>
</tr>
<tr>
<td>Contractor injury and illness rates (OSHA recordable equivalent to total recordable incident rate)</td>
<td>0.22</td>
<td>0.44</td>
<td>0.40</td>
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<tr>
<td>Global fatalities</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contractor fatalities</td>
<td>0</td>
<td>1</td>
<td>0</td>
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<tr>
<td>Global process safety events 1 (Tier 1 following API RP 754)</td>
<td>24</td>
<td>23</td>
<td>17</td>
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<tr>
<td>Process safety event rate (Tier 1 following API RP 754)</td>
<td>0.14</td>
<td>0.16</td>
<td>0.12</td>
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</tbody>
</table>

1 Definition: Serious Injury or Fatality (SIF) is defined as a work-related incident that results in a life-altering injury, illness or death.
2 Eastman applies American Chemistry Council’s reporting criteria for process safety incidents globally.
3 Definition: Count of Tier 1 process safety events per 200,000 work hours (employees and contractors)
Product safety

At Eastman, we believe it is our responsibility to develop new products and applications to address disruptive macro trends at the molecular level, making a difference in everyday lives and enhancing the quality of life around the world. Eastman strives to ensure we manufacture products that are safe for our employees to handle and for our customers to use.

GLOBAL PRODUCT STEWARDSHIP AND REGULATORY AFFAIRS (PSRA)

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

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

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

Eastman Entero-Nova™ — helping maintain good animal health and performance

• The solutions within the Eastman Entero-Nova range contain monoglycerides that improve animal resilience. By applying these solutions, the administration of antibiotics can be reduced and therapeutic use of zinc oxide is no longer necessary, while the animals remain healthy.

• Thanks to a healthy microbial balance and reduced inflammation, animals fed with Entero-Nova solutions perform better. This leads to a better utilization of feed and raw materials, reducing waste and excretion in the environment.

Eastman Keitex™ — controlling bacteria in feed and feed materials

• Eastman Keitex solutions prevent or reduce post-contamination growth of Salmonella and other pathogenic bacteria. This protects and maintains the nutritional quality of the feed, avoiding spoilage and subsequent waste.

• Maintaining high levels of hygiene in feeds, such as vegetable and animal proteins and food industry by-products, requires a relentless effort to minimize the risk of pathogen transmission to finished products. Protecting these materials along the entire production line and supply chain — without sacrificing nutrition and palatability — is crucial to the overall well-being of animals, workers and consumers. Eastman Keitex delivers long-lasting, effective protection against harmful pathogens — including Salmonella, E. coli and other Enterobacteriaceae — and can help support overall animal performance and animal health while also helping improve food chain safety.
EASTMAN TESTRASHIELD™ PROTECTIVE RESIN SYSTEMS

Making our food safer

The world gets food and drinks in hundreds of billions of cans. What’s inside those cans counts — and not just the food.

Most of those metal cans have an interior coating to prevent chemical reactions between the metal and food or beverages. Historically, epoxy-based coatings have been the dominant solution, but these coatings contain bisphenol A, commonly known as BPA, which is widely recognized as an endocrine disruptor.

Using the same molecule (TMCD) that led to the development of Eastman Tritan™ copolyester, our company developed a coating for cans. Tetrashield™ protective resin systems are durable, protect our food and protect our health — since it does not contain BPA. Tetrashield for can coatings was first adopted for food packaging use in Europe and has since grown to markets in North America, Latin America and Asia Pacific.

Lin Feng is an Eastman scientist who leads a research and development team in Kingsport, Tennessee, that continues to build new branches of Tetrashield products that expand the applications of this safer alternative for our food and beverage cans. Even during the pandemic, she said, her team collaborated with others at Eastman to push new generations of Tetrashield products into the market. “I have a family, and I’m like anyone else — it means everything to me to keep them fed, to keep them safe. That makes our advancements with Tetrashield all the more inspiring to know our work is making a difference in my own home and homes around the globe.”

"Eastman is a people-first company, and we have the opportunity to improve people’s lives around the world through our sustainable materials innovation. Ensuring product safety is core to how we make a direct, positive impact on society."

Chris Killian, (he/him/his)
Chief Technology Officer
RESPONSE TO COVID-19 | MENTAL HEALTH
GLOBAL WELLNESS INITIATIVES

Health and wellness
FOCUS ON OUR PEOPLE

We value the holistic well-being of all team members

Eastman’s response to COVID-19 has been proactive. We provide regular communications, rigorous protocols and allow team members, where possible, to work from home during heights of the pandemic to reduce spread within our sites.

Recognizing that the future is changing and Eastman needs to adapt to attract and retain talent, we developed “future of work” principles and guidelines to support when, where and how work is done. This design recognizes our values centered around people and outcome-driven teams to fuel our innovation-driven growth strategy.

We continue to focus on the holistic — physical, financial and emotional — well-being of our employees. We continue to offer virtual fitness classes so team members can work out whenever and wherever they want.

We’ve put an even greater focus on psychological safety and emotional well-being with one of our goals being to remove the negative stigma around seeking help. We’ve encouraged use of our Employee Assistance Program (EAP) and have seen the usage more than double since 2019. We rolled out the Total Brain program to our North America team members as a preventive emotional support tool and have seen a 116% increase in active users since launch. We’ve launched a psychological safety concept guide and tools for leaders and plan to introduce more around this subject for our team members.

Over the last few years, we’ve continued to see the impacts of a global pandemic, greater social unrest, and increasing scrutiny on the environmental impacts of companies and their products. These issues have given rise to widespread awareness and calls to action to confront systemic structures enabling persistent inequality in our world. We continue to foster inclusive communities that provide equally safe and healthy environments that are free of discrimination and support sustainable human rights. A critical aspect of this work is environmental justice (EJ). Eastman has begun using the EJ tools being developed by the U.S. government and the Environmental Protection Agency (EPA) to better understand the issue as it relates to our site communities.
Social Impact

Healthy, vibrant, inclusive communities
Our mission is inspired by a world where people and nature are thriving together and built with the power of healthy, vibrant and inclusive communities.

To us, a sustainable community is a place with adequate health services, safe and healthy housing and workplaces, and high-quality education for everyone. It’s a place safe from crime and aggression. It has a community spirit that creates a sense of belonging and self-worth through protected and enhanced public spaces and stimulation of creative expression through the arts. It’s adaptable to changing circumstances. It is resilient.

Eastman strives to learn about the communities where we operate to better understand their environmental, educational, economic and social challenges. Our learnings, along with active engagement conducted through our community advisory panels, help Eastman determine how best to leverage its resources – both human and financial – to affect greater good in the communities.

We bring our mission to life by focusing on a world where people and nature are thriving together. A world that is built with the power of healthy, vibrant and inclusive communities. We do that by focusing our efforts in key areas: economic success, social well-being and environmental integrity.

Our mission at work:

• In 2022, we launched our Tennessee Operations Work-Based Learning (WBL) program, which partners with secondary schools to provide paid manufacturing job experiences to high school juniors and seniors over the age of 16. WBL offers real, competency-based hands-on learning to students while developing a strong pipeline of local, talented team members who will contribute to the success of Eastman and our community in the future. Enrollment in the Tennessee Operations program will double in 2023 and expand to other manufacturing locations.

• In 2021, we committed to revisit our approach to corporate social responsibility (CSR). As part of our new strategy and Eastman’s digital transformation, we began a phased implementation of a new CSR platform we call MyImpact. MyImpact is being leveraged to drive employee engagement, volunteerism and more comprehensive data collection for community involvement. During its soft launch, we captured over 350 volunteer hours for our first two volunteer events. In 2022, nearly $120,000 was donated to relief efforts in Ukraine through our first global employee donation match using MyImpact, with the Eastman Foundation matching $100,000. We look forward to promoting more opportunities for employees to volunteer and give in 2022 and beyond.
Asbury House

The Asbury House Child Enrichment Center in Longview offers preschool to low-income families. Like other nonprofit organizations, it was adversely affected by the COVID-19 pandemic.

Two of Eastman’s Employee Resource Groups (ERGs), Connect and Mosaic, saw an opportunity to get involved and make a positive impact. The groups helped Asbury house receive $58,000 in funding from the Eastman Foundation to purchase new flooring and kitchen appliances, improve safety and sanitation, and implement new curriculum.

“This has truly been a dream come true for Asbury house, and it is going to better the lives of the families and the kids we serve in more ways than we can count.”
Mattie Colan, Asbury House Executive Director

Now, members of both ERGs volunteer in the Leaders are Readers program at Asbury House. This program is one of the cornerstones of Asbury’s efforts to create a culture of professional community support where the teachers can focus on the educational needs of the children and provide a safe haven while parents/guardians work to rebuild their lives in becoming positive, productive citizens of the community.

GLOBAL INITIATIVE—UKRAINE RELIEF EFFORTS

In 2021, Eastman began a phased implementation of MyImpact platform as part of Eastman’s digital transformation strategy. Through our first global employee donation match on the platform, approximately $220,000 was donated to relief efforts in Ukraine in 2022.

“The pandemic created significant hardships within our community. I am proud that our employees remained very active in our community throughout the pandemic and found an opportunity for Eastman to help. Many families in our community depend on our schools and programs to provide a safe place for their children to develop. The Asbury House fills a unique need for early childhood students to receive an excellent educational start where family circumstances might otherwise prevent such an opportunity. I appreciate the positive impact Asbury House continues to have on the families in our local community.”
Andrew Coggins, (he/him/his) Vice President and Site Leader at Eastman’s Texas Operations in Longview
Eastman became part of the Indian Orchard community near Springfield, Mass., in 2012 when the company acquired Solutia, Inc. Over the last 10 years, Eastman’s public and government affairs teams have partnered with site leadership to develop a long-term engagement strategy. By establishing a Community Advisory Panel (CAP) and looking for strategic opportunities to collaborate across industries, government, education and nonprofit organizations, we continue to make Springfield and the Indian Orchard community a great place to live and work.

The site makes Saflex interlayers, a leading product for window interlayers in the automotive and architectural markets.

“**We often talk about our purpose as a company to enhance the quality of life in a material way, and we’ve been fortunate to have great opportunities to bring that purpose to life in tangible ways in our community over the last 10 years.”**

Shawn Pace, Site Manager

**COMMUNITY FEATURE | INDIAN ORCHARD, SPRINGFIELD, MASS.**

**Our purpose in action**

**FOSTERING PANDEMIC RELIEF EFFORTS**
- The Eastman Foundation awarded $150,000 over the course of 2020 and 2021 in local grants to assist families and help small businesses keep their doors open.
- Eastman team members volunteered at the YMCA of Greater Springfield’s Camp Weber to prepare the camp for its reopening following closure during the pandemic.

