



# A Better Circle

**EASTMAN**

2024 Sustainability Report



# Table of contents

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.



## Strategy

CEO letter	4
Dedication to methanolysis	7
Innovation	8
Sustainability CoE	11
Regional perspective	12



## Governance

Sustainability governance	16
Materiality assessment	18
Stakeholder engagement	20
Working to create A Better Circle	21



## Mainstreaming circularity

Partnerships	30
Feedstocks	35
Next on the horizon	37
Carbon renewal technology	43
Innovation and collaborating for a circular economy	49



## Mitigating climate change

Carbon neutrality	54
Water and biodiversity	64



## Caring for society

Zero-incident mindset	69
Inclusive culture	76
Eastman Resource Groups	82
Social impact	85



## Goals and progress

About the report	98
GRI	102

# Who is Eastman?

## Business segments

Additives & Functional Products  
Chemical Intermediates

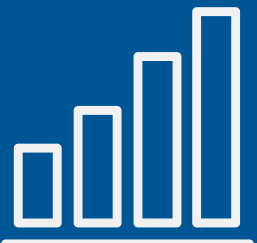
Advanced Materials  
Fibers

## Global headquarters

Kingsport, Tennessee, USA



**100+ years**  
of innovation



**\$9.2 billion**  
revenue in 2023



**14,000**  
global team members



**100+ countries**  
where customers are served

## 2023 sales revenue

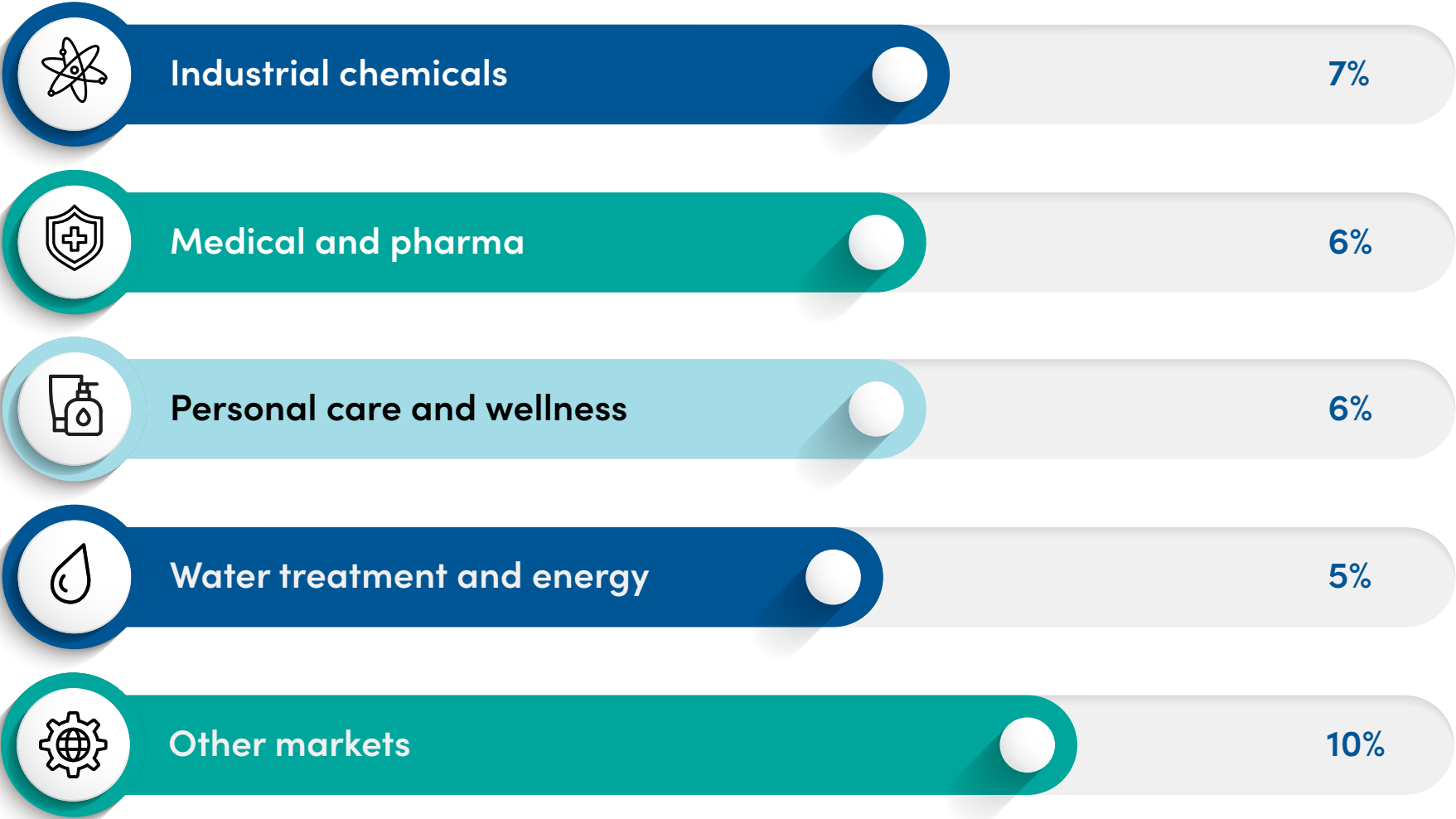
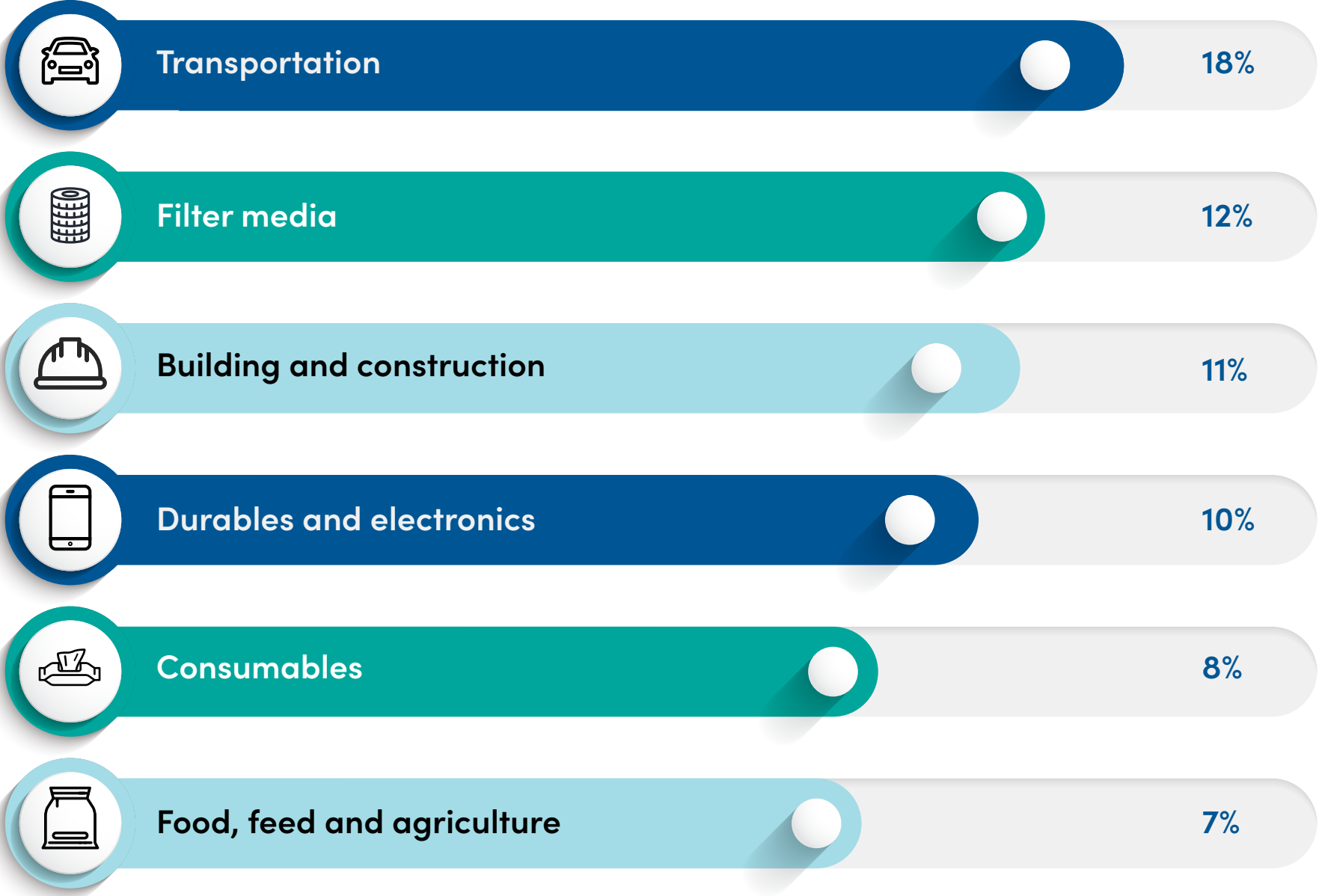
By region

North America | **\$3.9 billion**

Europe, Middle East, Africa | **\$2.6 billion**

Asia Pacific | **\$2.2 billion**

Latin America | **\$0.5 billion**



## Awards, recognition and memberships

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





## STRATEGY

### Letter from Mark Costa

## Accelerating our progress to build A Better Circle

This year marks a major inflection point in our strategy to build A Better Circle, so I'm excited to share Eastman's progress in our 2024 sustainability report. This publication offers results and key highlights that reaffirm our commitment to the principles of the United Nations Global Compact.

By beginning operation of one of the world's largest material-to-material molecular recycling facilities in March, the Eastman team delivered a significant proof point of our vision to deliver a recycling system for the modern age.

Through innovation and investment, we are leading toward a better future — one where we give plastic products infinite value, rather than considering them waste for landfill or incineration when we're finished using them. Our Kingsport, Tennessee, site has the capacity to process 250 million pounds (110,000 MT) of hard-to-recycle plastic waste each year, putting us on a trajectory to achieve our 2025 recycling goal.

We also announced the location of our next recycling facility. In Longview, Texas, we will build a plant that doubles our recycling capacity. Our technologies deliver material building blocks with reduced greenhouse gas emissions compared to heritage processes.

In Texas, we will use solar energy and next-generation technology to produce Eastman Renew materials with up to 90% reduced carbon emissions, including avoided emissions, compared to fossil virgin production.

At our Longview facility, we will incorporate new zero-carbon energy technology in the form of thermal batteries with solar to illustrate out-of-the-box thinking to decarbonize industry. [The U.S. Department of Energy's Office of Clean Energy Demonstrations \(OCED\)](#) recognized our innovative approach by awarding Eastman up to \$375 million from a grant program that addresses climate change.

We're committed to investing approximately \$2.25 billion in molecular recycling facilities around the world with a third plant planned for France.

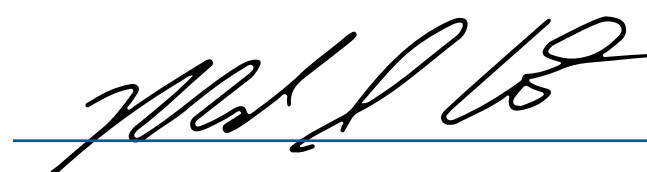
Leading brands are adopting Eastman Renew materials to deliver more sustainable products; you can read about several in this report. They include Patagonia, which chose Naia™ Renew for sustainable outdoor clothing, and PepsiCo, which will use Eastman Renew from our Longview plant to produce more sustainable packaging.

Just as the plastic waste crisis demands bold action, so does climate change.

We are making progress on our climate strategy and the goal of carbon neutrality by 2050. We are targeting a reduction of one-third of our Scope 1 and Scope 2 greenhouse gas emissions by 2030, and we have achieved approximately two-thirds of that 2030 goal.

Our sustainable innovation portfolio extends far beyond molecular recycling. We are delivering products such as Aventa™ compostable materials for food service, Saflex™ advanced interlayers that enable new innovations for electric vehicles, and Naia™ cellulosic fibers to bring sustainable fashion to all. These are a few of many examples, some of which you'll read about in our report.