**COLLABORATING FOR STUDENT SUCCESS**
- Eastman manufactured and distributed 1,500 lap desks, made from Eastman Spectar™ copolyester, to Springfield Public Schools students following the shift to remote learning in 2020–2021.
- Eastman teamed up with Springfield High School of Science and Technology to promote a deeper understanding of African American contributions to science, technology, arts and mathematics by hosting the company’s first Black History Month Oratorical Contest in the community, awarding $3,250 to the winning students.

**ENABLING COMMUNITIES TO THRIVE**
- Eastman partnered to provide accessible low-carbon transportation to the local community through a ValleyBike station. The new station helps facilitate access to health care, grocery stores, etc., and provides a first/last-mile connection to additional public transit options.

**INVESTING IN SUSTAINABLE GROWTH**
- Eastman made a $25 million investment to upgrade and expand its extrusion capabilities for production of interlayers product lines at the site in 2021. The investment will strengthen Eastman’s supply capability to respond to global demand for Saflex polyvinyl butyral (PVB) products that provide a variety of sustainable solutions for the specialty architecture and automotive markets.
In 2021, Annick Bouckaert, Eastman’s Employee Professional Development Community (EPDC) ambassador for our Ghent community, was eager to see her colleagues after a long European lock-down during the COVID-19 pandemic. As she began planning an event to bring colleagues together, she sought a purpose-driven activity that centered on cleaning up the community while having fun. That’s when she found DOKano.

DOKano is focused on “dirty fishing” — or cleaning up the harbor in historic Ghent and preventing trash from reaching the ocean. DOKano first educates canoers on the types of trash harming waterways and its impact on climate change. Next, they arm volunteers with gloves, grabbers and the traditional “blue bags” for rubbish recycling. Then they dive into water safety, how to sort and recycle and send you on your way to see who gets the “catch of the day” — or the most unique piece of trash. When you are safely back ashore, your catch is weighed and sorted, followed by a collaborative brainstorm on how to prevent such trash from entering the waterways in the first place.

What started as a way of reconnecting with colleagues turned into an activity of shared purpose and inspiration. Eastman team members were eager to share their own knowledge on plastics recycling with the DOKano organization. And DOKano was eager to take these new learnings and share them back out with their community.

In 2022, another event was planned, this time including the DOKano organization, community members and even local schools to promote DOKano’s Clean Water Project. Starting with a learning session and ending with a fireside BBQ, the Ghent community came together to learn and share — creating a lasting relationship that will continue on.
SUSTAINABLE FASHION DESIGN CHALLENGE, ASIA PACIFIC

RISE UP! with Eastman Naia™

The “RISE UP Sustainable Fashion Design Challenge” was initiated by the sustainable fashion innovation platform, RISE Sustainable Fashion Lab, and co-sponsored by LABELHOOD’s youth student fashion incubation platform YOUTOPIA, aiming to inspire designers to rebuild the entire life cycle of clothing in the design process.

Focusing on the selection of sustainable materials and design methods from the beginning of the design, the goal is to innovate sustainable fashion products and business models to cope with the impact the fashion industry has on the global climate.

Based on stated criteria of sustainability — business potential, innovation, design aesthetics and a designer’s personal potential — the jury selected five winning designers. The five winning designers then brought their sustainable collections to the LABELHOOD SS2022 runway during the Shanghai Fashion Week in October of 2021.

These cutting-edge Chinese designers demonstrated how they are thinking about climate change by innovatively adopting fabrics made with Eastman Naia™ Renew cellulose fiber and using sustainable design methods that reduce waste.

Eastman Naia™ was excited to partner with the Eastman Foundation to award the winner, Jinjing Lin, with a prize of RMB 150,000 to help advance her commercial development within the sustainable fashion industry.

OUR PEOPLE

Meet Karen Yang (she/her/hers)
Asia Pacific, Marketing Communications Manager

“I am so excited to work with a business that actively engages with industry partners and organizations to help promote systematic changes in people’s perception and use of sustainable fibers. The sponsorship of RISE UP Sustainable Fashion Design Challenge supports Naia™ sustainability goals to make sustainable fashion accessible to all. It was inspiring for me to see the amazing designs created by young Asian designers — showing that sustainability does not mean compromise in style or comfort.”
2021 goals final report

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

Together, we can create A Better Circle.

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<tr>
<th>Goal</th>
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<tr>
<td><strong>MITIGATING CLIMATE CHANGE</strong></td>
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<tr>
<td>Reduce our absolute Scope 1 and 2 greenhouse gas emissions by one-third by 2030 to achieve carbon neutrality by 2050</td>
<td>We have reduced our absolute Scope 1 and 2 greenhouse gas emissions by 13.8%, measuring from our 2017 baseline. We have also received review level assurance from PricewaterhouseCoopers LLP (PwC) in accordance with attestation standards established by the American Institute of Public Accountants (AICPA) over our scope 1 and scope 2 greenhouse gas emissions for the year ended December 31, 2021.</td>
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<tr>
<td>100% of NAR and EU purchased electricity will be renewable by 2030</td>
<td>We have achieved 10% of our renewable energy goal and expect additional progress later this year through the procurement of renewable energy for additional large U.S. manufacturing sites by end of 2022.</td>
</tr>
<tr>
<td>Eastman is committed to comprehensively understanding our downstream Scope 3 footprint and developing a strategy that begins to address it</td>
<td>Eastman is at the beginning of our Scope 3 journey, and we acknowledge that there is much more work to do. Eastman has instituted a cross-functional steering team focused on the quantification and reduction of Scope 3 emissions. Looking upstream, Eastman is actively participating in a Together for Sustainability (TfS) workstream focused on developing and launching a standard guideline for consistent product carbon footprints across chemical supply chains. To understand the implications of our downstream impact, we have engaged with an external consultant. While, reducing emissions that are directly in our control is the priority, we are collaboratively working with key customers, actively looking for opportunities to reduce product footprints. In addition, we are focused on scaling the efficiency of our downstream transportation and logistics. We will continue to expand the capabilities of conducting life cycle assessments (LCA), analyzing the potential cradle-to-gate environmental impacts of our products and their implied impact along the value chain.</td>
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## MAINSTREAMING CIRCULARITY

Innovate to provide products that enable energy savings and greenhouse gas reduction down our value chains and at the consumer level.

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<tr>
<td>Innovate to provide products that enable energy savings and greenhouse gas reduction down our value chains and at the consumer level</td>
<td>Eastman is accelerating the sustainability of its innovation pipeline, developing a deep understanding of how our products perform within our customer’s products and across the value chain. Eastman is actively reducing our product footprints through our operations and manufacturing processes while bringing new products to market that help end consumers realize energy savings. Our best examples are as follows: Specialty plastics circular economy solutions (Renew), Saflex™ next-generation acoustic and head-up displays, Aventa™ compostable single-use food service polymers, Tetrashield™ high-performance polyester coatings, and Naia™ filament and staple products for textiles.</td>
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<tr>
<td>Recycle more than 500 million pounds of plastic waste annually by 2030 via molecular recycling technologies, with a commitment to recycle 250 million pounds annually by 2025</td>
<td>Eastman recycled 12.7 million pounds of plastic waste in 2021. Our recycling progress will see a sharp upward spike in 2023 when operation begins at our new molecular recycling facility in Kingsport, which will be one of the world’s largest.</td>
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<tr>
<td>Catalyze improvement of the recycling system by continuing to expand capabilities to recycle more complex products and by participating in initiatives and collaborations to drive increased collection</td>
<td>In June 2022, Eastman joined The Recycling Partnership’s PET Recycling Coalition as a Steering Team member, which will focus on increasing capture of PET bottles, broadening acceptance of non-bottle rigid items, and strengthening recycling systems for pigmented and opaque PET. The Coalition aims to increase capture by 250 million pounds annually within 5 years. Eastman and Domtar entered into an agreement with The Recycling Partnership to complete a feasibility study to understand the type and capacity of a MRF that the region could support and to engage with local stakeholders. By early 2023, the goal is to have a conceptual road map for building a processing facility and starting/restarting recycling collection in the region.</td>
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## CARING FOR SOCIETY

Achieve gender parity in alignment with our commitment to Paradigm for Parity.

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<tr>
<td>Achieve gender parity in alignment with our commitment to Paradigm for Parity</td>
<td>In 2021, we increased gender parity to 37%, moving toward our goal to achieve 50% by 2030.</td>
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<td>Goal</td>
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<td>Be a leader for racial equity within our industry sector</td>
<td>In 2022, we are focused on building a more racially and ethnically diverse talent pool by increasing investments in diversity sourcing, requiring diverse candidate slates, and strengthening partnerships with universities, racially/ethnically diverse campus organizations, and Future of STEM Scholars Initiative (FOSSI).</td>
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<tr>
<td>Drive new product innovations that advance solutions for society’s most pressing needs while ensuring product safety and transparency</td>
<td>It is our responsibility to develop new molecules, products, and applications to address disruptive macro trends at the molecular level, making a difference in everyday lives while enhancing the quality of life around the world. While all the products we manufacture are safe for our employees to handle and for our customers to use, our best examples are as follows: Animal nutrition fat-coated butyrate and Keitex™ products, biodegradable personal care microbeads, sustainable additives for our coatings and care businesses.</td>
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**PROCESS SAFETY**

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<tr>
<td>Achieve top quartile performance as measured against American Chemistry Council (ACC) and American Fuel &amp; Petrochemical Manufacturers (AFPM) companies</td>
<td>Formation of an Executive Team Process Safety Governance Council has elevated the oversight of the Process Safety Vision/Strategy to the Executive Team level. Corporate strategy for achieving top quartile performance includes four main initiatives: 1) asset integrity excellence, 2) essential operating and maintenance disciplines (EOD/EMD) excellence, 3) process hazard analysis excellence and 4) facilities siting excellence. Organizational changes as well as development and implementation of new procedures/process to support these initiatives have been completed in Q1/Q2.</td>
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<td>Process safety events (PSE) Tier 1 + Tier 2 = 0.10 (reduction in events by 80% in 10 years)</td>
<td>Eastman has adopted a Process Safety Challenged Site Process to focus resources based on an analysis of event data. This data-based approach on performance improvement is being implemented in Q1/Q2.</td>
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**PERSONAL SAFETY**

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<tr>
<td>Zero serious injury and fatality (SIF) events</td>
<td>Eastman recognizes the challenge of eliminating serious injuries across all locations however, we accept this as a necessary goal. To advance progress, we have implemented a “challenged site” program. By analyzing data we have targeted the areas with the most risk for SIF events. Resources have been deployed to engage with the area personnel to assess processes, culture and execute on specific initiatives to drive improvement.</td>
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<tr>
<td>Zero potential serious injury and fatality events (P-SIF) associated with life-critical procedures</td>
<td>Eastman expects flawless execution of our life-critical processes (LCP). Because of this we have established that by definition any identified gap in the performance of an LCP shall be classified as a P-SIF event. Additional emphasis has been placed on LCP audits and leadership engagement in this space improve operational discipline and implementation.</td>
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<tr>
<td>ENVIRONMENTAL SAFETY</td>
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<tr>
<td>Continue development of new environmental performance indicators that provide a global measure of environmental performance</td>
<td>In 2021, Eastman defined a process to identify key environmental performance indicators and implemented a modern environmental management system, which included performance dashboards to track progress against environmental key performance indicators. The new system enables more efficient data collection and visualization to assist facilities and the organization in identification of opportunities to improve both short and long term operational metrics. Establishment of baseline in 2022 is well underway with the focus on achieving a 75% reduction by 2030.</td>
</tr>
<tr>
<td>Metric defined and implemented 2021; establish baseline in 2022; achieve a 75% reduction by 2030</td>
<td>In 2021, Eastman defined a process to identify key environmental performance indicators and implemented a modern environmental management system, which included performance dashboards to track progress against environmental key performance indicators. The new system enables more efficient data collection and visualization to assist facilities and the organization in identification of opportunities to improve both short and long term operational metrics. Establishment of baseline in 2022 is well underway with the focus on achieving a 75% reduction by 2030.</td>
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<tr>
<td>Working toward goal of implementing Operation Clean Sweep® blue and plan to publicly report on pellet spills before the end of 2021</td>
<td>We have met our goal and are now committed to the Operation Clean Sweep® blue program. We have also enhanced our internal reporting to better capture data associated with pellet, flake and powder containment loss. We are pleased to report that there have been no reportable plastic pellet losses to the environment outside company-operated facilities.</td>
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<tr>
<td>AIR EMISSIONS</td>
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<tr>
<td>95% reduction in SO₂ by 2030 compared to 2017 baseline</td>
<td>65% reduction from 2017 to 2021</td>
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<tr>
<td>50% reduction in NO, by 2030 compared to 2017 baseline</td>
<td>22% reduction from 2017 to 2021</td>
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About this report

This sustainability report reflects Eastman’s advancement against the meaningful and measurable goals that will ensure we make progress against the environmental, social, and corporate governance (ESG) expectations of our customers, employees, investors, and the communities we serve. It is focused on both our forward momentum as well as the headwinds we incurred during 2021 through mid-2022 time frame. The quantitative data of this report is in accordance with the GRI (Global Reporting Initiative) standards and discloses material information across the Jan. 1 to Dec. 31, 2021 time frame unless otherwise noted. In addition to the GRI, this report references additional frameworks, including the Task Force for Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), meets requirements for the United Nations Global Compact Communication on Progress and references the relevant United Nations Sustainable Development Goals (SDGs).

Eastman updated our corporate Sustainability Materiality Assessment in 2022 and has identified topics of significance and indicators that align to our strategy and are most relevant to our internal and external stakeholders. Our process included an examination of our business risks and opportunities, evaluation of external trends, external expertise and our own understanding of our business. See the “Materiality” section of this report for a full explanation of our findings.

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

Eastman has reported toward its sustainability commitments since 2009. You can reference Eastman’s past sustainability reports below:

- 2020
- 2019
- 2018
- 2017
- 2016
- 2015

You can reference Eastman's past sustainability reports below:
We have reviewed the accompanying Eastman Chemical Company (Eastman) management assertion that the greenhouse gas (GHG) emissions metrics for the year ended December 31, 2021 in management’s assertion are presented in accordance with the assessment criteria set forth in management’s assertion. Eastman’s management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the GHG emissions metrics. Our responsibility is to express a conclusion on management’s assertion based on our review.

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

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

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

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

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

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

Portland, Oregon
August 05, 2022
Management assertion

With respect to the greenhouse gas (GHG) emissions metrics presented by Eastman Chemical Company (Eastman) in the table below for the year ended December 31, 2021, management of Eastman asserts that the GHG emissions metrics are presented in accordance with the assessment criteria set forth below. Management is responsible for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the GHG emissions metrics and for the completeness, accuracy, and validity of the GHG emissions metrics.

ORGANIZATIONAL BOUNDARY

Organizational boundary for the Scope 1 and Scope 2 GHG emissions metrics relate to Eastman’s manufacturing sites (non-manufacturing sites are excluded) over which it had financial control during the reporting year. Joint ventures which are consolidated in Eastman’s financial accounting and in which Eastman has a controlling interest are included in GHG reporting at 100% of GHG emissions. Joint Ventures which are nonconsolidated in Eastman’s financial accounting and in which Eastman does not have a controlling interest will be included in Scope 3 emissions calculations. Scope 3 — category 6, business travel GHG emissions are inclusive of employees at all of Eastman’s consolidated and nonconsolidated manufacturing and non-manufacturing sites.

Emissions of divested businesses are excluded for the entire reporting year in the year divested and new manufacturing sites are included starting in the year and month in which it first manufactures saleable goods.


2 GHG emissions are expressed in CO₂e and include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and industrial gases, such as hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs). Sulfur hexafluoride (SF₆) and nitrogen trifluoride (NF₃) are not emitted by Eastman’s manufacturing sites. Emissions data by individual GHG is not disclosed as a majority of CO₂e relates to CO₂. Carbon dioxide equivalent emissions are calculated by multiplying actual or estimated energy and fuel usage and refrigerant gas loss by the relevant emission factor taking into account the Global Warming Potentials (GWPₖ) of the compounds as defined by the Intergovernmental Panel on Climate Change’s (IPCC) Fourth Assessment Report. All emission factors are reviewed annually and updated annually as applicable.

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

<table>
<thead>
<tr>
<th>GHG emissions metrics</th>
<th>Definition of metric/ assessment criteria</th>
<th>Metric quantity in metric tons of carbon dioxide equivalent (mtCO₂e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct (Scope 1) GHG emissions</td>
<td>Direct GHG emissions from stationary combustion, chemical processes, and fugitive (volatile organic compounds and refrigerants) sources.</td>
<td>6,206,603</td>
</tr>
<tr>
<td>Energy indirect (Scope 2) GHG emissions</td>
<td>Indirect GHG emissions from the generation of purchased grid electricity and steam, using the location-based and market-based methods.</td>
<td>Location-based: 736,120, Market-based: 746,240</td>
</tr>
<tr>
<td>Total GHG emissions (Scope 1 and Scope 2)</td>
<td>Direct GHG emissions from Scope 1 and indirect GHG emissions from Scope 2 (market-based).</td>
<td>6,952,843</td>
</tr>
<tr>
<td>Other indirect (Scope 3) GHG emissions — Category 6, Business travel</td>
<td>Indirect GHG emissions from air, rental car, and rail transportation and hotel stays of employees for business-related activities.</td>
<td>3,191</td>
</tr>
<tr>
<td>STRATEGY</td>
<td>CLIMATE</td>
<td>CIRCULARITY</td>
</tr>
<tr>
<td>----------</td>
<td>---------</td>
<td>-------------</td>
</tr>
</tbody>
</table>

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

**Related to direct (Scope 1) GHG emissions:**
- Emissions from stationary combustion of fossil fuels (natural gas, liquified petroleum gas, distillate fuel oil, residual fuel oil, coal and fuels produced on site):
  - Consumption is measured based on manufacturing site-level monthly (or aggregate) third-party invoices for purchased fossil fuels.
- Emissions from chemical processes:
  - Estimated based on engineering calculations for manufacturing processes. The GHG emissions are calculated on the basis of stoichiometry (chemical process) and process parameters. The calculation outputs the quantity of CO₂ generated by the process which is then converted to CO₂e using the relevant GWP.
- Emissions from fugitives:
  - HFCs and PFCs are related to replenishment of refrigerants during 2021. Refrigerant gas loss is calculated based on site-specific refrigerant management records. The GWP of the individual refrigerants is then used to convert the fugitives into CO₂e.

**Related to indirect (Scope 2) GHG emissions:**
Consumption is measured based on monthly third-party invoices for electricity and steam usage. A location-based or market-based emission factor (as described below) is then applied.
- Emission factors for electricity and steam (location-based):
- Emission factors for electricity (market-based):
  - Eastman used Guarantees of Origin (GOs) and Renewable Energy Credits (RECs) during 2021 to contractually procure renewable energy in relation to the Oulu, Finland and Kingsport, Tennessee (USA) manufacturing sites.
  - GOs and RECs applicable to the 2021 reporting year have been both contracted and retired as of the date of this management assertion.
  - Emission factors were applied based on the GHG Protocol hierarchy and availability of data including the factors below listed from highest to lowest precision:
    - Electricity contract — GOs and RECs considered 0 g CO₂e/MWh.
    - Utility-specific market-based fuel mix (proportionate amounts of fuels driving electricity consumption) for the most recent reporting year comes from the Association of Issuing Bodies European Residual Mixes 2021.
    - Other grid-average emission factors are the same as location-based.

**Related to other indirect (Scope 3) GHG emissions — category 6, business travel:**
- 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.
- 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).
Global Reporting Initiative Index

This Global Reporting Initiative (GRI) Index corresponds to sustainability information presented in our annual sustainability report, our proxy statement and annual report, our website and other disclosures. Sustainability information presented in our sustainability report is prepared in accordance with GRI Standards core guidelines and focuses on performance in calendar year 2021.