I am fortunate to be part of a global team of thousands of people committed to an inclusive culture that fuels innovation and aligned around our purpose of enhancing the quality of life in a material way. Through innovation and collaboration, we are committed to building a better, more sustainable world for all.



Mark Costa, Board Chair and Chief Executive Officer



## STRATEGY

### Letter from Steve Crawford

## Leading toward a future of more sustainable materials

Eastman has a history filled with significant milestones, but there's no doubt we are now at one of the most important points in our more than 100-year history — a moment where our people and leading technologies can make a material difference and help build a better world.

We're making progress on our journey to build A Better Circle. We continue to execute our strategy to decarbonize operations to help mitigate climate change. We're doing this through energy efficiency, increasing the use of renewable energy and leveraging molecular recycling technologies that lower our greenhouse gas emissions.

Through molecular recycling, we're illustrating how the world can expect more from recycling to reduce waste and preserve natural resources. We focus on these critical impact areas and drive material innovation to care for society — to make a better, more just world for all.

### **An achievement that shows what's possible**

Simply put, the molecular recycling facility we began also operating at our Kingsport, Tennessee, headquarters earlier this year is one of the most important projects in the history of Eastman — one that is foundational to our commitment to a circular economy.

It also provides another proof point to confirm what I know well: Give the Eastman team a challenge, and they'll rise to meet it. This project was incredibly complex, but the Eastman team overcame every hurdle and completed a facility that is the first of its kind.

When we began producing Eastman Renew materials on specification, we celebrated the countless hours of effort and sacrifice by many people. It would be difficult to calculate the number of team members involved because the effort went beyond the molecular recycling facility

itself. The magnitude of the project required us to leverage experts not only from across our Kingsport site but from Longview, Texas along with our other global sites.

Pulling expertise from manufacturing operations, engineering, technology and other areas resulted in temporary personnel gaps. Those teams didn't buckle — they just closed the gaps and kept moving.

After we celebrated the achievement, our teams went back to work. We know this is one moment in a larger journey.





## Leading toward a future of more sustainable materials

**A robust portfolio**

Eastman Renew materials are understandably getting a lot of attention, but molecular recycling is just one element of many where our innovation portfolio is making a difference.

One hundred years after Eastman launched products made of biobased cellulose, we continue leveraging this technology to advance sustainability.

Eastman Aventa™ is a critical material for today's world, where population growth and the need for convenience has made quick-service food a modern staple. Cellulose is biobased because they are made from renewable wood pulp, so Aventa is renewable, biodegradable and compostable — making it an ideal material for food trays and cutlery found at the grocery store. This enables consumers to dispose of the tray and any food waste in the same bin for composting. SEE (formerly Sealed Air) is among the leading companies that have adopted Aventa.



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

We also are leveraging our other molecular recycling technology, carbon renewal technology (CRT), to produce Aventa Renew with certified recycled content. CRT is the same technology that is bringing circularity to many other markets, including ophthalmics and textiles.

**Commitment to lead**

If you want to be inspired, become involved in something greater than yourself. Our team includes people from all around the globe, from different walks of life and with an array of skill sets and perspectives. We're 14,000 individuals united by a commitment to deliver better materials and improve quality of life. We know that global challenges are substantial, and Eastman alone can't solve them.

But we will do our part. We will partner. We will innovate. We will lead. We will build A Better Circle.





This report is dedicated to the thousands of Eastman team members whose commitment, sacrifice and unwavering sense of what is possible made our new molecular recycling facility a reality.





Innovation that converts market complexity into sustainable value

Sustainability macro trends drive our innovation growth strategy, and we are committed to our growth platforms addressing the critical impact areas of mitigating climate change, mainstreaming circularity and caring for society. All of those innovation platforms address at least one of society's great challenges; some address all three.

With our new product and application development activities, we focus our investment on improving the sustainability profile over the current incumbent solution in the market. To strengthen our innovation pipeline, we have developed a deep understanding of how our products perform within our customers' products 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.

Business	Innovation platforms	Mitigating climate change	Mainstreaming circularity	Caring for society
Advanced Materials	Specialty plastics circular economy solutions (Eastman Renew)	✓	✓	✓
	Next-generation copolyester innovation		✓	✓
	Saflex™ Evoca™ for electric vehicles	✓		✓
	Window films and paint protection	✓		
Additives & Functional Products	Tetrashield™ protective resin systems			✓
	<u>Esmeri™ biodegradable micropowder for personal care</u>	✓	✓	
Fibers	Naia™ cellulosic fibers	✓	✓	
Corporate	Aventa™ compostable materials	✓	✓	✓





## STRATEGY

# Sustainable innovation is the future of Eastman

## Q&A with Chris Killian

As chief technology officer, Chris Killian is responsible for our global technology and innovation organization. Since joining Eastman as a research chemist 28 years ago, he has seen the evolution of Eastman's growth in sustainable material innovation — he was at the heart of the full-scale 2010 launch of Eastman Tritan™, which changed the landscape for sustainable, durable and safe plastics. This Q&A digs into why he thinks the innovation portfolio is stronger than ever.

### What can you say about progress in aligning growth R&D with sustainability macro trends?

Because sustainable innovation is the future for Eastman, we thought it important that we have a metric to keep us accountable. By 2030, we will align all growth R&D spend with sustainability macro trends — that's the goal we set, and our progress makes me confident we'll achieve it.

This is important for our company's growth, but it's bigger than that. All our stakeholders, including owners, employees and communities, will benefit from this focus. We feel a responsibility to deliver products that meet the needs of society and are better for the planet. Reducing waste to build a circular economy, making products that

lower greenhouse gas emissions and reducing materials of concern are important to improve today's quality of life and that of future generations.

### Molecular recycling casts a big shadow when it comes to Eastman innovation. What about the rest of the portfolio?

There's no question that our circular economy platform is the innovation headline for our company right now, and rightfully so — we built and are operating the world's largest molecular recycling facility for polyester materials. But our innovation portfolio is deep and goes well beyond circular. Our Saflex™ Evoca advanced interlayers platform will support electric vehicles (EV) growth and can help vehicle manufacturers meet their lightweighting goals. Glazing design for EVs can involve trade-offs in terms of aesthetics, driver comfort and vehicle weight, but Saflex™ Evoca enables OEMs to create more efficient EVs without compromising on cabin comfort. Saflex™ is also the preferred interlayer for head-up display, which is becoming more mainstream and increases safety by allowing drivers to keep their eyes on the road.

In October, we will launch Saflex™ LiteCarbon™ Clear, our latest PVB interlayer, which will help reduce carbon emissions in buildings while preserving safety and aesthetics. Our interlayer for architectural glass allows for full clarity while aiming for a 25% reduction in CO<sub>2</sub> emissions.

While our polyester circular platform is a key pillar of our innovation-driven growth, we are also investing in our cellulose ester platform coupled with our carbon renewal technology (CRT) to deliver high-performance biomaterials that are biodegradable and compostable and can be produced in part from recycled plastics. Aventa is an exciting innovation, providing high-performance, sustainable biopolymers to replace traditional materials in food packaging and quick-service restaurants. It's certified compostable and is biodegradable. In addition, Aventa Renew combines recycled content from CRT to deliver a material made from sustainably sourced wood pulp and recycled plastic waste. We expect continued growth in our Naia™ textiles. We're making great progress on market development and innovation programs with both Naia™ Renew and Naia™ staple fiber with market adoptions by brands like Calvin Klein, Patagonia and Hugo Boss.

### Chris Killian

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



Sustainable innovation is the future of Eastman (continued)

Q&A with Chris Killian

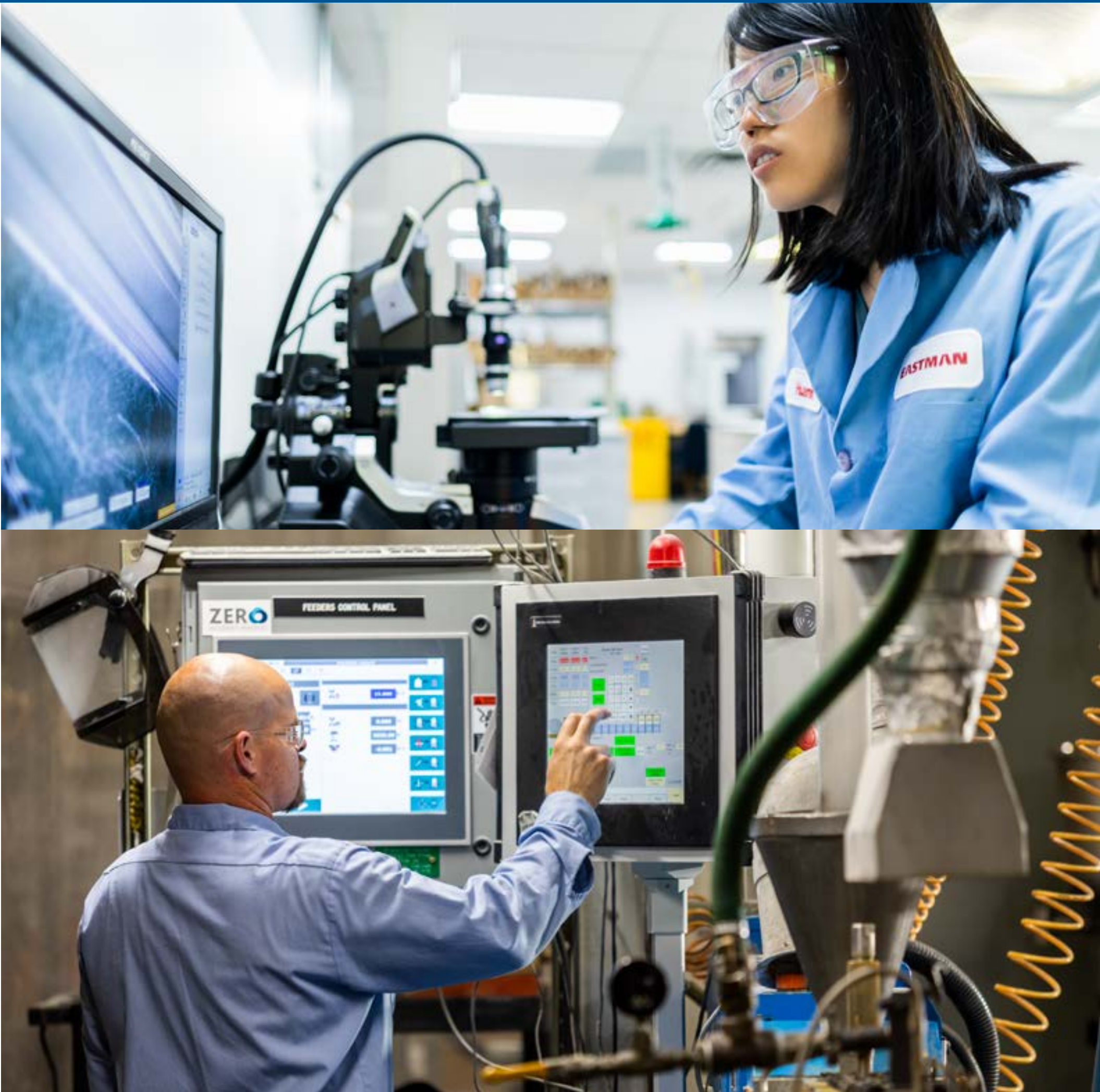
The sustainability macro trends that cause market disruption have created a tremendous opportunity for innovation, and we’re advantaged as a result of our technology platforms being well positioned to respond to this market disruption.

**Can you talk about other new developments related to Eastman R&D that excite you?**

Artificial intelligence and machine learning will speed up Eastman innovation. It’s early, but we’re already starting to see examples of how this can allow us to move faster and accelerate application development to tailor solutions for market needs. AI can organize and collate enormous reservoirs of research and simplify it, so we can access and interpret the most relevant data faster. This can help focus our time and point us toward the next, most relevant experiments.

We have some of the world’s brightest chemists, material scientists and engineers on our team — and we also have decades of research by some of the greatest industrial scientists in the history of the field. AI can organize all of those technical reports and experiments from decades past and make that work more accessible for today’s innovators. The next great scientific discovery may branch from work in an Eastman lab from the 1950s or ‘60s — and AI increases that likelihood.