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

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-1</td>
<td>Organizational details</td>
<td>Who is Eastman</td>
</tr>
<tr>
<td>2-2</td>
<td>Entities included in the organization’s sustainability reporting</td>
<td>About this report</td>
</tr>
<tr>
<td>2-3</td>
<td>Reporting period, frequency and contact point</td>
<td>About this report</td>
</tr>
<tr>
<td>2-4</td>
<td>Restatements of information</td>
<td>About this report</td>
</tr>
<tr>
<td>2-5</td>
<td>External assurance</td>
<td>External assurance</td>
</tr>
</tbody>
</table>

THE ORGANIZATION AND ITS REPORTING PRACTICES
## ACTIVITIES AND WORKERS

<table>
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</thead>
<tbody>
<tr>
<td>2-6</td>
<td>Activities, value chain and other business relationships</td>
<td>Eastman brands</td>
</tr>
<tr>
<td>2-7</td>
<td>Employees</td>
<td>Appendix</td>
</tr>
</tbody>
</table>

## GOVERNANCE

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-9</td>
<td>Governance structure and composition</td>
<td>Appendix, Code of Business Conduct, Third-Party code of Conduct</td>
</tr>
<tr>
<td>2-10</td>
<td>Nomination and selection of the highest governance body</td>
<td>Corporate Governance Guidelines, Bylaws, Certification of Incorporation, 2022 Proxy Statement</td>
</tr>
<tr>
<td>2-11</td>
<td>Chair of the highest governance body</td>
<td>2022 Proxy Statement, Corporate Governance Guidelines</td>
</tr>
<tr>
<td>2-12</td>
<td>Role of the highest governance body in overseeing the management of impacts</td>
<td>Board Stockholder Communication and Engagement Policy, Corporate Governance Guidelines, 2022 CDP Climate Change, Sustainability Governance, Environmental, Safety and Sustainability Committee Charter, 2022 Proxy Statement, 2022 I&amp;D Report</td>
</tr>
<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
</tr>
<tr>
<td>-------------------</td>
<td>-------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>2-13</td>
<td>Delegation of responsibility for managing impacts</td>
<td>Corporate Governance, Environmental, Safety and Sustainability Committee Charter</td>
</tr>
<tr>
<td>2-14</td>
<td>Role of highest governance body in sustainability reporting</td>
<td>Stakeholder Engagement</td>
</tr>
<tr>
<td>2-15</td>
<td>Conflicts of interest</td>
<td>Corporate Governance, Corporate Governance Guidelines, 2022 Proxy Statement, Audit Committee Charter</td>
</tr>
<tr>
<td>2-16</td>
<td>Communication of critical concerns</td>
<td>Corporate Governance Guidelines, 2022 Proxy Statement</td>
</tr>
<tr>
<td>2-17</td>
<td>Collective knowledge of the highest governance bodies</td>
<td>Corporate Governance, Corporate Governance Guidelines</td>
</tr>
<tr>
<td>2-18</td>
<td>Evaluation of the performance of the highest governance body</td>
<td>Corporate Governance, Corporate Governance Guidelines, 2022 Proxy Statement</td>
</tr>
<tr>
<td>2-19</td>
<td>Remuneration policies</td>
<td>Corporate Governance Guidelines, 2022 Proxy Statement</td>
</tr>
<tr>
<td>2-20</td>
<td>Process to determine remuneration</td>
<td>Corporate Governance Guidelines, 2022 Proxy Statement</td>
</tr>
<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
</tr>
<tr>
<td>-------------------</td>
<td>--------------------------------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>2-21</td>
<td>Annual total compensation ratio</td>
<td>This is considered business confidential.</td>
</tr>
</tbody>
</table>

### STRATEGY, POLICIES AND PRACTICES

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-22</td>
<td>Statement on sustainable development strategy</td>
<td>CEO message</td>
</tr>
<tr>
<td>2-23</td>
<td>Policy commitments</td>
<td>Values, Code of Business Conduct</td>
</tr>
<tr>
<td>2-24</td>
<td>Embedding policy commitments</td>
<td>Corporate Governance, Corporate Governance Guidelines</td>
</tr>
<tr>
<td>2-25</td>
<td>Processes to remediate negative impacts</td>
<td>Corporate Governance, Corporate Governance Guidelines, 2022 Proxy Statement</td>
</tr>
<tr>
<td>2-26</td>
<td>Mechanisms for seeking advice and raising concerns</td>
<td>Appendix, Code of Business Conduct, Third-Party code of Conduct</td>
</tr>
<tr>
<td>2-27</td>
<td>Compliance with laws and regulations</td>
<td>Corporate Governance Guidelines, 2022 Proxy Statement</td>
</tr>
<tr>
<td>2-28</td>
<td>Membership associations</td>
<td>Memberships</td>
</tr>
<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
</tr>
<tr>
<td>-------------------</td>
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<td>--------------------------</td>
</tr>
<tr>
<td><strong>STAKEHOLDER ENGAGEMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2-29</td>
<td>Approach to stakeholder engagement</td>
<td>Stakeholder Engagement</td>
</tr>
<tr>
<td>2-30</td>
<td>Collective bargaining agreements</td>
<td>As of July 1, 2021, collective bargaining agreements covered approximately 5% of Eastman’s U.S.-based workforce.</td>
</tr>
<tr>
<td>3-1</td>
<td>Report process of determining material topics</td>
<td>Materiality Assessment</td>
</tr>
<tr>
<td>3-2</td>
<td>Report a list of its material topics</td>
<td>Materiality Assessment</td>
</tr>
<tr>
<td>3-3</td>
<td>Report how it manages each material topic</td>
<td>Materiality Assessment</td>
</tr>
<tr>
<td><strong>ECONOMIC PERFORMANCE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>201-1</td>
<td>Direct economic value generated and distributed</td>
<td>2022 10K Report, Part II, Item 8</td>
</tr>
<tr>
<td>201-2</td>
<td>Financial implications and other risks and opportunities due to climate change</td>
<td>Appendix</td>
</tr>
<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
</tr>
<tr>
<td>-------------------</td>
<td>-------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>201-3</td>
<td>Defined benefit plan obligations and other retirement plans</td>
<td>Eastman provides on-site and virtual, no-cost financial planning and counseling resources to our employees and their family members. In addition, multiple innovative financial technology solutions are provided at no cost to assist our employees to support their financial wellness. In addition, eligible employees get $1,000 per year into their Health Savings Accounts (HSAs) from Eastman that can be saved for retirement. Benefits at Eastman</td>
</tr>
</tbody>
</table>

**MARKET PRESENCE**

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

**INDIRECT ECONOMIC IMPACTS**

| 203-1 | Infrastructure investments and services supported | Appendix |
| 203-2 | Significant indirect economic impacts | Appendix |

SDG UNGC connection: 2, 5, 7, 9, 8, 10, 17
<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>204-1</td>
<td>Proportion of spending on local suppliers</td>
<td>Eastman’s policy is to procure products and services based on total value for the company. Factors that Eastman considers when making purchasing decisions include competitive pricing, quality of work and materials, and timely and trustworthy performance. Procurement strategies are continuously developed and implemented to provide assurance of sources for goods and services necessary to the company’s operations. Procurement strategies may include the development of a local supply based on business needs.</td>
</tr>
<tr>
<td>205-1</td>
<td>Operations assessed for risks related to corruption</td>
<td>Eastman conducts an annual risk assessment of 100% of our businesses, which includes risks relating to corruption. No significant risks related to corruption were reported or have been identified through the risk assessment.</td>
</tr>
<tr>
<td>205-2</td>
<td>Communication and training about anti-corruption policies and procedures</td>
<td>Appendix, Code of Business Conduct, Third-Party code of Conduct</td>
</tr>
<tr>
<td>205-3</td>
<td>Confirmed incidents of corruption and actions taken</td>
<td>If any incident of corruption or misconduct is identified, team members are required to report this conduct. An internal investigation is performed, and appropriate follow-up actions, including disciplinary action, are taken to remediate and prevent the recurrence of a similar incident in the future. Eastman’s position on corruption and bribery is reflected not only in its Code of Business Conduct but in specific policies, procedures and training available to all employees on bribery and corruption risks and how to avoid them. No incidents of corruption were reported or confirmed in the reporting year. No public legal cases regarding corruption were brought against the company or its employees during the reporting period.</td>
</tr>
</tbody>
</table>
### ANTI-COMPETITIVE BEHAVIOR

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>206-1</td>
<td>Legal actions for anti-competitive behavior, antitrust and monopoly practices</td>
<td>Any legal actions that are material for anticompetitive behavior, antitrust or monopoly practices would be disclosed in Eastman’s filings with the Securities and Exchange Commission, and all such actions would generally be a matter of public record. No legal action for anti-competitive behavior, anti-trust or monopoly practices were reported in the reporting year.</td>
</tr>
</tbody>
</table>

### TAX

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>207-2</td>
<td>Tax governance, control, and risk management</td>
<td>This information is confidential and not disclosed publicly.</td>
</tr>
<tr>
<td>207-3</td>
<td>Stakeholder engagement and management of concerns related to tax</td>
<td>This information is confidential and not disclosed publicly.</td>
</tr>
<tr>
<td>207-4</td>
<td>Country-by-country reporting</td>
<td>This information is confidential and not disclosed publicly. This information is not complete at the time of this report, although is required to be filed with annual tax return filings.</td>
</tr>
</tbody>
</table>

### MATERIALS

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>301-2</td>
<td>Recycled input materials used</td>
<td>Materials</td>
</tr>
<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
</tr>
<tr>
<td>-------------------</td>
<td>--------------------------------------------------</td>
<td>----------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>ENERGY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>302-1</td>
<td>Energy consumption within the organization</td>
<td>Eastman used about 118,661,997 GJ in 2021 to produce products using both direct and indirect energy. About 82% of direct energy was produced from purchased natural gas and coal, and about 18% was recovered fuel from feedstock.</td>
</tr>
<tr>
<td>302-2</td>
<td>Energy consumption outside of the organization</td>
<td>In 2021, Eastman used about 16,114,867 GJ of indirect energy in the form of purchased steam and electricity to produce products.</td>
</tr>
<tr>
<td>302-3</td>
<td>Energy intensity</td>
<td>Energy, Energy Management</td>
</tr>
<tr>
<td>302-4</td>
<td>Reduction of energy consumption</td>
<td>Energy Management, CDP Climate Change</td>
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<tr>
<td>302-5</td>
<td>Reductions in energy requirements of products and services</td>
<td>Energy Management</td>
</tr>
<tr>
<td><strong>WATER AND EFFLUENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>303-1</td>
<td>Interactions with water as a shared resource</td>
<td>Water Management</td>
</tr>
<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
</tr>
<tr>
<td>-------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>303-2</td>
<td>Management of water discharge-related impacts</td>
<td>Eastman is not aware of any significant impact on any water source. At our largest</td>
</tr>
<tr>
<td></td>
<td></td>
<td>manufacturing facilities in Kingsport, Tenn., and Longview, Texas, comprehensive</td>
</tr>
<tr>
<td></td>
<td></td>
<td>river studies conducted by the Academy of Natural Sciences of Drexel University,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>formerly known as the Philadelphia Academy of Natural Sciences, confirm that these</td>
</tr>
<tr>
<td></td>
<td></td>
<td>rivers provide thriving habitats for wildlife communities.</td>
</tr>
<tr>
<td>303-3</td>
<td>Water withdrawal</td>
<td>Water Management, CDP Water Response</td>
</tr>
<tr>
<td>303-4</td>
<td>Water discharge</td>
<td>Eastman discharges process wastewater in accordance with applicable permits, licenses and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>agreements. The wastewater is either treated in Eastman-owned treatment facilities and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>discharged directly to surface waters; is treated in Eastman-owned pretreatment facilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>and conveyed to third-party providers (e.g., utilities, municipalities) for additional</td>
</tr>
<tr>
<td></td>
<td></td>
<td>treatment and/or discharge; or is conveyed directly to third-party providers (e.g.,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>utilities, municipalities) for treatment and/or discharge. An estimated 817,000 megaliters</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(ML) of water was discharged in 2021.</td>
</tr>
<tr>
<td>303-5</td>
<td>Water consumption</td>
<td>Water Management, CDP Water Response</td>
</tr>
</tbody>
</table>