Computational AI and what it means for the future excites me, but the people we have excite me more. We have a great mix of experience and youth in our technology organization, and our team is excited and committed to delivering sustainable material innovation to make a difference in the world.





Sustainability is more embedded in our company

Sustainability fluency helps everyone understand what's possible

The language spoken by Laurel Baysal’s team is vital to Eastman’s ability to meet the world’s greatest material needs.

It’s the language of sustainability. And Baysal, our director of sustainability, is seeing a rapid increase in people speaking it across Eastman.

“That’s a critical role for our sustainability team — being able to help improve that sustainability fluency across the company,” Baysal said. “It isn’t surprising to me that our global team is embracing sustainability more than ever. Everyone understands we’re in a position to make a real difference for the world.”

One of the most efficient ways to gather people together in a global company is a virtual town hall, and the most recent sustainability town hall – held in spring 2024 — had a 90% increase in attendance compared to one held at the same time in 2023. Eastman sustainability also launched a new internal website, so the global team can access a wide spectrum of sustainability resources and contribute ideas.

Eastman established a sustainability center of excellence (COE) in 2021 that focuses on embedding sustainability in business strategy. COE experts work with businesses throughout the company to help identify

challenges related to sustainability. Those challenges include actions such as reducing waste and increasing efficiency of water use. Baysal said the solutions that arise are important, and so is the collaboration that serves as a model to expand future efforts.

“I’m proud of the work our team is doing to help everyone on the global team feel that sense of ownership in Eastman’s sustainability journey,” Baysal said. “Embedding sustainability throughout Eastman — being able to speak sustainability — allows anyone at Eastman to go anywhere in the world and talk about what’s possible.”

Laurel Baysal

Director of Sustainability  
(she/her/hers)





Global perspectives: Asia Pacific (AP)

*The megatrends that shape our world and markets have become more pronounced in recent years, while uncertainty regarding the global business environment persist. Asia Pacific is a center of growth and plays a critical role in the global supply chain. All of us have a vital role in building a sustainable future.*

*Eastman has a presence in several countries in the region, making AP a key component of Eastman's business strategy to achieve sustainable growth and generate value for our customers and society.*

Mainstreaming circularity

Packaging waste, including plastics, makes up about one-third of domestic waste disposed of in Singapore. It is a key priority waste stream identified in Singapore’s Zero Waste Masterplan. Now producers of packaged products — brand owners, manufacturers and importers as well as retailers — must submit packaging data and Reuse, Reduce, Recycle (3R) plans to the National Environment Agency (NEA).

Eastman developed its own 3R plan with key initiatives in Singapore, including use of recycled content in some packaging material and selling certain products in reusable and recyclable drums.

Mitigating climate change

Green and low-carbon energy are accelerating in China, which has a goal of carbon neutrality by 2060. The emergence of sustainable fashion and consumption there can be attributed to a combination of the government’s shift in economic policy and growing consumer concerns for the environment.

China is a strategic growth market for Eastman’s textiles business, and the Naia™ team in China is working closely with value chain partners to upgrade and develop differentiated and sustainable fabrics for the Chinese domestic market and international brands. Calvin Klein and Miss Sixty launched denim collections with Naia™ Renew in China.

Caring for society

We are collaborating on materials for a sustainable future. Eastman is actively engaged with research institutes, associations and value chain partners to drive the development of the sustainable textile industry in China. Eastman established a partnership with the China National Textile and Apparel Council (CNTAC) on a research project on materials for a sustainable future. In addition, the Naia™ team partnered with the Beijing Institute of Fashion Technology (BIFT) to inspire the next generation toward sustainable fashion.



"Asia Pacific is a center of growth and plays a critical role in the global supply chain. All of us have a vital role in building a sustainable future."

**Gulferaz Ali**  
Vice President and Managing Director,  
Asia Pacific  
(he/him/his)



# Global perspectives: Europe, Middle East and Africa (EMEA)

*Besides the European Union’s (EU) unwavering intent to become the first climate-neutral continent by 2050, it’s encouraging to see that the Antwerp Declaration calls for an Industrial Deal that emphasizes the need to address high energy prices, establish common European infrastructure, secure raw material supplies, foster innovation and stimulate demand for sustainable products. Coupling the EU Green Deal with an Industrial Deal will empower industry in the EU to make the necessary investments to decarbonize while boosting competitiveness.*

## Mainstreaming circularity

A focus on biobased materials and materials with recycled content is a significant trend driven by growing environmental concerns. This shift towards using more circular feedstocks aligns with the goals of circularity and supports the transition to a more sustainable and resource-efficient economy while reducing the overall carbon footprint. Eastman continues to make progress on our plans to build a new molecular recycling plant in France to address the increasing market demand for plastics with recycled content.

## Mitigating climate change

The Eastman team in the EMEA region is making significant progress in reducing absolute Scope 1 and 2 emissions with a decrease of more than 30% in 2023 compared to the baseline of 2017. This demonstrates our commitment in the region to reach our climate and energy goals and achieve climate neutrality by 2050. The increasing demand for transparency and environmental leadership from our customers underscores the importance of providing information on product carbon footprints and outlining plans for reducing environmental impacts over time. Life cycle assessment (LCA) data plays a critical role in meeting these demands, enabling customers to make informed choices and helping them meet their Scope 3 reduction targets.

## Caring for society

The EU is committed to promoting high standards for sustainable chemicals as well as product safety, environmental protection, and human health and safety. Eastman believes a culture that supports and builds diverse perspectives in the workplace and communities in which we operate is necessary for innovation. Eastman intends to comply with the EU Corporate Sustainability Reporting Directive (CSRD), which promotes transparency and consistent and comparable sustainability reporting in each of these areas.



"The Eastman team in the EMEA region has made significant progress in reducing absolute Scope 1 and 2 emissions, with a decrease of more than 30% in 2023 compared to the baseline of 2017. This demonstrates our commitment in the region to reach our climate and energy goals and achieve climate neutrality by 2050."

**JP Kuipers**  
Managing Director,  
Europe, Middle East and Africa  
(he/him/his)



# Global perspectives: Latin America Region (LAR)

*As a region, Latin America generates relatively low greenhouse gas emissions but is feeling the effects of climate change, so solutions that will mitigate climate change are of vital importance to the region's people.*

*The transition to a circular economy holds significant benefits for the region. The Latin America region plays a vital role in driving positive environmental impact through sustainable and innovative solutions, improving the quality of life for our citizens and securing a better future for generations to come. This was emphasized during the United Nations Climate Change Conference of 2023 (COP28), where Latin America showcased its commitment to intensifying efforts against biodiversity loss and forest degradation.*

### Mainstreaming circularity

Brands in our region are increasingly interested in our products with recycled content. Examples of local collaborations include Mexican eyewear brand Ben & Frank using Eastman Acetate Renew for their frames and cosmetics brands using Eastman Cristal™ Renew. By diverting hard-to-recycle plastic waste from landfills, we not only contribute to a circular economy for plastics but also reduce greenhouse emissions, gaining benefits from a lower carbon footprint of products compared to traditional ones.

### Mitigating climate change

Recognizing the urgent need for reforestation, Eastman's colleagues in the region are actively collaborating with local organizations to protect our valuable forested areas. We understand the importance of protecting our environment, which is why we have implemented a strict policy for proper waste and water management and why our operators undergo training with the Operation Clean Sweep protocol, ensuring best practices to prevent pellet loss. We believe that creating a culture of awareness is crucial in our commitment to protecting the environment and fostering sustainability.

### Caring for society

We take great pride in our talented workforce in Latin America and their commitment to society. The contributions made by our colleagues involved in Eastman Professional Development Community and Eastman Resource Groups, including Mosaic and Catalysts, are remarkable. In the wake of Hurricane Otis that devastated Guerrero State in Mexico, the Latin American ERGs coordinated the collection and delivery of donations to aid impacted communities and families.



"The transition to a circular economy holds significant benefits for the region, and LAR plays a vital role in driving positive environmental impact through sustainable and innovative solutions, improving the quality of life for our citizens and securing a better future for generations to come. This was emphasized during the United Nations Climate Change Conference of 2023 (COP28), where Latin America showcased its commitment to intensifying efforts against biodiversity loss and forest degradation."

**Agustín García Argibay**  
Managing Director,  
Latin America  
(he/him/his)





# Governance



## Listen

### Materiality assessment

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

## Learn

### Stakeholder inclusiveness and ESG frameworks

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

## Lead

### Sustainability framework and ESG frameworks

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



# GOVERNANCE

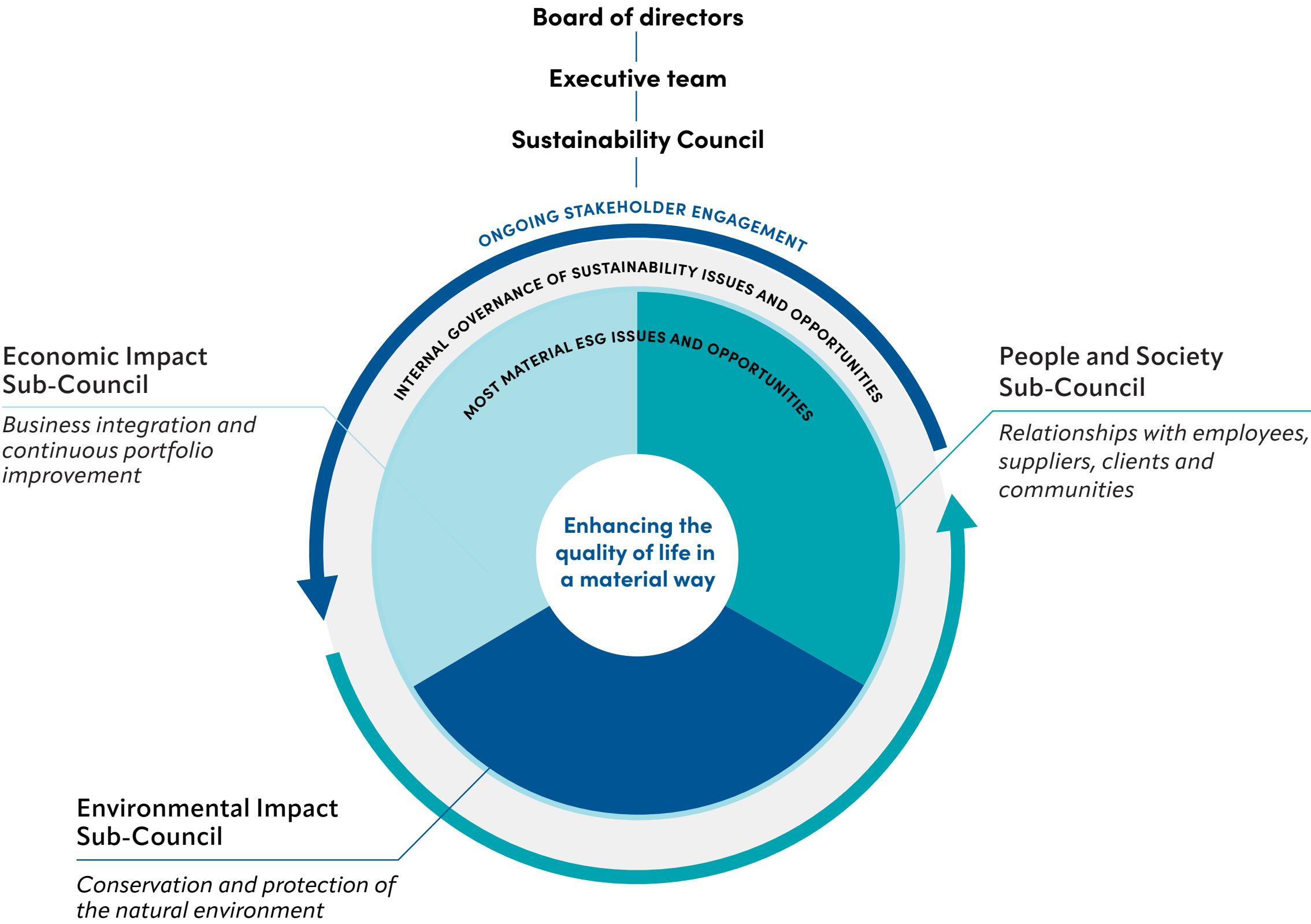
## Governance of material sustainability issues and opportunities

### Sustainability governance

Eastman is committed to strong governance. [Click here](#) to learn more about how we govern material sustainability and ESG issues. We remain committed to maintaining our strong corporate governance policies and practices while enhancing the transparency of our business.

Guiding this integration, the Environmental, Safety and Sustainability (ESS) Committee of the Eastman Board of Directors reviews with management and, where appropriate, makes recommendations regarding the company’s policies and practices concerning health, safety, environmental, security, sustainability, philanthropy, public policy and political activities. The board remains committed to maintaining a strong alignment between company performance and our executive compensation program and has taken greater steps to align the outcomes of the company’s I&D, sustainability and ESG efforts with executive compensation as another measure of accountability.

Eastman’s sustainability council is composed of executive team members and senior leaders to drive alignment of our commitments across the enterprise and address emerging opportunities. Eastman’s board chair and CEO has executive responsibility for the company’s strategy and performance, including sustainability performance as it aligns to the corporate strategy. Sustainability goals are included in our CEO’s annual personal performance commitments, including environmental performance and safety.





GOVERNANCE

Governance of material sustainability issues and opportunities (continued)

Board of directors

The board recognizes that its success hinges on its ability to meet a broad spectrum of challenges that the company will encounter over the long-term. Different challenges demand not only a diverse set of perspectives, backgrounds and skills but also strong communication and collaboration among the whole board. Our board is committed to ensuring that it is well-equipped to oversee the company’s business and effectively represent the interests of stockholders.

Our board of directors collectively possesses a range of key strategic skills, experiences and attributes needed to enable effective oversight in addition to industry knowledge, such as risk management, sustainability, operations safety, cybersecurity, supply chain and talent management. Each year, the board reviews the skills necessary to maintain a well-rounded and diverse board that balances the institutional knowledge of longer-tenured directors with the fresh perspectives brought by new directors.

[Click here](#) for more information on the skills and qualifications of the board of directors.

**David W. Raisbeck**  
*Retired Vice Chairman  
of Cargill Inc.*

**Renée J. Hornbaker**  
*Retired Executive VP & CFO  
of Stream Energy*

**Humberto P. Alfonso**  
*Retired Executive VP & CFO  
of Information Services Group*

**Brett D. Begemann**  
*Retired COO of Crop Science  
Division at Bayer AG*

**Julie F. Holder**  
*Retired Senior VP  
of The Dow Chemical Company*

**Donald W. Slager**  
*Retired Chief Executive Officer  
of Republic Services, Inc.*

**Linnie M. Haynesworth**  
*Retired Sector Vice President  
and General Manager of  
Northup Grumman Corporation*

**Eric L. Bulter**  
*Retired EVP and CAO of  
Union Pacific Corporation*

**Kim Ann Mink**  
*Retired President and CEO of  
Innophos Holdings, Inc.*

**James J. O'Brien**  
*Retired Chairman and CEO  
of Ashland Inc.*

**Mark J. Costa**  
*CEO and Board Chair of Eastman*





GOVERNANCE

# Materiality assessment

Eastman is data-driven in our identification and monitoring of sustainability risk. In 2024, we updated our materiality matrix based on the importance our diverse set of external and internal stakeholders place on identified sustainability issues.

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

We use the sustainability materiality assessment to identify areas of focus and refine our commitments. All 32 factors in this listening tool are important. Prioritization and effective management of these issues and opportunities are integrated into our strategy, business models, risk management and governance to drive continued progress. The results are considered as we determine the information included in our public disclosures, including this sustainability report, and ultimately drive the development of our A Better Circle framework.

The results of our materiality assessment and determination of our material topics are reviewed by the Sustainability Council.

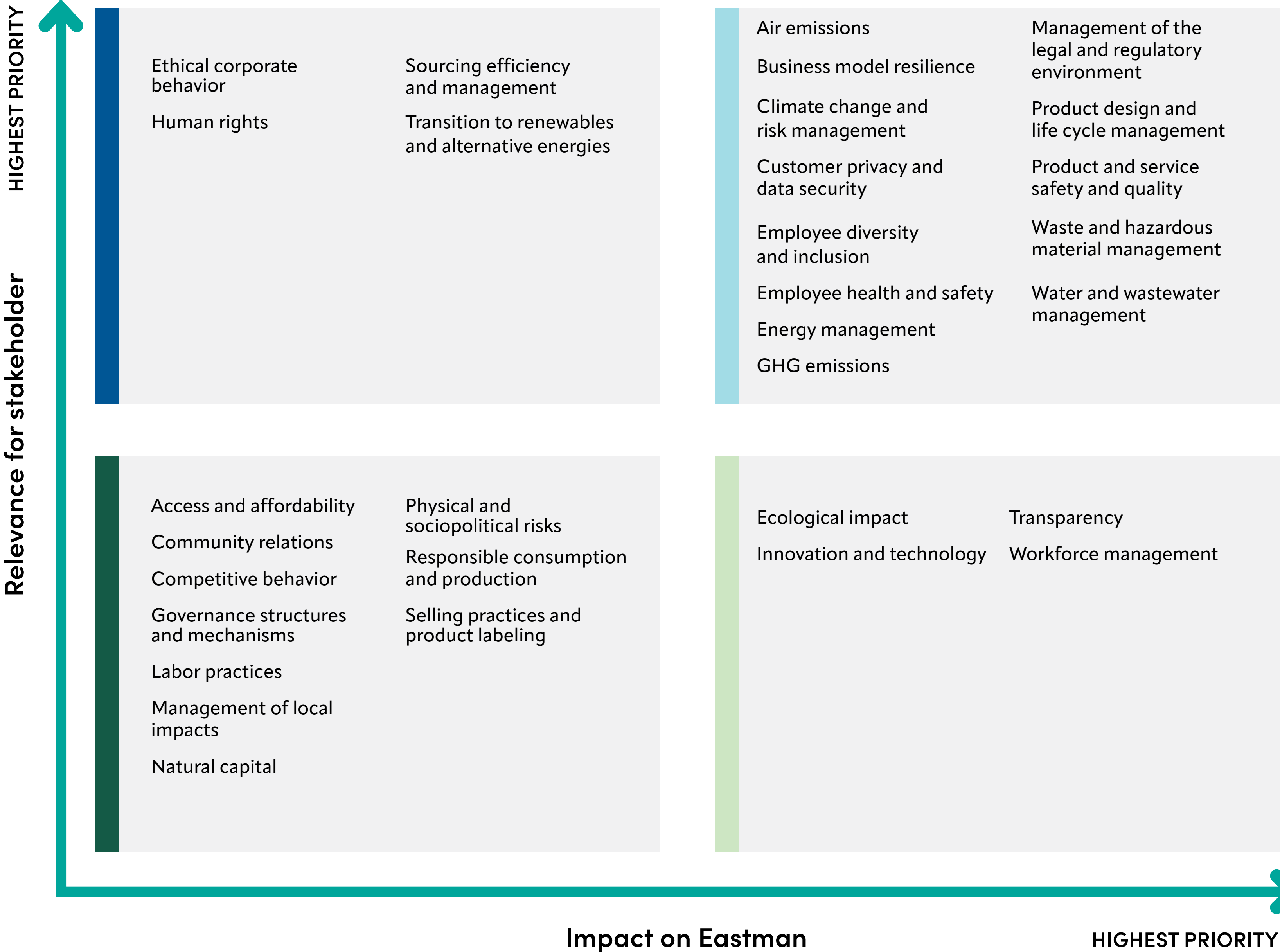
See details on Eastman’s materiality assessment on the next page.





GOVERNANCE

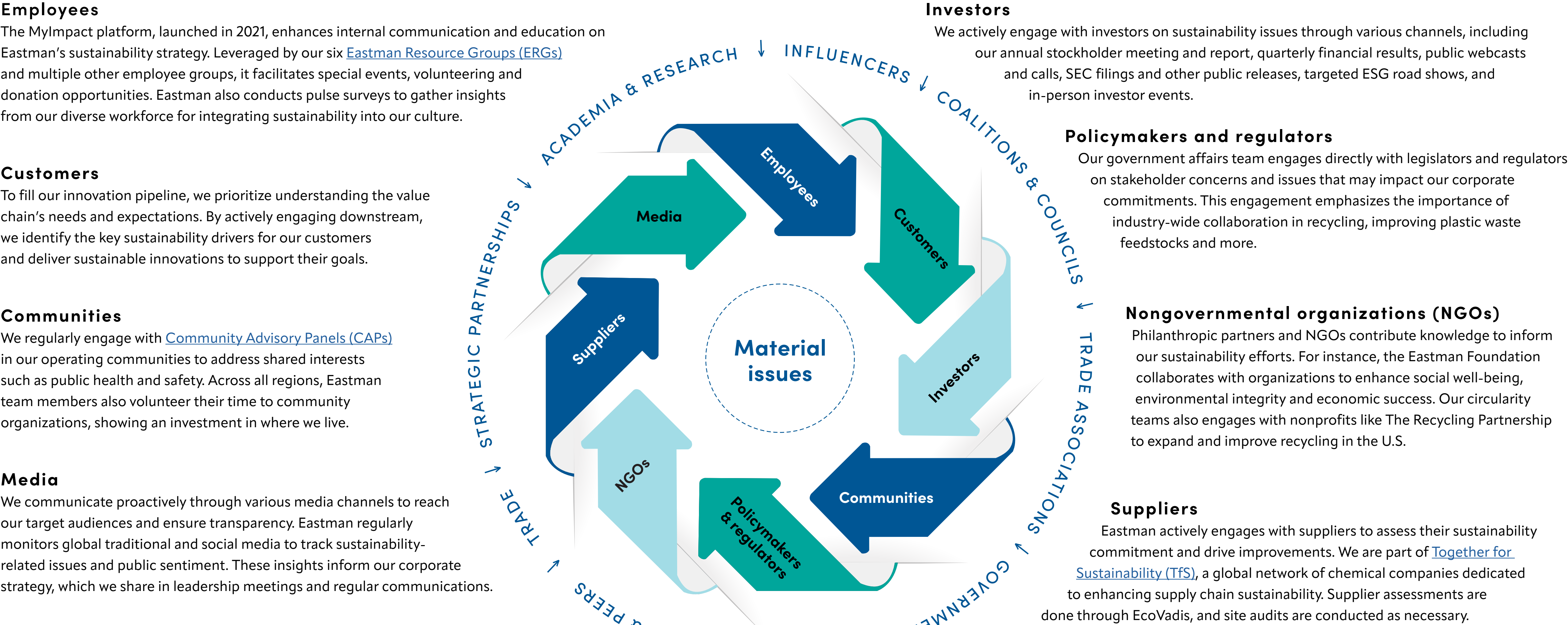
Materiality  
assessment  
matrix





# GOVERNANCE

## Stakeholder engagement





# GOVERNANCE

## 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 mitigate climate change, mainstream circularity 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<sup>a</sup>
- 100% of NAR and Europe purchased electricity will be renewable by 2030

We have also received [review-level assurance](#) in accordance with attestation standards established by the American Institute of Public Accountants (AICPA) over our Scope 1 and Scope 2 greenhouse gas emissions for the year ending in 2023.

<sup>a</sup>Results are reduction since baseline year.

<sup>b</sup>An accounting change for purchased electricity in 2023 resulted in an expected decrease in renewable energy.

Target year	Results	
	2022	2023
2030	16.3%	22.3%
2030	14%	10% <sup>b</sup>

#### Mainstreaming circularity

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

Eastman began full operation and production of on-spec material at our methanolysis facility for polyester waste in Kingsport, Tennessee, in March 2024, giving us two complementary molecular recycling technologies. Carbon renewal technology, our other technology, recycles a broader set of mixed plastic waste. Our recycling volumes have continued to increase year over year, and operation of our new Kingsport facility will significantly increase overall volumes in 2024 and 2025.