**BIODIVERSITY**

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>304-1</td>
<td>Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas</td>
<td>Biodiversity</td>
</tr>
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## Global Reporting Initiative Index | Continued

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<tr>
<th>Disclosure number</th>
<th>Description</th>
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<th>Pages</th>
<th>SDG</th>
<th>UNGC connection</th>
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<tbody>
<tr>
<td>304-2</td>
<td>Significant impacts of activities, products, and services on biodiversity</td>
<td>Biodiversity</td>
<td>6, 14, 15</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>304-3</td>
<td>Habitats protected or restored</td>
<td>Biodiversity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>304-4</td>
<td>IUCN Red List species and national conservation list species with habitats in areas affected by operations</td>
<td>Biodiversity</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Emissions

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
<th>Pages</th>
<th>SDG</th>
<th>UNGC connection</th>
</tr>
</thead>
<tbody>
<tr>
<td>305-1</td>
<td>Direct (Scope 1) GHG emissions</td>
<td>Our 2021 direct greenhouse gas emissions using the CDP methodology were 6,206,603 mtCO₂e (CDP Climate)</td>
<td>3, 12, 13, 14, 15</td>
<td>7, 8</td>
<td></td>
</tr>
<tr>
<td>305-2</td>
<td>Energy indirect (Scope 2) GHG emissions</td>
<td>Our 2021 indirect greenhouse gas emissions using the CDP methodology were <strong>Location-based:</strong> 736,120 mtCO₂e, <strong>Market-based:</strong> 746,240 mtCO₂e (CDP Climate)</td>
<td>3, 12, 13, 14, 15</td>
<td>7, 8</td>
<td></td>
</tr>
<tr>
<td>305-3</td>
<td>Other indirect (Scope 3) GHG emissions</td>
<td>Emissions, CDP Climate</td>
<td>3, 12, 13, 14, 15</td>
<td>7, 8</td>
<td></td>
</tr>
<tr>
<td>305-4</td>
<td>GHG emissions intensity</td>
<td>Emissions, CDP Climate</td>
<td>13, 14, 15</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>305-5</td>
<td>Reduction of GHG emissions</td>
<td>Emissions, CDP Climate</td>
<td>13, 14, 15</td>
<td>8, 9</td>
<td></td>
</tr>
<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
<td>Pages</td>
<td>SDG</td>
<td>UNGC connection</td>
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</tr>
<tr>
<td>305-6</td>
<td>Emissions of ozone-depleting substances (ODS)</td>
<td>Eastman policies require all Eastman facilities, subsidiaries and majority-owned joint ventures that operate equipment containing ODS to develop and maintain an inventory of all ODS equipment, including an identification of the equipment and type and quantity of refrigerant.</td>
<td>3, 12</td>
<td>7, 8</td>
<td></td>
</tr>
<tr>
<td>305-7</td>
<td>Nitrogen oxides (NO\textsubscript{x}), sulfur oxides (SO\textsubscript{x}), and other significant air emissions</td>
<td>Environmental Performance</td>
<td>3, 12, 13, 15</td>
<td>7, 8</td>
<td></td>
</tr>
</tbody>
</table>

### WASTE

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
<th>Pages</th>
<th>SDG</th>
<th>UNGC connection</th>
</tr>
</thead>
<tbody>
<tr>
<td>306-1</td>
<td>Waste generation and significant waste-related impacts</td>
<td>Eastman takes great care to manage our on-site waste production, and we recycle many materials that could otherwise become waste. Our integrated Global Supply Chain is committed to developing and using materials that are recyclable, reusable, and waste reducing whenever possible. See the following links for further information: Sustainability Goals, Circular Economy</td>
<td>3, 6, 12</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>306-2</td>
<td>Management of significant waste-related impacts</td>
<td>Appendix, Environmental Stewardship, Responsible Care, HSES Management</td>
<td>3, 6, 12</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>306-3</td>
<td>Waste generated</td>
<td>Emissions, CDP Climate, Waste</td>
<td>3, 6, 12, 14</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>306-4</td>
<td>Waste diverted from disposal</td>
<td>Emissions, CDP Climate, Waste</td>
<td>3, 6, 12, 14</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>306-5</td>
<td>Waste directed to disposal</td>
<td>Waste</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
<td>Pages</td>
<td>SDG</td>
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</tr>
<tr>
<td>401-1</td>
<td>New employee hires and employee turnover</td>
<td>Appendix</td>
<td>5, 8</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>401-2</td>
<td>Benefits provided to full-time employees that are not provided to temporary or part-time employees</td>
<td>Please note that all of the benefits selected above are also provided to part-time employees in the U.S. Benefits at Eastman</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>401-3</td>
<td>Parental leave</td>
<td>We do not report in detail on the return to work and retention rate after parental leave by gender.</td>
<td>5, 8</td>
<td>6</td>
<td></td>
</tr>
</tbody>
</table>

**LABOR/MANAGEMENT RELATIONS**

| 402-1             | Minimum notice periods regarding operational changes                         | In the event of operational changes that involve a change in staffing levels or otherwise affect employment, the company engages in significant planning to ensure affected employees are treated with the utmost respect and dignity. Labor and employment law requirements, including but not limited to reasonable employee notice of job loss and requirements under collective bargaining agreements, are carefully assessed in every global location. | 8     | 3   |                 |

**OCCUPATIONAL HEALTH AND SAFETY**

<p>| 403-1             | Occupational health and safety management system                             | Appendix, Health and Safety, Safety                                                      |       |     |                 |</p>
<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
<th>Pages</th>
<th>SDG</th>
<th>UNGC connection</th>
</tr>
</thead>
<tbody>
<tr>
<td>403-2</td>
<td>Hazard identification, risk assessment, and incident investigation</td>
<td>Safety</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>403-3</td>
<td>Occupational health services</td>
<td>Safety</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>403-4</td>
<td>Worker participation, consultation, and communication on occupational health and safety</td>
<td>Safety</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>403-5</td>
<td>Worker training on occupational health and safety</td>
<td>Safety</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>403-6</td>
<td>Promotion of worker health</td>
<td>Employee Wellness</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>403-7</td>
<td>Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</td>
<td>Safety</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>403-8</td>
<td>Workers covered by an occupational health and safety management system</td>
<td>Approximately 14,500 employees were employed by Eastman in 2021. All employees are subject to Eastman’s health and safety programs.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>403-9</td>
<td>Work-related injuries</td>
<td>Safety Metrics</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## TRAINING AND EDUCATION

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
<th>Pages</th>
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<th>UNGC connection</th>
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<tbody>
<tr>
<td>404-1</td>
<td>Average hours of training per year per employee</td>
<td>Appendix</td>
<td>8</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>404-2</td>
<td>Programs for upgrading employee skills and transition assistance programs</td>
<td>Careers at Eastman</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>404-3</td>
<td>Percentage of employees receiving regular performance and career development reviews</td>
<td>We do not report on the percentage of employees receiving regular performance and career development reviews by gender and by employee category.</td>
<td>5, 8</td>
<td>6</td>
<td></td>
</tr>
</tbody>
</table>

## DIVERSITY AND EQUAL OPPORTUNITY

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
<th>Pages</th>
<th>SDG</th>
<th>UNGC connection</th>
</tr>
</thead>
<tbody>
<tr>
<td>405-1</td>
<td>Diversity of governance bodies and employees</td>
<td>Appendix</td>
<td>5, 8</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>405-2</td>
<td>Ratio of basic salary and remuneration of women to men</td>
<td>Eastman establishes and administers compensation based on business needs and external market competitiveness without regard to gender.</td>
<td>8, 10</td>
<td>6</td>
<td></td>
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<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
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<td>-----------------</td>
</tr>
<tr>
<td>406-1</td>
<td>Incidents of discrimination and corrective actions taken</td>
<td>Eastman does not publicly report the total number of such incidents or any of their corrective actions.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>407-1</td>
<td>Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</td>
<td>Eastman complies with all laws designed to preserve the right to exercise freedom of association and collective bargaining. Eastman has not identified any operations at which those rights are at significant risk.</td>
<td>8</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>408-1</td>
<td>Operations and suppliers at significant risk for incidents of child labor</td>
<td>We uphold individual human rights including freedom from forced or compulsory labor and stand firmly against human trafficking. We seek to provide a safe, healthy, and desirable workplace with working conditions, wages, and benefits that meet or exceed applicable laws and reward performance. Eastman complies with all child labor laws and supports the elimination of unlawful child labor and exploitation. We expect the same ethical conduct from our business partners. Code of Conduct, Third-Party Code of Conduct, Statement on Slavery and Human Trafficking, Policy Statement on Human Rights</td>
<td>8, 16</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Disclosure number</td>
<td>Description</td>
<td>Cross-reference or answer</td>
<td>Pages</td>
<td>SDG</td>
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</tr>
<tr>
<td>409-1</td>
<td>Operations and suppliers at significant risk for incidents of forced or compulsory labor</td>
<td>We uphold individual human rights including freedom from forced or compulsory labor and stand firmly against human trafficking. We seek to provide a safe, healthy, and desirable workplace with working conditions, wages, and benefits that meet or exceed applicable laws and reward performance. Eastman complies with all child labor laws and supports the elimination of unlawful child labor and exploitation. We expect the same ethical conduct from our business partners. Code of Conduct, Third-Party Code of Conduct, Statement on Slavery and Human Trafficking, Policy Statement on Human Rights.</td>
<td>8</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

**SECURITY PRACTICES**

| 410-1             | Security personnel trained in human rights policies or procedures               | Security                  | 16    | 1   |                 |

**RIGHTS OF INDIGENOUS PEOPLES**

| 411-1             | Incidents of violations involving rights of indigenous peoples                | As of December 2021, no incidents of violations involving the rights of indigenous peoples were identified or investigated during the reporting period. Additionally, zero operations have been subject to human rights reviews or impact assessments. | 1     |     |                 |

**LOCAL COMMUNITIES**

| 413-1             | Operations with local community engagement, impact assessments, and development programs | Appendix                  |       |     |                 |
## SUPPLIER SOCIAL ASSESSMENT