2025	18.1M lb 8,000 MT	21.9M lb 9,934 MT
------	----------------------	----------------------

#### 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<sup>®</sup>
- Be a leader for U.S. racial equity within our industry sector

2030	85%	88%
2030	38%	38%
2030	14%	15%





# Mainstreaming circularity

## Governance

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

## Strategy

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

## Business risk/opportunity

As an industry leader, we began operation of the world's largest material-to-material molecular recycling facility in early 2024 and are operating at commercial scale. Produced with plastic waste destined for landfill or incineration, this versatile, high-quality molecularly recycled material helps us and our value chains shift global product consumption to more sustainable materials without sacrificing performance.

## Metrics and progress

Beginning operation of our new molecular recycling facility and producing on-spec material with recycled content puts us on a trajectory to achieve our recycling goals. By 2025, we expect to recycle 250 million pounds (110,000 MT) of plastic waste annually. We also have a commitment to recycle 500 million pounds (250 KMT) by 2030. With plans for two additional molecular recycling facilities, one in Longview, Texas, and another in France, we will be well equipped to meet our 2030 goal.



MATERIALS FOR A SUSTAINABLE FUTURE

Our vision for a circular economy in clear focus

Eastman’s commitment to show the world what is possible is now more visible and tangible than ever.

Those who happen to be in Kingsport, Tennessee, can literally see the proof by driving by our site as the new molecular recycling facility — one of the world’s largest — is visible from the road. But you don’t have to be in Kingsport to experience the proof, as products made with Eastman Renew materials from molecular recycling technology are available all over the world.

Our operations in Kingsport are a big step, with more to come. We plan to build a second molecular recycling facility in Longview, Texas. A third facility is planned for Normandy, France.

These projects are part of our plan to invest more approximately \$2.25 billion to expand molecular recycling, so hard-to-recycle waste doesn’t go to incineration or landfill but is instead recycled so it can be used to make new products again and again.

Our two complementary recycling innovations, polyester renewal technology and carbon renewal technology, reduce our carbon footprint because they produce chemical intermediates with fewer greenhouse gas emissions compared to heritage processes that use fossil feedstocks.

We’re a pioneer in molecular recycling, but our strategy to bring circularity into the mainstream isn’t limited to this technology innovation. Circularity is more than that.

We’re also innovating new materials that are recyclable for applications where they historically haven’t been. Through recyclable products like Eastman Embrace™ Encore copolyester shrink labels for packaging and Eastman Cristal™ One for cosmetics containers, we are working with brands to deliver sustainable materials that promote exceptional recyclability so that materials are never truly wasted.

Waste from food trays is a special challenge. The trays themselves are sometimes not easily recyclable, and even when they are, they’re often covered with leftover food that prevents recycling. With Aventa™ Renew compostable materials, we’ve introduced an alternative so meat trays — as well as any remaining food — can break down into compost.

Aventa Renew, a biobased product made from sustainably sourced wood and recycled waste, comes from our deep cellulose expertise.

Eastman introduced cellulosic products exactly 100 years ago, so biobased materials have long been fundamental to our company. Mainstreaming circularity is an evolution of that heritage, and we plan to keep pushing the boundaries of what’s possible to make waste a thing of the past — and preserve and restore the planet for the generations to come.





# MATERIALS FOR A SUSTAINABLE FUTURE

## Start-up of new Kingsport facility is changing recycling

### March 2024 marked a pivotal moment for what the world can expect for plastic recycling.

That’s when our new molecular recycling facility became fully operational, enabling mountains of hard-to-recycle plastic waste to be processed into new materials — virgin-quality and meeting the same specifications of heritage products — instead of going to landfill.

Mark Costa, our CEO, said the full start-up of our facility on March 21 carried unique importance for Eastman’s long-term vision where plastic is circular and used again and again.

“By demonstrating molecular recycling at this scale, we solidified our position as a leader in the circular economy,” Costa said.

We built the world’s largest material-to-material molecular recycling facility in Kingsport, Tennessee, leveraging the integration of our primary manufacturing site. Now, we’re producing significantly more Eastman Renew materials with certified recycled content\*

\*Certified recycled content allocated using ISCC PLUS mass balance.

for the specialty materials used in items like sports bottles, eyeglasses, small appliances, baby bottles — and much more. Because our processes work on the molecular level, Eastman can recycle products infinitely without any loss in performance.

Our new facility is essential for us to achieve our recycling commitments, reduce plastic waste and provide more sustainable materials to customers. Scott Ballard, president of Eastman plastics, said there’s a bigger picture to consider too.

“This is what the height of innovation looks like — doing something that’s never been done before,” Ballard said. “This is important for Eastman. We’re able to recycle a lot of plastic waste and help mitigate climate change. But we’re catalyzing an impact bigger than ourselves. We want others to follow us and do the same thing. We need others to follow us to create a bigger impact for the planet.”





MATERIALS FOR A SUSTAINABLE FUTURE

Start-up of new Kingsport facility is changing recycling (continued)

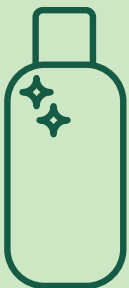
What does 250 million pounds  
(110,000 MT) look like?



11 billion  
single-use water bottles



or 790 million  
polyester T-shirts



or 2.7 billion  
plastic shampoo bottles

How this is unique

Eastman uses methanolysis at the new facility to process waste polyester such as colored and opaque beverage and detergent bottles, polyester textiles, X-ray film and carpet.

These items and others would otherwise be waste because they don’t work in today’s mechanical recycling processes. One of the key reasons Eastman was a first mover is our site integration, which enabled us to leverage our existing polymers infrastructure. Eastman has previous experience with the technology too.

We pioneered methanolysis in the 1970s. We retained the expertise and began refining it through pilot plant operations the past several years. Eastman’s capabilities in engineering and manufacturing operations, married with our methanolysis knowledge, made this unique facility possible.

As manufacturing leader for our plastics division, Kevin McGuire sees methanolysis operations daily.

“The power of our integration and personnel is what allowed us to go from mechanical completion to safely starting up and producing on-spec product so quickly,” McGuire said. “It’s amazing to watch — to see waste arrive and know that this was destined to go to a landfill where it would stay forever, but instead it goes into our plant and comes out on the other side as usable, recycled material. Science and know-how and our teams make this possible.”

“No one has ever done this on this scale before,” Ballard said of the completed methanolysis facility. “It took a Herculean effort to bring it to fruition.”

Michelle Caveness

Vice President, TNO Site Leader and Global Operations Support (she/her/hers)

Michelle Caveness, vice president of the Kingsport site and global operations support, said this project is one of the most important feats in company history.

"We called upon Eastman team members from across the company to step forward and bring this one-of-a-kind facility online. Their commitment has inspired us all," Caveness said. "Many of them changed their plans and made personal sacrifices to reach this milestone, making it possible to keep hard-to-recycle plastics out of our landfills. By doing so, they have reshaped the future, likely changing the trajectory of our industry and setting in motion improvements to our world for generations to come."





MATERIALS FOR A SUSTAINABLE FUTURE

Beth Alderson and Jennifer McCusker show collaboration is key to innovation

Spotlight of Eastman fellows

“The new molecular recycling plant is the largest and most impactful thing Eastman has done in the last 50 years,” said Jennifer McCusker, the lead chemist on the project. “This project wasn’t a sprint or a marathon. It was an Ironman competition.”

Not only was the job like a long-distance triathlon of swimming, cycling and running — it had to be done within a time limit.

“This is one of the most technically complex projects I’ve contributed to and one of the most significant, especially as the Kingsport facility is the flagship for the circular economy platform,” said Beth Alderson, engineering fellow.

Alderson and McCusker served as a key process engineer and lead process chemist, respectively, on the start-up of the world’s largest molecular recycling plant. During the last two years they worked on the plant, both earned the title of fellow, the highest rank one

can achieve in their scientific or engineering career at Eastman. This recognition is a result of their decades of accomplishments for the company, including their contributions to the start-up of the plant.

“Having one engineer and one chemist allowed us to have two different perspectives to problem solve. In simple terms, chemical engineers are more like plumbers and chemists are more like cooks,” McCusker said “Engineers understand the equipment — how things flow and behave in pipes. Chemists focus on the molecules and how they react, like ingredients, time and temperature.”

This led to a natural collaboration.

“We communicated daily,” Alderson said. “Because of our different backgrounds, reporting structures and experiences within Eastman, we had different contacts and resources that enabled us to help problem solve better together.”

Hundreds of team members were pulled into the project from Kingsport and other global sites.

“It took an enormous number of people with everyone dedicated at every level — within manufacturing, technology, engineering and other organizations — to make this work,” Alderson said.

Everyone understood what the success of this project meant for the environment.

“Plastics aren’t going away,” said Alderson. “They add value to people’s lives, and there is always a need. Helping create a means by which these needed plastics can be reused and not end up in a landfill is very rewarding.”

Jennifer McCusker

Technology Fellow  
(she/her/hers)

Beth Alderson

Engineering Fellow  
(she/her/hers)







"I believe we have brilliant scientists and engineers at Eastman, and they are creating products that will change the world for the better. The chemistry behind our products sets us apart."

**Cindy Nelson**

*Senior Marketing Communications  
Account Manager*  
(she/her/hers)

## MATERIALS FOR A SUSTAINABLE FUTURE

### Eastman's focus on sustainability drew marketing veteran to the cause

#### Molecular recycling spotlight: Cindy Nelson

In 2020, when she learned about Eastman's new goals focused on circularity, climate change and caring for society, Cindy Nelson knew she wanted to join the cause. With marketing and advertising experience for brands like McDonald's and True Value Hardware, she joined Eastman in 2022 as a senior marketing communications account manager for specialty plastics with a focus on automotive and electronics.

With molecular recycling technology, Eastman uses plastic waste such as textiles, carpet, and colored and opaque bottles — items otherwise destined for landfill or incineration — as valuable raw material known as feedstock.

Nelson and her marketing communications teammates distilled the message into the tagline It's the feedstock™ to easily highlight how Eastman changes the fate of plastic so that it doesn't become waste.

The automotive industry is a good example. Every year, it generates 10 billion pounds of plastic waste. Through collaboration with the United States Automotive Materials Partnership (USAMP), Eastman demonstrated that automotive plastic waste could be recycled indefinitely with our carbon renewal technology. Nelson and her team played a crucial role in telling that story.

To demonstrate the magnitude of waste in landfills, Nelson and the team created strategic engagements, including filling a pickup truck with automotive plastic waste at General Motors' Innovation Hub. This approach motivated engineers to think about designing with material end of life in mind at the onset.

The circular economy marketing communications team was also crucial in getting another stakeholder group to take action. As a matter of fact, the effort led to a recycling world record.

That communications team, working with the University of Tennessee, aimed to set a world record for the largest college recycling event, at a UT college football game. During that 2022 game, fans recycled 38,452 pounds of waste, with hard-to-recycle plastics sent to Eastman as feedstock. UT and Eastman partnered a year later to surpass that record by recycling 44,950 pounds of game-day waste.

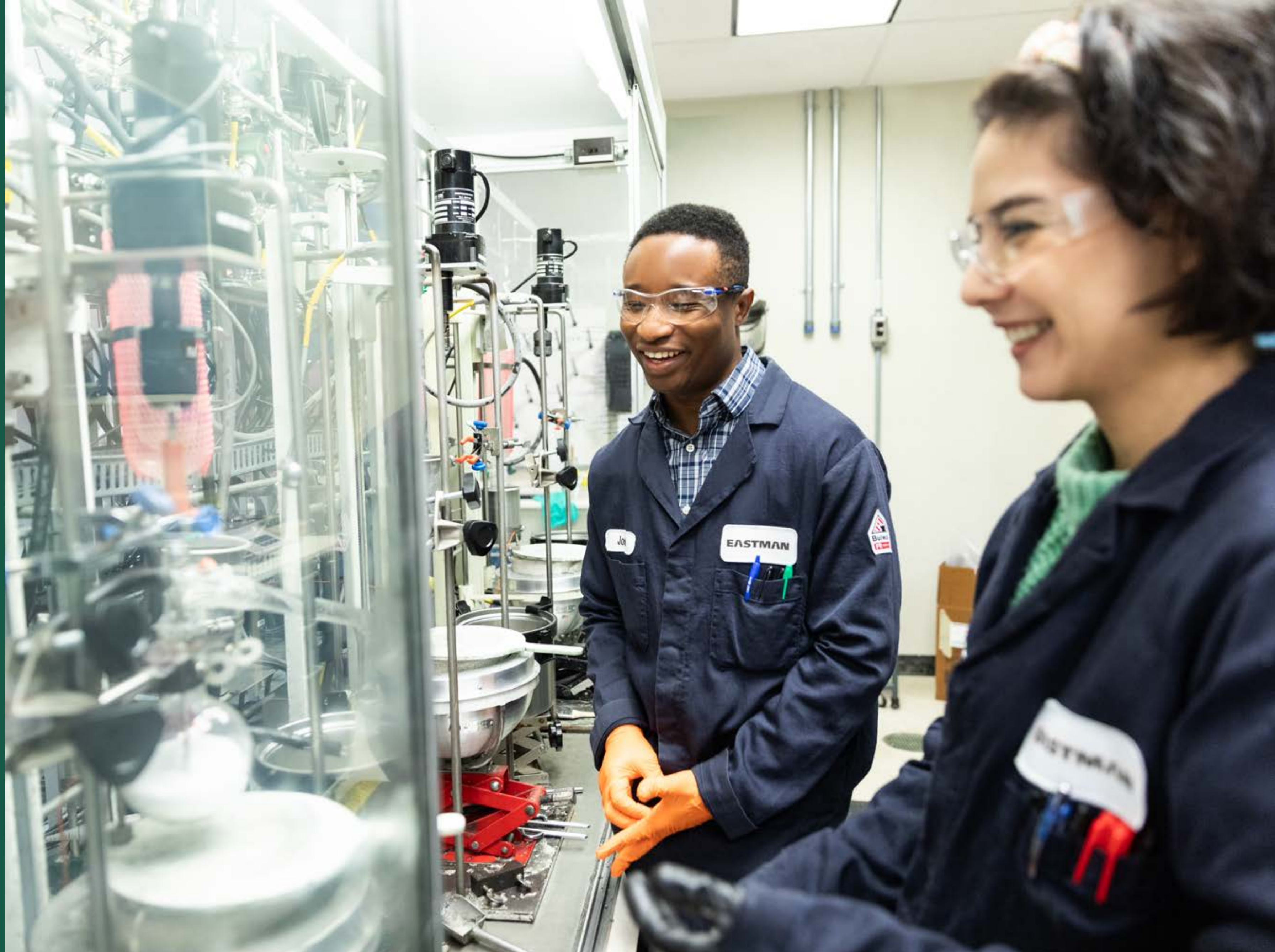
"For me, marketing communications at Eastman is about translating our innovation and chemistry into terms that anyone — from stakeholders to consumers — can easily understand and articulate," Nelson said. "Eastman is changing the world, and our team tells the world what's possible — literally."





MAINSTREAMING CIRCULARITY

# Partnerships





Partners in circularity

BLACK + DECKER bringing sustainability to home products

Stanley Black & Decker is well-known and respected in the tool market, but the 100-year-old BLACK+DECKER brand needed to build awareness with younger, sustainably minded do-it-yourself consumers. The company turned to Eastman for our Tritan™ Renew copolyester, a safe, tough, durable material made with 50% certified recycled content.\*

Dan Fitzgerald, Stanley Black & Decker’s senior director of product sustainability, knew the biggest impact on the company’s carbon footprint was the materials that go into making finished products. Materials with recycled content, like Tritan Renew, can help lower its product carbon footprints.

“Historically, recycled content was looked down upon as being lower quality or having inferior performance as well as being inconsistent from lot to lot,” Fitzgerald said. “A power tool is a high-performance machine but made to fit into your hand. They are designed to deliver

significant output torque in the case of drills and efficient, quality results in the case of a sander. These tools crank out considerable amounts of work and draw enough current to act as an ignition source for fire, which is why the materials need to be flame rated for safe use.”

The company needed materials to be durable in a power tool housing but also consistent in quality and color to perfectly match the brand colors.

Tritan Renew met all those needs along with the specifications of the power tool housing, which led to the idea of a new product line aimed at a younger generation of do-it-yourselfers. BLACK+DECKER released a completely new power tool line, reviva™, rooted in the concept of designing for circularity and ushering in a new wave of product innovation. After first being used in the reviva line, Tritan Renew is now being adopted in other BLACK+DECKER products. [Read more.](#)

*\*Certified recycled content allocated using ISCC PLUS mass balance.*





## 10th anniversary eyewear collection features Tritan™ Renew

Swiss Eyewear Group (SEG), a leading eyewear manufacturer, partnered with us to celebrate the 10th anniversary of its [INVU eyewear collection](#), which features Eastman Tritan™ Renew in all the frames. INVU by SEG has established itself as an industry leader, constantly pushing the boundaries of frame and lens materials while ensuring affordability for global consumers.

"We are delighted to work with Eastman to ensure that fast-moving, affordable fashion and environmental responsibility are not mutually

exclusive," said Jerry Dreifuss, CEO of SEG. "With the launch of this new sustainable collection, INVU continues to deliver on its promise to offer cutting-edge eyewear while prioritizing sustainability." Tritan Renew, which is made with 50% certified recycled content\* derived from hard-to-recycle waste, performs like virgin-quality material. SEG chose Tritan Renew as a unique material that combines exceptional, environmentally responsible qualities without imposing manufacturing restrictions. [Read more.](#)

\*Certified recycled content allocated using ISCC PLUS mass balance

## Eastman and Axilone team up to design recyclable and refillable lipstick

Luxury cosmetics packaging producer Axilone teamed up with us to create a lipstick design with the environmentally conscious cosmetics consumer in mind. Axilone used Eastman Cristal™ One Renew resin as a replacement for a material of concern that hinders recycling efforts. The result is a recyclable, refillable lipstick. Since it is compatible with the PET recycling stream for all the components, the mono-material packaging does not require disassembly before recycling. It also addressed Axilone's need for a fully smooth-glide

operation in the mechanism, which is difficult to achieve with most other recyclable resins. "Reducing the environmental impact of our products is at the heart of Axilone's vocation," said Reynald Trochel, innovation director at Axilone. "Through our partnership with Eastman and with this mono-material lipstick made with Cristal Renew with 100% certified recycled content,\* we can simultaneously enhance their recyclability and reinforce the flows of the circular economy with a refillable package." [Read more.](#)





# Ostium adopts Eastman Eastar™ 6763 Renew for surgical instrument packaging

Medical device startup Ostium Group, a pioneering company dedicated to revolutionizing orthopedic surgical instrumentation, is choosing Eastman’s sustainable packaging solution Eastar™ 6763 Renew copolyester for its CILLAR® Acetabular and Femoral kits for total hip replacements.

Sourcing Eastar Renew enables Ostium to certify that plastic waste is being diverted from landfills to produce new packaging. The amount of plastic waste diverted is tracked through an ISCC-certified mass balance accounting approach that allocates recycled content to Eastman Renew materials. By adopting this sustainable packaging solution, Ostium

Group is taking a significant step toward reducing plastic waste and its impact on the environment. “As a company focused on improving patient safety and minimizing the environmental impact of healthcare procedures, Ostium is thrilled to collaborate with Eastman,” said Vincent Retailleau, co-founder and general manager of Ostium Group. “Integrating its sustainable packaging solution, Eastar 6763 Renew aligns perfectly with our mission,” said Retailleau. “Together with Eastman, we are committed to delivering innovative solutions that benefit both patients and the planet.” [Read more](#).





## ICONS | ICS offers compacts made from Eastman Cristal™ One Renew

ICONS | ICS launched a mono-material cosmetic compact that pushes the boundaries of eco-friendly packaging. It's made entirely from Eastman Cristal™ One Renew, an resin identification code 1 (RIC 1) resin with 100% certified recycled content\* that is compatible with the PET recycling stream. The elimination of traditional metal hinges and pins greatly improves the recyclability of the compact, while its refillable design allows consumers to easily replenish their cosmetic products.

"The collaboration with Eastman aligns perfectly with our commitment to providing sustainable packaging solutions to the cosmetics industry," said Dave Thompson, ICONS | ICS director of technical and design. "Together, we are driving innovation by showing the world what is possible in terms of eco-friendly packaging." [Read more.](#)

\*Certified recycled content allocated using ISCC PLUS mass balance



## Collaborating to eliminate single-use plastic waste in the airline industry

We're collaborating with deSter, a leading global provider of innovative service ware and food packaging concepts for the travel and food service industries, to bring innovation to the airline industry by introducing reusable in-flight drinkware made with Tritan™ Renew.

"The airline industry generates 6.1 million tons of plastic waste per year, representing 2% of the world's plastic waste and more than 50% of aircraft waste.\* We see tremendous potential to eliminate this waste with reusable service ware. For drinking cups, we have to find a durable and sustainable material to meet the design and operational challenges. Tritan Renew is one of the materials with the greatest potential

to meet this demanding challenge," said Philippe De Naeyer, director sustainability at deSter. In that industry, plastics must be able to endure a relatively harsh cycle of transportation, onboard use and cleaning via commercial dishwashing. Having more items that can last through the airline's usage cycle while also retaining their high-end look will not only allow airlines to reduce waste but also to maintain a premium experience. Tritan Renew is extremely durable, making it an ideal material for this type of heavy usage. [Read more.](#)

\*WRAP, 2017; UNEP, 2018; Blanca-Alcubilla et al., 2018





MAINSTREAMING CIRCULARITY

# Feedstocks





FEEDSTOCKS

Moving mountains through molecular recycling

Through collaboration, we’re pioneering a new recycling system that brings economic value to waste streams that previously have gone to landfill or incineration. By working with mechanical recyclers to accept waste that does not fit with their processes, we are able to collectively expand the types of products that get recycled — driving systemic change. Here are some of the partners who share our commitment to turning waste into feedstock.

Partners who share our commitment to turning waste into feedstock

Mechanical and molecular recycling: better together

Rumpke Waste & Recycling forged a groundbreaking collaboration with Eastman that combines forces and technologies to reduce plastic waste. A 90-year-old organization that is one of North America’s leading recycling companies, Rumpke is collecting and sorting hard-to-recycle and colored PET packaging waste for Eastman. Rumpke delivers the material to our Kingsport facility, where we transform this waste into virgin-quality polyesters that will be used to make a wide variety of products.

Tackling the problem of apparel waste

In the age of fast fashion, apparel waste has become an enormous challenge. Recycling advances and collaboration can help solve the problem. A good example is our work with Debrand. Debrand is a logistics company that specializes in solutions for apparel waste for leading apparel and footwear brands. We teamed up with Debrand to recycle pre- and post-consumer apparel waste and then used the certified recycled material in the creation of Naia™ Renew fibers.

Solutions for France

We plan to build a molecular recycling facility in France, and we’ll need large amounts of feedstock for the facility. Eastman took a step forward with a supply agreement with Interzero. As part of that long-term agreement, Interzero will provide Eastman up to 44,000,000 pounds (20,000 MT) per year of hard-to-recycle PET waste that would otherwise be incinerated.

Also for our planned France facility, Eastman reached an agreement with Nord Pal Plast SA, part of Dentis Group, a leading Italian multinational company specializing in recovery and mechanical recycling of PET packaging waste.





# FEEDSTOCKS

## Polyester-based consumer products

### Methanolysis

What exactly is hard-to-recycle waste? It's many items that we use in our everyday lives for vital purposes. But the polyester cannot be accepted by traditional mechanical recycling. With molecular recycling to close the gap, however, here are some of the things that no longer have to go to landfill.

#### Methanolysis feedstock examples

Apparel

Colored PET flake

PET compounds

Colored PET

PET with labels

Carpet fiber and yarn



#### Examples of products that can contain Eastman Renew





FEEDSTOCKS

Ramping up molecular recycling production

MPP is the feedstock MVP

We announced in March that our new molecular recycling facility began operation in Kingsport, Tennessee.