<table>
<thead>
<tr>
<th>Disclosure number</th>
<th>Description</th>
<th>Cross-reference or answer</th>
<th>Pages</th>
<th>SDG</th>
<th>UNGC connection</th>
</tr>
</thead>
<tbody>
<tr>
<td>414-1</td>
<td>New suppliers that were screened using social criteria</td>
<td>Eastman is a member of the Together for Sustainability Initiative (TfS), the chemical initiative for sustainable supply chains. TfS is a member-driven initiative founded in 2011 by six major chemical companies. Since that time, membership has grown to 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 that suppliers complete an EcoVadis sustainability assessment, which has four elements: environmental, labor and human rights, ethics and sustainable procurement. 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. The TfS initiative also coordinates third-party audits of the responses to the assessments when needed. By the end of 2021, 69% of our continuing direct raw material supplier base (by spend) had current (i.e., less than 3 years old) EcoVadis assessments.</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>414-2</td>
<td>Negative social impacts in the supply chain and actions taken</td>
<td>Eastman is not aware of any significant impacts in our supply chain with respect to the environment, labor, human rights or societal issues that occurred in 2021.</td>
<td>2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## PUBLIC POLICY

<table>
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<tr>
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<th>Description</th>
<th>Cross-reference or answer</th>
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<th>SDG</th>
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</tr>
</thead>
<tbody>
<tr>
<td>415-1</td>
<td>Political contributions</td>
<td>Appendices</td>
<td>10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### CUSTOMER HEALTH AND SAFETY

416-1 | Assessment of the health and safety impacts of product and service categories | Eastman’s PSRA program performs hazard and risk assessment reviews for 100% of its products. Monitoring potential risk classifications drives the Eastman goal of reduction or elimination of PBT, vPvB, CMR, ED and sensitizers from Eastman’s existing product portfolio. Monitoring hazards and risk classifications also highlights potential areas of the portfolio where there could be capacity for improvement. Active engagement in hazard and risk assessments provides opportunities for members of the Product Stewardship and Regulatory Affairs program to pro-actively identify any potential human and/or environmental hazard concerns for a proposed product undergoing research and development. A course of action to eliminate the potential hazards and risks can then be designed and implemented. [Responsible Care](#).

### MARKETING AND LABELING

417-1 | Requirements for product and service information and labeling | [Product Safety](#) 12

417-2 | Incidents of noncompliance concerning product and service information and labeling | Eastman has not identified any non-compliance with regulations or voluntary codes regarding product or service information and labeling for the reporting year.

All of our product safety data sheets and labeling comply with regulatory requirements for hazard communication in all countries and regions. In 2016, we implemented the Globally Harmonized System for Classification and Labeling (GHS) process to define, classify and communicate chemical hazard and safety information for all of our products. 16
Incidents of noncompliance concerning marketing communications

Eastman is unaware of any significant fines in 2021 concerning marketing communications.

Substantiated complaints concerning breaches of customer privacy and losses of customer data

Eastman is unaware of any complaints regarding breaches of customer privacy or loss of customer data in 2021.
## Global Reporting Initiative Appendix

### 2-7 EMPLOYEES

<table>
<thead>
<tr>
<th>Total workforce</th>
<th>Employment type</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>14,414 employees as of December 31, 2021</td>
<td>Full-time: 97.7%</td>
<td>North America: 71%</td>
</tr>
<tr>
<td></td>
<td>Part-time: 2.3%</td>
<td>Europe, Middle East and Africa: 16%</td>
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<tr>
<td></td>
<td></td>
<td>Asia Pacific: 10%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Latin America: 3%</td>
</tr>
</tbody>
</table>

### 2-9 GOVERNANCE STRUCTURE AND COMPOSITION

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

These available methods are published both internally and externally, and can be found in many different locations. Externally, the mechanisms can be found by visiting Eastman’s website and clicking the “Contact Us” button then selecting “Report a Concern” from the dropdown. Additionally, they are located within the Code of Business Conduct and the Third Party Code of Conduct, which are both published on Eastman’s website.

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

### 2-26 MECHANISMS FOR SEEKING ADVICE AND RAISING CONCERNS

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

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### 201-2 FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE

Legislative, regulatory, or voluntary actions, including associated with physical impacts of climate change, could increase the Company’s future health, safety, and environmental compliance costs. Chemical manufacturing by its very nature is energy intensive and can result in substantial carbon emissions. However, many products of chemistry, including Eastman products, reduce greenhouse gas emissions over time. Risks posed by climate change may manifest themselves in physical risks due to potential impacts of climate change such as the impacts of extreme weather events, which the company estimates
could have financial impacts of approximately $5,000,000 to $30,000,000. In particular, the company may be exposed to increased capital and operational costs associated with a move from fossil-derived fuels and feedstocks to more renewable sources of energy and materials. Current and emerging carbon pricing regulation has the potential to increase operational costs due to use of fossil feedstocks in power generation.

While the Company’s sustainability and circular economy innovation initiatives are sources of competitive strength, future changes in legislation and regulation and related voluntary actions associated with physical impacts of climate change may increase the likelihood that the Company’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 and indirect compliance or other costs or consequences including decreased demand for products related to carbon-based energy sources or increased demand for goods that result in lower emissions than competing products and reputational risk resulting from operations with greenhouse gas emissions. More stringent emission limits have the potential to increase both capital and operational costs. For example, Eastman’s analysis estimates the financial impact of carbon pricing in the United States on the company to be approximately $8,000,000 to $45,000,000 if such a concept became law. This analysis of the potential impacts of a regulated price on carbon was based on review of various potential carbon price points against Eastman’s emissions in the United States. The analysis also considered varying levels of free allocations in a potential regulated carbon pricing concept. In the U.S., 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. Eastman complies with current regulations of GHG emissions in countries where they are regulated, such as in the European Union (EU), where Eastman’s emissions are subject to the EU’s emissions trading system (EU ETS). Given the European Commission’s plans to further decarbonize as proposed in the EU Green Deal—which includes carbon neutrality by 2050 — Eastman will have fewer free emissions allocations. This will increase ETS compliance costs in years to come. As stated in Eastman’s CDP Climate Change report, without free allocations, the estimated financial cost could be approximately €1,000,000 to €9,000,000.

Physical impacts and a transition to a lower-carbon economy have the potential to advantage Eastman products in some markets. As one example, Eastman is the world’s largest producer of window-tinting films for the automotive market with applications of films like LLumar®, V-KOOL® and SunTek®. Eastman’s LLumar, V-KOOL and SunTek films can be applied to almost any building or vehicle window to reduce energy consumption, lower peak demand and decrease total carbon emissions. Independent energy audits have found that buildings retrofitted with LLumar can realize better HVAC efficiency, resulting in energy savings of 5%–15%. Saflex® PVB interlayers are polyvinyl butyral films designed for lamination between two sheets of glass. Like LLumar, Saflex Interlayers improve energy efficiency in both vehicles and buildings. Saflex Solar Connect, introduced in 2020, provides exceptional solar heat rejection and sound damping, which combine to make it particularly useful in electric vehicles where weight reduction from thinner glazing and reduced load on HVAC systems can have a direct impact on energy usage and vehicle range. The potential financial impact figure of approximately $1,000,000,000 reflects the estimated revenue associated with this group of climate-change-related products.

While Eastman’s operations can be considered energy intensive, Eastman generates a significant proportion of its energy utilizing combined heat and power. Electricity produced by combined heat and power plants is approximately twice as efficient as purchasing electricity from a utility with conventional power stations. Eastman’s use of cogeneration, therefore, helps reduce the carbon emissions that would otherwise be required to operate these facilities. Energy efficiency projects also represent a climate-related opportunity. Specifically, Eastman’s capital budget focused on energy efficiency projects continues to be supported by senior management and was $5,000,000 in 2021. Eastman’s business strategy clearly reflects an emphasis on energy reduction. Eastman works to improve resource efficiency through process optimization, reuse of steam in production processes, and lighting projects in company buildings.

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

Eastman has an advantaged platform of solutions to address the challenges of plastic waste in the environment with our molecular recycling technologies. Eastman’s scale and integration provides an opportunity to accelerate the use of two recycling technologies — carbon renewal technology and polyester renewal technology — and make a meaningful positive impact on the environment. Eastman was in a unique position to utilize existing assets and began operating carbon renewal technology at commercial scale in October 2019. Eastman, with French President Emmanuel Macron, announced that Eastman plans to invest up to $1,000,000,000 in a material-to-material molecular recycling facility in France. The facility will be the world’s largest. This long-term partnership between Eastman and France will contribute to the EU achieving its sustainability goals, by reducing carbon emissions and enabling a circular economy. The news followed Eastman’s December 2020 announcement that it will invest approximately $250,000,000 in a new methanolysis facility, which will support Eastman’s commitment to address the global waste crisis and mitigate challenges created by climate change while also creating value for our stakeholders. This will deliver benefits to the local economy, including new jobs.

As a company that seeks to grow business revenue through innovation, Eastman leverages world class technology platforms, significant scale advantages in research and development (“R&D”), and advantaged global market access that form the foundation of sustainable growth and differentiated products. Investment in the company’s circular economy technologies is included in company R&D expenditures and will increase to support scaling up these technologies to represent a larger portion of the company’s total operations. Future capital investments may be required to realize this opportunity. Eastman anticipates its molecular recycling initiatives could contribute approximately $500,000,000 to $1,000,000,000 of new business revenue in the coming years.

Eastman’s reforming technology gives new life to the most complex waste plastic by recycling flexible packaging, plastic films, polyester carpet and other mixed plastics into recycled feedstocks. The resulting certified recycled feedstock is indistinguishable from material from fossil feedstocks and can be used in durables, packaging and textiles. Postindustrial and pre-consumer scrap also feeds into the process. Polyester recycling technology is a positive end-of-life solution for polyester materials that might otherwise be discarded in landfills or incinerated. Through methanolysis, polyester-based products are reduced to their polymer building blocks, called monomers. They are then reintroduced to the value chain as recycled polyester raw materials, delivering a true circular solution. These molecular recycling technologies allow material to be recycled an infinite number of times without losing quality. This means recycled materials will have more possible end uses. These technologies complement basic recycling by providing solutions for materials that cannot be addressed by mechanical recycling.

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

202-2 PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY

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

203-1 INFRASTRUCTURE INVESTMENTS AND SERVICES SUPPORTED

As society continued to face the challenges of the global pandemic and civil unrest in 2021, Eastman acted on the opportunity to not just help communities overcome and recover, but to lay the groundwork for revitalization and resilience. Eastman and the Eastman Foundation donated over $2.2 million in 2021, with $1 million of those funds directed to COVID-19 recovery in our global site communities in the areas of mental health, food scarcity, childcare and education. Despite challenges with in-person volunteerism due to the global pandemic, Eastman employees remained dedicated to giving back to their communities, with 34% of U.S. employees pledging approximately $17 Million to local United Way campaigns in 2021.