As we continue to ramp up production, Eastman’s mixed plastics processing (MPP) facility plays the crucial role in receiving and preparing feedstock for methanolysis, the technology we use to recycle polyester. Inside the facility, we prepare plastic waste for methanolysis. This includes washing colored and opaque articles, shredding and a densification process to create methanolysis-ready feedstock pellets.

The MPP facility accepts hard-to-recycle polyester materials from hundreds of sources, and Annie Jackson manages the database of more than 1,500 potential feedstock sources as well as the associated research program. A polymer scientist, Jackson accepted the job of methanolysis feedstock technical leader four years ago. In those early days

of molecular recycling, Jackson started the research program with just a few unique samples in the lab.

Now, Eastman has multiple warehouses in Northeast Tennessee to store plastic waste for recycling — in addition to the huge MPP facility. Where once there was one pile of waste, there are now literal mountains of polyester processed into granules and flake inside MPP.

“It’s inspiring to be part of a team where you can literally see the difference Eastman is making by recycling these huge volumes of plastic waste each day,” Jackson said. “MPP is designed to process a broad range of PET feedstock from a variety of sources in a variety of forms. Not only can we handle bottles and food packaging, but we can take waste from mechanical recyclers and textiles. Handling all these different form factors adds a ton of complexity, but the team at MPP has really embraced the challenge.”

As time passes, the volume and kinds of plastic waste will grow.

“We’ve set boundaries for what we can accept today,” Jackson said. “My role is to push those boundaries.”

The familiarity of MPP for both Jackson and Spencer Tidwell, group leader for feedstock evaluation, doesn’t diminish their appreciation for the scale of the operation.

“The amount of volume we’re processing at MPP is hard to comprehend until you see it,” Tidwell said. “At full production, we will receive up to 35 trucks of waste each day. It’s a testament to how much hard-to-recycle waste there is and how energized everyone is about our molecular recycling facility enabling circularity.”

Watch this [video](#) to get a picture of MPP.





MAINSTREAMING CIRCULARITY

# Next on the horizon





# NEXT ON THE HORIZON: TEXAS

## Molecular recycling coming to our Longview site

### Our next building block for a circular economy

We announced major breakthroughs for our second recycling facility in March. We intend to build in Longview, Texas, and we were chosen by the [U.S. Department of Energy's Office of Clean Energy Demonstrations \(OCED\)](#) to receive funding for clean energy powered by next-generation technology. Much like the advantages offered in Kingsport, a molecular recycling facility in Longview will enable us to leverage existing infrastructure and operations.

We will have the capacity to recycle approximately 110,000 MT of hard-to-recycle plastic waste, and we have secured an offtake contract with PepsiCo.

**Support from U.S. Department of Energy**  
As part of the award from the DOE, we plan to invest approximately \$20 million in our Community Benefits Plan (CBP), which will include the renovation and repurposing of a underutilized building that will be a hub for community outreach and other ongoing community needs. OCED targets climate change, and Eastman will use a relatively new clean energy technology for process heat — thermal batteries — on a scale never seen before in our industry. By

incorporating thermal batteries fed by renewable energy, Eastman will be able to use hard-to-recycle polyester waste and produce new recycled materials with up to 90% reduced carbon emissions, including avoided emissions, compared to fossil virgin production.

In addition to DOE support, Eastman also received significant state and local tax support.

**Building community strength**  
In collaboration with community partners, Jasmine Crumsey Forde, talent development and sustainability manager, and Dani Woodrum, public affairs manager, collaborated with Amy Hooper, director of the Texas operations chemical manufacturing division, to develop the Community Benefits Plan.

"We've operated for over 70 years in this community, and it's exciting to think about what's in store for the next generation," Hooper said. "I think one of the things that set Longview apart in the grant process was our community support and backing of the business community."

The project will bring approximately 1,000 construction and trade jobs and over 200 full-time jobs.

"Our Longview project perfectly illustrates how we're addressing three critical impact areas to build A Better Circle," said Brad Lich, Eastman's chief commercial officer. "We'll provide an infinite life for waste materials that would've otherwise gone to landfill through molecular recycling operations that will draw energy from renewable sources. Eastman has deep roots in Longview, and we're strengthening our investment in the community, so we can have a positive impact for years to come."

Learn more details about the project's impact in Longview on page 39.



\*The U.S. Department of Energy's Office of Clean Energy Demonstrations (OCED) was established to accelerate clean energy technologies and fill a critical innovation gap on the path to achieving our nation's climate goals of net zero emissions by 2050. OCED's mission is to deliver clean energy demonstration projects at scale in partnership with the private sector to accelerate deployment, market adoption, and the equitable transition to a decarbonized energy system. Visit [energy.gov/oced](#) to learn more.







**"We conducted a detailed assessment of the site and the needs of our employees and surrounding community then crafted a tailored solution to address them."**

**Dani Woodrum**  
*Global Public Affairs Strategic Initiatives Manager*  
(she/her/hers)

## NEXT ON THE HORIZON: TEXAS

# Building community resiliency and strengthening environmental justice

## Molecular recycling project will deliver immense benefits to Longview community

The next molecular recycling facility for Eastman, in Longview, Texas, will be another significant step in creating a circular economy. The project, which is receiving up to \$375 million in grant funding from [the U.S. Department of Energy's Office of Clean Energy Demonstrations \(OCED\)](#), will also strengthen the community.

It will amplify our history of community involvement in Longview through an approximately \$20 million commitment by Eastman to a comprehensive Community Benefits Plan (CBP). The DOE grant funding comes from the Bipartisan Infrastructure Law and Inflation Reduction Act as part of the [Industrial Demonstrations Program](#).

"The aim of the plan is to ensure direct benefits to surrounding communities through the creation of quality jobs, advancing inclusion and diversity, mitigating environmental impacts, and strengthening two-way community engagement," said Jasmine Crumsey Forde, talent development and sustainability manager at Eastman. "Making communities more resilient was a key priority for both Eastman and the DOE. To deliver on the DOE's target for 40% of

the investment to flow through to communities, we leveraged a bottom-up approach of understanding the needs of our employees, site leaders and community partners to craft Eastman's CBP commitments."

Crumsey Forde worked closely with Amy Hooper, director of the Texas operations chemical manufacturing division, and Dani Woodrum, global public affairs strategic initiatives manager, to develop the plan.

The public affairs team had already begun using [environmental justice tools](#) to assess societal needs and develop a strategy for Eastman to help strengthen the Longview community.

"To create the greatest benefit for the greatest number of people, our plan couldn't be generic," Woodrum said. "We didn't just need to know the data; we needed to understand the narrative behind the data to position our plan for the greatest possible impact."







# NEXT ON THE HORIZON: FRANCE

## Molecular recycling site planned for Normandy

### French government has provided strong support

We continue to work through the necessary milestones as we proceed with our planned facility in the Normandy region of France. This project is part of our strategy to invest approximately \$2.25 billion in three molecular recycling locations.

This planned facility will also process approximately 250 million pounds (110,000 MT) annually.

With strong support from the French government and Normandy, we have secured significant feedstocks for the facility, including an agreement we reached in February 2024 with Nord Pal Plast SA, part of Dentis Group, a leading Italian multinational company specializing in recovery and mechanical recycling of PET packaging waste.

Dentis will provide 30,000 metric tonnes per year of rejected PET post-consumer waste to Eastman. These materials, which currently lack a circular solution, will be recycled at Eastman's molecular recycling facility in Port-Jérôme-sur-Seine, Normandy. We have secured over 70% of the feedstock for our planned operations in Normandy.

The collaboration with Dentis underscores the importance and complementary nature of both mechanical and molecular recycling processes in creating a more sustainable future. Through the collective expertise and resources of the two companies, we aim to bring new value to waste materials.

"We are very pleased to enter into this agreement with Eastman, since our group is strongly committed to promoting a continuous transition from a linear to a circular economy in the packaging market," said Corrado Dentis, Dentis/Nord Pal Plast's CEO. "This partnership contributes to create a standing valuable platform towards PET waste reduction, making mechanical and chemical recycling effectively complementary towards the achievements of European plastic recycling rates."





# MAINSTREAMING CIRCULARITY

## Eastman cellulose

### An Eastman material introduced 100 years ago has become the sustainable material of tomorrow

Molecular recycling has accelerated our strategy to bring circular materials into the mainstream, but molecular recycling is far from the sole element of our commitment to circularity. One of those molecular recycling technologies, **carbon renewal technology (CRT)**, couples with a century-old Eastman material — cellulose — to deliver a unique, sustainable product for multiple applications.

The Eastman innovators who introduced cellulose exactly 100 years ago were ahead of their time. They could not know they had created the material of tomorrow, one that is more relevant and important than ever. The reasons are all around us. Natural resources

are finite. The limitations on traditional recycling have resulted in waste piling up in landfills. Microplastics are collecting in our oceans at alarming rates.

Our **cellulosic biopolymers platform** offers solutions to those modern problems, with applications textiles, food packaging, food service and personal care. Most importantly, this material is sustainable at the beginning of life and at the end of life. We create cellulose from biobased, renewable wood pulp from sustainably managed forests. At the end of life, these products are biodegradable and do not persist as microplastics — and in the case of food service, are a compostable solution that replenishes soil. Combining these

cellulose with certified recycled content from CRT increases the sustainability of some cellulosic products through the use of mixed plastic waste as feedstock.

Innovation and a surge in application development the past five years have expanded the use of cellulose to meet today's needs. Brands that have established commitments to use materials that meet strict standards for biodegradability, compostability or recyclability are increasingly turning to Eastman cellulose because they get the environmental benefits and high performance.

Following are some of the certifications and honors that attest to the sustainability of our cellulose products.





# MAINSTREAMING CIRCULARITY

## Eastman cellulose (continued)

Naia™ from Eastman is our cellulosic fiber bringing sustainability to the fashion industry with performance that ensures designers and brands retain creativity without compromise. And Naia™ Renew, which includes 40% certified recycled material from GRS-certified mass balance allocation, is delivering fashion circularity at scale.

Eastman Aventa™ compostable materials are replacing single-use food service packaging that isn't recyclable, and Aventa is certified compostable and biodegradable, leaving behind no microplastics while performing like traditional materials. Aventa Renew is the only compostable material that contains both biobased and certified recycled content using ISCC mass balance allocation.

Eastman Solus™ performance additives are helping brands achieve packaging sustainability by replacing polyethylene-coated containers with a compostable, recyclable solution.

Eastman Esmeri™ cellulose ester micropowder is our new solution for cosmetics and personal care products, a naturally derived ingredient that has high performance properties and is biodegradable, leaving behind no microplastics.

Read the following pages to learn more about carbon renewal technology and cellulosic products that are meeting material needs and preserving our planet.



## Research, rigorous certifications prove biodegradability, compostability of Eastman cellulosic biopolymers

For years, scientists at the Woods Hole Oceanographic Institute (WHOI) have researched how waste intersects with the marine environment. Though it's never the intended outcome for waste materials to make it into marine environments, regrettably, it does occur.

WHOI scientists found that a new version of cellulose diacetate (CDA) is the fastest degrading bioplastic that they tested in seawater. That CDA is one of the ingredients in Aventa Renew, Eastman's unique compostable material that contains both biobased and certified recycled content through mass balance allocation.

Aventa Renew received home compostable certification from **TÜV Austria** and industrial compostable certification from **Biodegradable Products Institute (BPI)**.

### Tangible sustainability

Aventa and other Eastman cellulosic products undergo rigorous, third-party testing and evaluation to ensure our materials are better solutions for the planet.

Eastman holds the **Forest Stewardship Council® Chain of Custody** certification that represents the traceability of our wood-based raw materials. Naia™ counts the FSC mark of responsible forestry among its certifications, and our cellulosic fiber has been recognized with Canopy Hot Button dark green shirt, signaling our commitment to the protection of ancient and endangered forests.

Our first Esmeri product, Eastman Esmeri CC1N10, is a non-microplastic, biodegradable material in compliance with **European Union regulations** on synthetic polymer microparticles.