As part of Eastman’s digital transformation and an effort to drive employee engagement, volunteerism, and more comprehensive data collection for community involvement, we began a phased implementation of a new software platform in 2021. During its soft launch, we captured over 350 volunteer hours for only our first two volunteer events hosted on the platform. We look forward to promoting more opportunities for employees to volunteer in 2022 and beyond.

203-2 SIGNIFICANT INDIRECT ECONOMIC IMPACTS

Example of indirect economic impact: Eastman’s educational and workforce development efforts create significant indirect economic impacts to our site communities. We partner with Patrick Henry Community College to provide workforce training through the Center for Advanced Film Manufacturing in Martinsville, Virginia, to advance skill development in advanced film production. Eastman established its first work-based learning commitment in 2021, enabling 6 high school students to assume roles within our Kingsport manufacturing plant in 2022. Additionally, the Eastman Foundation has committed over $1 million to establish multi-year partnerships with Historically Black Colleges and Universities (HBCUs), which provide support for the academic development of HBCU students and select HBCU student facilities and activities, offers students mentorship and professional development opportunities and enables Eastman to serve in an advisory role to its HBCU strategic partners to help them achieve these outcomes. Significance of the impacts: In 2021, Eastman’s economic impact from employee and contractor compensation was estimated to be more than $9 billion in the states where we have manufacturing sites and sales offices. These figures are indicative of Eastman’s reputation of being a responsible economic steward through the creation of jobs and investment in the community.

205-2 COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

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

306-2 MANAGEMENT OF SIGNIFICANT WASTE-RELATED IMPACTS

Eastman continuously strives to protect the environment in the communities where we operate, as well as through understanding the environmental impact of our products. As a manufacturer of chemicals since 1920 and a Responsible Care® company for more than 25 years, Eastman has comprehensive guidelines and processes in place for reducing energy usage and minimizing our environmental footprint. In keeping with Eastman’s circular economy efforts, waste management at Eastman begins in order of preference with source reduction and reuse, recycling, energy recovery and the last option, treatment and disposal. Not only does this deliver productivity gains for our business, it contributes to our regulatory compliance and reduces our environmental footprint. Eastman has set clear, measurable targets for energy intensity, greenhouse gas emissions, and water conservation. Eastman focuses on efforts to reduce waste, enable a sustainable supply chain, and continually understand the impact of our products on the environment through life cycle assessments. Eastman’s Global HSES Audit Program implements an HSE assessment program to evaluate...
Our culture is one of commitment to safety, accountability for actions and feedback on performance. We believe that every workplace incident, injury and illness is preventable. Our goal is to ensure personal safety for our employees. Preventing workplace incidents, injuries and illnesses is an integral part of our worldwide business strategy.

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

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

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

Eastman maintains health and safety training programs, including documentation of these programs, and methods to evaluate the effectiveness of both training and communications activities.
GLOBAL REPORTING INITIATIVE APPENDIX  |  CONTINUED

405-1 – DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

<table>
<thead>
<tr>
<th>Gender</th>
<th>Age</th>
<th>Ethnicity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>Less than 30 yrs: 15.5%</td>
<td>Minority: 12%</td>
</tr>
<tr>
<td>Female</td>
<td>30–50 yrs: 51.1%</td>
<td>White: 88%</td>
</tr>
<tr>
<td></td>
<td>Greater than 50 yrs: 33.4%</td>
<td></td>
</tr>
</tbody>
</table>

413-1 OPERATIONS WITH LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENTS, AND DEVELOPMENT PROGRAMS

Eastman facilitates engagement efforts at global sites with support from employees with diverse skills and talents and a common commitment to the communities in which they live and work.

By forming and holding regularly scheduled meetings with 10 community advisory panels at our largest global manufacturing sites, Eastman company leaders continuously engage in open dialogue with a diverse set of community stakeholders and near neighbors around the world.

As a Responsible Care® company, we also operate a 24/7 Care Line phone number at company headquarters that community members can call for inquiries.

To encourage an inclusive culture, Eastman provides opportunities for employees to participate in resource groups for members and allies of the following communities: veterans and active duty military employees, Hispanics and Latinos, Black and African Americans, women, LGBTQ+ and the Asian and Pacific Islander community. Our employee resource groups are comprised of over 3,109 team members located in 19 countries around the globe. We have a global compliance line that provides a confidential way for employees and others to ask questions about Eastman policies as well as seek guidance or report concerns that may involve illegal activity or any other violations of the company’s Code of Business Conduct.

415-1 POLITICAL CONTRIBUTIONS

Eligible U.S. employees may contribute voluntarily to EastmanPAC, the Political Action Committee of Eastman. EastmanPAC is governed and overseen by an Executive Board and is comprised of members from Eastman’s executive team. Additionally, the Advisory Council of EastmanPAC approves an annual budget proposed by the company’s government affairs professionals. The Advisory Council meets annually and is made up of a diverse group of U.S. Eastman leaders from business and functional organizations. EastmanPAC strives to elect candidates into office who meet the variety of criteria. Strong consideration is also given to those who share Eastman’s corporate values and the company’s commitment to drive positive change in site communities.

Criteria for candidates

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

In 2021, EastmanPAC contributed $88,088 to state and federal candidates in the U.S. No political contributions are made to entities outside the U.S. Eastman works with outside vendors to file all reports and to make sure all contributions comply with state and federal campaign finance regulations. All of EastmanPAC’s Federal Election Commission (FEC) filings are available online at [www.fec.gov](http://www.fec.gov), and disclosure reports are also available by visiting the state campaign finance websites in Alabama, California, Massachusetts, Tennessee and Texas. In states where the law allows corporate contributions, Eastman supports state candidates. No corporate contributions were made to state candidates in Tennessee in 2021. Corporate contributions to state candidates in Tennessee totaled $18,000 in 2020. The federal government requires all registered lobbyists to report personal campaign contributions semiannually. Each year, Eastman employees who meet the requirements file the necessary reports. These reports are available online at [http://lobbyingdisclosure.house.gov/](http://lobbyingdisclosure.house.gov/). Eastman’s political activity policies and guidelines are located on its website: [Eastman Political Activity](http://lobbyingdisclosure.house.gov/).
Task Force on Climate-related Financial Disclosures (TCFD)

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

<table>
<thead>
<tr>
<th>Disclosure focus area</th>
<th>Disclosure</th>
<th>Response 2022</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GOVERNANCE</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Disclose the organization’s governance around climate-related risks and opportunities.</td>
<td>a. Describe the Board’s oversight of climate-related risks and opportunities.</td>
<td>Eastman’s Environmental, Safety and Sustainability (ESS) Committee of the Board of Directors and other committees, as appropriate, are responsible for climate-related risks and opportunities.</td>
<td>CDP Climate Change Response (C1.1, C1.1a, C1.1b, C1.1d), ESS Committee charter and p.31 2022 Proxy Statement, CDP Water Security Response (W6.2, W6.2a, W6.2b, W6.2d), Materiality</td>
</tr>
<tr>
<td></td>
<td>b. Describe management’s role in assessing and managing climate-related risks and opportunities.</td>
<td>Eastman’s Chief Sustainability Officer, a member of the Executive Team, presents climate-related risks and opportunities to the ESS Committee. These issues are managed through the Company’s cross-functional issue management process.</td>
<td>CDP Climate Change Response (C1.2) CDP Water Security Response (W6.3)</td>
</tr>
</tbody>
</table>

The Task Force on Climate-related Financial Disclosures (TCFD) helps companies understand what financial markets want from disclosure in order to measure and respond to the effects of climate change. Eastman has monitored the development and adoption of the TCFD framework recommendations and use them as a guide to assess climate-related risks and opportunities. This index provides the location of Eastman’s information pertaining to the TCFD framework recommendations, categorized by Governance, Strategy, Risk Management, and Metrics and Targets.
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<thead>
<tr>
<th>Disclosure focus area</th>
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<th>Response 2022</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>STRATEGY</td>
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</table>

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

**RISKS**
- **Transition** — Policy and Legal: Current carbon pricing regulation; emerging carbon pricing regulation
- **Physical** — Acute: Increased frequency of extreme weather events

**OPPORTUNITIES**
- **Resource efficiency** — Returns on investment in energy efficiency projects
- **Products/services** — Molecular recycling technologies
- **Markets** — Access to new markets through climate-related products and solutions

**b. Describe the impact of climate-related risks and opportunities on Eastman’s businesses, strategy, and financial planning.**

Climate-related risks and opportunities impact in different ways Eastman’s products and services, supply chain, investment in R&D, and the company’s operations. Eastman’s use of an internal carbon price to illustrate future carbon pricing mechanisms is an example of how climate impacts the company’s capital expenditures.

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

In 2022, Eastman conducted a robust climate scenario analysis which was led by an internationally recognized climate and sustainability consulting firm. Four publicly-available climate scenarios were used: International Energy Agency’s (IEA) Net Zero Emissions (NZE) 2050 scenario; IEA Sustainable Development Scenario (SDS); IEA Announced Pledges Scenario (APS); and IEA Stated Policies Scenario (STEPS). Resulting from the scenario analysis, Eastman identified the following areas of our strategy that may have more concentrated impact areas: new and emerging markets; low carbon technologies aligned with decarbonization transition; and employee health and well-being. We are currently evaluating strategic considerations that will integrate forward-looking resiliency planning into our organization. For more information, please see the reference links.

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**Disclosure**
- **focus area**
- **Disclosure**
- **Response 2022**
- **Reference**

**PROGRESS**
<table>
<thead>
<tr>
<th>Disclosure focus area</th>
<th>Disclosure</th>
<th>Response 2022</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>RISK MANAGEMENT</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>a. Describe Eastman’s processes for identifying and assessing climate-related risks.</td>
<td>Climate-related risks are considered as physical and/or transition risks are monitored alongside climate-related opportunities on an ongoing basis. Eastman defines short-, medium- and long-term time horizons as 0–3 years, 3–10 years, and 10–30 years, respectively.</td>
<td>CDP Climate Change Response (C2.2, C2.2a) CDP Water Security Response (W3.3a)</td>
<td></td>
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<tr>
<td>b. Describe Eastman’s processes for managing climate-related risks.</td>
<td>As part of the issue management process, Eastman’s Climate &amp; Carbon Working Group and designated issue stewards track, prioritize and present the most substantive climate issues to Eastman’s business units on a regularly scheduled interval to ensure alignment with the company’s strategic business decision-making.</td>
<td>CDP Climate Change Response (C2.2, C2.2a) CDP Water Security Response (W3.3b)</td>
<td></td>
</tr>
<tr>
<td>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into Eastman’s overall risk management.</td>
<td>Eastman’s issue management process has oversight by the company’s Issue Management Council which is comprised of a diverse, global team of cross-functional leaders from several areas of the company to include enterprise risk management (ERM) which manages all risks across the company and is linked to the Audit Committee of the Board of Directors.</td>
<td>CDP Climate Change Response (C2.2, C2.2a) CDP Water Security Response (W3.3a, W3.3b)</td>
<td></td>
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<tr>
<td>Disclosure focus area</td>
<td>Disclosure</td>
<td>Response 2022</td>
<td>Reference</td>
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</tr>
<tr>
<td>METRICS AND TARGETS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Disclose the metrics used by Eastman to assess climate-related risks and opportunities in line with its strategy and risk management process.</td>
<td>Eastman uses several climate-related metrics to track progress and performance. These can be found in Eastman’s ESG Datasheet. Metrics include Scope 1, Scope 2, and Scope 3 emissions as defined by the widely accepted GHG Protocol Corporate Accounting and Reporting Standard. Eastman also uses an internal carbon price for its financial analysis of strategic business and investment decisions.</td>
<td>CDP Climate Change Response (C1.3a, C4.2, C4.5a, C11.3a) CDP Water Security Response (W1.2, W7.4, W8.1)</td>
<td></td>
</tr>
<tr>
<td>b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</td>
<td>Scope 1 — 6,206,603 (metric tons CO₂e) Scope 2, location-based — 736,120 (metric tons CO₂e) Scope 2, market-based - 746,240 (metric tons CO₂e) Scope 3 (upstream*) — 10,659,550 (metric tons CO₂e)</td>
<td></td>
<td>CDP Climate Change Response (C5.1, C5.2, C6.1, C6.2-C6.3, C6.5, C6.10, C7.1, C7.1a) CDP Water Security Response (W8.1) Sustainability Report 2022 p.27</td>
</tr>
<tr>
<td>c. Describe the targets used by Eastman to manage climate-related risks and opportunities and performance against targets.</td>
<td>Targets: Eastman is committed to reducing absolute greenhouse gas emissions Scope 1 and Scope 2 by one-third by 2030 and aspires to be carbon neutral by 2050 from a baseline year of 2017. The boundary of Eastman’s Scope 1 and Scope 2 emissions are manufacturing sites where we have a controlling interest. Scope 1 and Scope 2 emissions have decreased by 4.0% compared to 2021 and have decreased by 13.8% compared to the baseline year of 2017.</td>
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</tr>
</tbody>
</table>

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

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

<table>
<thead>
<tr>
<th><strong>Accounting metric</strong></th>
<th><strong>Category</strong></th>
<th><strong>Code</strong></th>
<th><strong>Response/reference 2022</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GREENHOUSE GAS EMISSIONS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations</td>
<td>Quantitative</td>
<td>RT-CH-110a.1</td>
<td>6,206,603 (metric tons CO₂e)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2.4% of emissions are covered under ETS regulations, CDP Climate Change Response (C11.b)</td>
</tr>
<tr>
<td>Discussion of GHG emissions reduction plan and review of performance against reduction targets</td>
<td>Discussion/analysis</td>
<td>RT-CH-110a.2</td>
<td>CDP Climate Change Response (C4.1a, C4.2c, C4.3a, C4.3b, C4.3c)</td>
</tr>
</tbody>
</table>

<p>| <strong>AIR QUALITY</strong> | | | |
| Air emissions of the following pollutants: (1) NOₓ (excluding N₂O), (2) SOₓ, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs) | Quantitative | RT-CH-120a.1 | Air emissions (tons): NOₓ – 6,516, SO₂ – 3,802, VOC – 6,267, HAPs not reported |</p>
<table>
<thead>
<tr>
<th>Accounting metric</th>
<th>Category</th>
<th>Code</th>
<th>Response/reference 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ENERGY MANAGEMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total energy consumed</td>
<td>Quantitative</td>
<td>RT-CH-130a.1</td>
<td>118,661,997 GJ</td>
</tr>
<tr>
<td>Percentage grid electricity</td>
<td>Quantitative</td>
<td>RT-CH-130a.1</td>
<td>8.3%</td>
</tr>
<tr>
<td>Percentage renewable</td>
<td>Quantitative</td>
<td>RT-CH-130a.1</td>
<td>0%</td>
</tr>
<tr>
<td>Total self-generated electricity</td>
<td>Quantitative</td>
<td>RT-CH-130a.1</td>
<td>34,691,223 GJ</td>
</tr>
<tr>
<td><strong>WATER MANAGEMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total water withdrawn</td>
<td>Quantitative</td>
<td>RT-CH-140a.1</td>
<td>849,821 megaliters</td>
</tr>
<tr>
<td>Percentage of total water withdrawn in regions with high or extremely high baseline water stress</td>
<td>Quantitative</td>
<td>RT-CH-140a.1</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Total water consumed</td>
<td>Quantitative</td>
<td>RT-CH-140a.1</td>
<td>32,374 megaliters</td>
</tr>
<tr>
<td>Number of incidents of noncompliance associated with water quality permits, standards, and regulations</td>
<td>Quantitative</td>
<td>RT-CH-140a.2</td>
<td>1</td>
</tr>
<tr>
<td>Description of water management risks and discussion of strategies and practices to mitigate those risks</td>
<td>Discussion/analysis</td>
<td>RT-CH-140a.3</td>
<td>Eastman assesses water risks annually through an environmental risk assessment and using WRI Aqueduct.</td>
</tr>
</tbody>
</table>
## Accounting metric | Category | Code | Response/reference 2022
--- | --- | --- | ---
### HAZARDOUS WASTE MANAGEMENT
Amount of hazardous waste generated | Quantitative | RT-CH-150a.1 | 0.014 waste kg/kg production
Percentage recycled | Quantitative | RT-CH-150a.1 | Not currently disclosed.

### COMMUNITY RELATIONS
Discussion of engagement processes to manage risks and opportunities associated with community interests | Discussion/analysis | RT-CH-150a.1 | Stakeholder Engagement
Emergency Response Policy

### WORKFORCE HEALTH AND SAFETY
Total recordable incident rate (TRIR) for direct employees | Quantitative | RT-CH-320a.1 | 0.75*
Total recordable incident rate (TRIR) for contract employees | Quantitative | RT-CH-320a.1 | 0.4*
Fatality rate for direct employees | Quantitative | RT-CH-320a.1 | 0
Fatality rate for contract employees | Quantitative | RT-CH-320a.1 | 0
Description of efforts to assess, monitor and reduce exposure of employees and contractors | Discussion/analysis | RT-CH-320a.2 | Health and Safety

*Global Injury and Illness Rate (OSHA Recordable equivalent to Total recordable incident rate) - annual incidents per 100 employees (200,000 work hours) involving treatment beyond first aid in relation to actual work hours
<table>
<thead>
<tr>
<th>Accounting metric</th>
<th>Category</th>
<th>Code</th>
<th>Response/reference 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRODUCT DESIGN FOR USE-PHASE EFFICIENCY</td>
<td>Revenue from products designed for use-phase resource efficiency</td>
<td>Quantitative</td>
<td>RT-CH-410a1</td>
</tr>
</tbody>
</table>

| SAFETY AND ENVIRONMENTAL STEWARDSHIP OF CHEMICALS | (1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances (by revenue) | Quantitative | RT-CH-410b1 | A proportion of our portfolio is classified as GHS Category 1 and 2 substances. The majority of these are sold to manufacturers as basic ingredients in chemical reactions to make essential products. Please see Eastman’s Product Stewardship website for more information about product safety and Eastman.com for the essential uses of our products. |
| | Percentage of such products that have undergone a hazard assessment | Quantitative | RT-CH-410b1 | 100% |
| | Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact | Discussion/analysis | RT-CH-410b.2 | Product Stewardship Product Safety |
### GENETICALLY MODIFIED ORGANISMS

<table>
<thead>
<tr>
<th>Accounting metric</th>
<th>Category</th>
<th>Code</th>
<th>Response/reference 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of products by revenue that contain genetically modified organisms (GMOs)</td>
<td>Quantitative</td>
<td>RT-CH-410c1</td>
<td>Not applicable to Eastman products.</td>
</tr>
</tbody>
</table>

### MANAGEMENT OF THE LEGAL AND REGULATORY ENVIRONMENT

Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry

<table>
<thead>
<tr>
<th>Discussion/analysis</th>
<th>Code</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discussion/analysis</td>
<td>RT-CH-530a1</td>
<td>Policies and Guiding Documents</td>
</tr>
</tbody>
</table>

### OPERATIONAL SAFETY, EMERGENCY PREPAREDNESS AND RESPONSE

<table>
<thead>
<tr>
<th>Accounting metric</th>
<th>Category</th>
<th>Code</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process Safety Incidents Count (PSIC)</td>
<td>Quantitative</td>
<td>RT-CH-540a1</td>
<td>17</td>
</tr>
<tr>
<td>Process Safety Total Incident Rate (PSTIR)</td>
<td>Quantitative</td>
<td>RT-CH-540a1</td>
<td>0.12</td>
</tr>
<tr>
<td>Process Safety Incident Severity Rate (PSISR)</td>
<td>Quantitative</td>
<td>RT-CH-540a1</td>
<td></td>
</tr>
<tr>
<td>Number of transport incidents</td>
<td>Quantitative</td>
<td>RT-CH-540a2</td>
<td>0.08 (per 1,000 shipments)</td>
</tr>
</tbody>
</table>
This Report includes forward-looking statements concerning current expectations and assumptions for future global economic conditions; logistics challenges; supply chain issues for customers and suppliers; and raw material and energy costs and trends; competitive position and acceptance of specialty products in key markets; mix of products sold; and sustainability performance including emissions reduction and diversity and inclusion goals and targets. Such expectations and assumptions are based upon certain preliminary information, internal estimates, and management assumptions, expectations, and plans, and are subject to a number of risks and uncertainties inherent in projecting future conditions, events, and results. Actual results could differ materially from expectations and assumptions expressed in the forward-looking statements if one or more of the underlying assumptions or expectations prove to be inaccurate or are unrealized. Important factors that could cause actual results to differ materially from such expectations are and will be detailed in the company’s filings with the Securities and Exchange Commission, which are or will be available, on the Eastman web site at www.eastman.com in the Investors, SEC Filings section. These statements are based on our current beliefs and expectations and speak only as of the date of this release. We do not undertake any obligation to publicly update any forward-looking statements.

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