MAINSTREAMING CIRCULARITY

# Carbon renewal technology

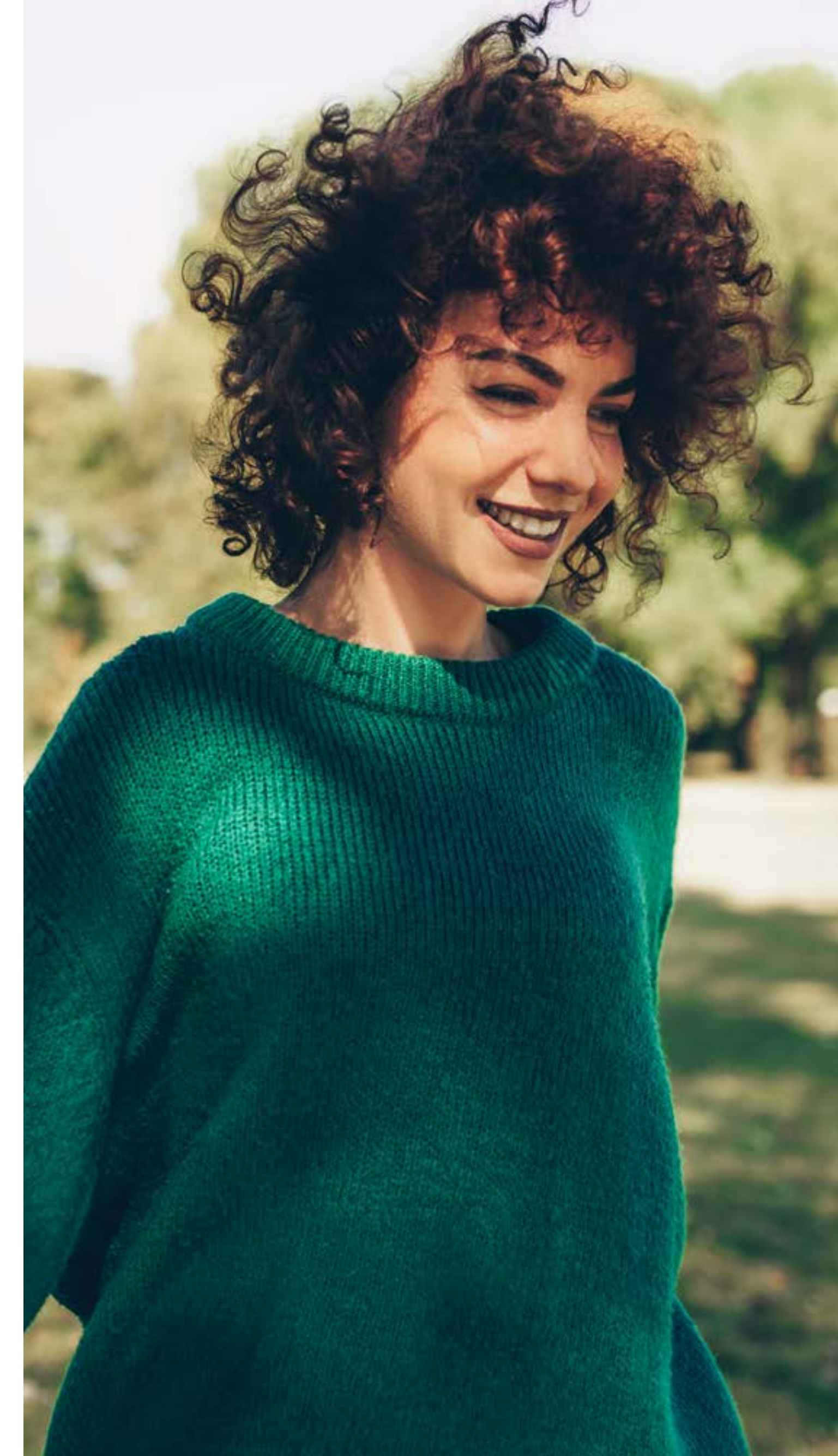
## CRT tackles mixed plastic waste to complete the molecular recycling picture

A type of molecular recycling, carbon renewal technology (CRT) is a reforming technology that gives new life to hard-to-recycle plastic waste and complements our polyester renewal technology. CRT is able to recycle most plastics with the exception of PVC.

CRT takes a wide variety of mixed plastic waste and breaks it down into its molecular building blocks, allowing the molecules to be reassembled to build new products that tie to our cellulosics stream. CRT allows materials to be recycled an infinite number of times with no compromise or loss of quality.

It can keep difficult-to-recycle material out of landfills and incinerators. The process also reduces greenhouse gas emissions by 20%–50% at the intermediate level compared to processes using fossil fuels. And the end products are identical to those produced with virgin content.

We recycle pre-consumer and post-consumer waste, including textiles, carpet and leftover material from the production of eyeglasses, closing the loop on the mixed-plastic life cycle.





CARBON RENEWAL TECHNOLOGY

Naia™ Renew changing sustainable fashion

Naia™ Renew ES brings circularity at scale

We’re taking the future of sustainable fashion a step further with Naia™ Renew ES. This enhanced sustainability (ES) fiber helps us protect and preserve the planet’s resources and is our answer to the overconsumption of raw materials, the growing plastic and textile waste problem, and rising greenhouse gases.

Eastman Naia™ Renew ES is made with increased certified recycled content. Produced from 60% recycled waste material via GRS-certified mass balance and 40% sustainable wood pulp, this innovative fiber requires fewer virgin materials.

In early 2024, we teamed up with sustainable fashion brand [Reformation](#) to launch Naia™ Renew ES at

scale. As part of its new bridal collection, Reformation created three dress styles featuring Naia™ Renew ES, which the brand describes as “like silk but better.”

“Reducing our reliance on virgin silk is an important part of achieving our ambitious commitments to become climate positive by 2025,” said Carrie Freiman Parry, senior director of sustainability at Reformation. “Innovative materials like Naia™ Renew ES help us drive sustainable fashion forward while continuing to deliver the high-quality, on-trend product customers love and expect from Reformation.”

This year, Canadian women’s design house Aritzia, known for its Everyday Luxury wardrobe essentials, also launched

an assortment of styles made with Naia™ Renew. This fits into Aritzia's broader strategy to increase adoption of lower impact materials and promote environmental stewardship throughout the production processes.

One of our top sustainability goals is mainstreaming circularity by promoting sustainable practices in the textiles industry. Partnering with fashion leaders like Reformation and Aritzia is an investment in our future. These brands see the possibilities circularity creates for the fashion industry.





# Making textile-to-textile recycling possible with Naia™

Combating climate change and its impacts can't be done by any one person or company alone. That's why our Naia™ team is committed to achieving our sustainability goal of establishing global partnerships, making real environmental impacts.

"Our collaborations show the world what's possible when it comes to sustainability," said Carolina Sister Cohn, global marketing lead for Eastman textiles. "We have the technology to make the textiles industry circular, and we know it requires collaboration with innovative brands to make circular fashion possible."

This year, we collaborated with Debrand through take-back recycling programs to help support our circular fibers feedstock and provide solutions for end-of-life apparel waste.

Take-back programs allow consumers to bring their most loved clothing back to retailers for recycling when garments reach their end of use. Collecting the apparel for Eastman's molecular recycling technology enables us to create new fibers for circular fashion.

Debrand is a reverse logistics company that collected top apparel brands' unusable garments to be processed through Eastman's molecular recycling technology. This program recycled 5,000 pounds of pre- and post-consumer apparel waste, which can be used to produce new Naia™ Renew fibers with 40% certified recycled content\* waste material.

Partnerships and demonstration projects like these drive progress on our [Naia™ sustainability goals](#), particularly to mainstream circularity. Turning discarded garments into new Naia™ Renew fibers is a great end-of-use textile solution. When we collaborate with sustainably minded partners, we help drive the necessary infrastructure changes, including collection and sortation systems for mixed-fiber garments, to advance sustainability in the fashion industry.

\*Naia™ Renew recycled content is achieved by allocation of recycled waste material using a GRS-certified mass balance process.





ANDY WOLF began transitioning to Acetate Renew in 2022, aiming for 75% of acetate frames of the entire collection to be made from Acetate

\*Certified recycled content allocated using ISCC PLUS mass balance.





CARBON RENEWAL TECHNOLOGY

Aventa™ drives circularity in food service

A material that delivers advantages in sustainability, compostability

Eastman Aventa™ offers manufacturers of food service items a material option that holds up to rigorous use and has a sustainable end of life.

“Aventa helps give retailers and customers a reliable, environmentally sound option,” said Jeff Carbeck, Eastman vice president of corporate innovation and care solutions technology. “We’re improving the sustainability story for product lines that have long been a source of plastic waste.”

Aventa is used in the food service market for compostable straws, compostable cutlery in retail, and compostable protein trays in the food packaging market.

Products made from Aventa replace existing plastics that can't be recycled with a sustainable solution, eliminating the problem of plastic waste while providing similar performance.

Aventa is made from acetic acid and sustainably sourced wood pulp, making it biobased and derived from renewable sources.

Eastman Aventa™ Renew offers an additional layer of environmental benefits. Aventa Renew contains a combination of sustainably sourced wood pulp and certified recycled content,\* helping increase circularity of waste plastics.

Aventa-based products are compostable and biodegradable. End users can dispose of articles along with their food waste in composting bins. Microorganisms recognize Aventa as a food source and break it down, so it won't remain as microplastics.

The benefits of Aventa don't mean there is a compromise on performance. Items made with Aventa look, feel and perform just like their traditional counterparts, providing the durability and versatility needed by retailers and end users alike.

*\*Certified recycled content allocated using ISCC PLUS mass balance.*





# Aventa™ offers another win-win for Eastman and partners

SEE, formerly known as Sealed Air, launched its CRYOVAC® brand compostable overwrap tray in 2024. The trays are made from Eastman Aventa™ Renew compostable materials. Aventa Renew is made from sustainably sourced wood pulp and certified recycled content.<sup>1</sup> The trays are certified as both home and industrial compostable.<sup>2</sup>

The CRYOVAC® trays are designed to be drop-in replacements for traditional polystyrene foam trays in meat packaging.

“One of the most exciting features of these trays is that they perform like traditional plastic in a challenging environment and yet provide an end-of-life solution through composting,” said Jeff Carbeck, Eastman’s vice president for corporate innovation and care solutions technology.

SEE is a valuable partner for many reasons. The company's industry knowledge, packaging capabilities and reputation enabled it to quickly develop, commercialize and promote Aventa Renew-based trays.

“Our CRYOVAC® brand compostable overwrap tray would not be possible without the ingenuity of the product we use from Eastman,” said Tiffani Burt, SEE’s executive director for strategic marketing and sustainability for the Americas.

<sup>1</sup>Certified recycled content allocated using ISCC PLUS mass balance.

<sup>2</sup>Industrial composting facilities may not exist in all areas.





MAINSTREAMING CIRCULARITY

# Innovating and collaborating for a circular economy





# INNOVATING AND COLLABORATING FOR A CIRCULAR ECONOMY

## National recognition for our work in circularity



### Engineer built a career that aligns with his passion for the environment

Eastman’s Jason Pierce is recognized as one of the world’s top experts in life cycle assessment (LCA), which analyzes the potential environmental impacts of a product.

“At first, it was sort of a side project. But over time, it really opened my eyes to where the world was heading in terms of the need for a circular

#### Jason Pierce

Senior Associate Technical Leader  
(he/him/his)

economy and how important carbon footprint was going to be in this new world,” Pierce said.

Pierce received the 2023 Corporate LCA Leadership Award from the American Center for Life Cycle Assessment, one of the highest professional honors in his field. Eastman uses LCA to improve processes and reduce greenhouse gas emissions. It also provides data to customers to empower them to make more sustainable material choices.

“Jason’s work has been so important. He started the practice of LCA at Eastman back in 2008, trained all of our practitioners, and oversaw its transformation from a niche tool to something that underpins the value proposition of our circular technologies and guides our corporate decarbonization journey,” said Fred Colhoun, group leader of circular economy and life cycle assessment.

[Read more.](#)

### Project Balanced earns Foundry's CIO 100 award

Eastman’s Project Balanced digital innovation earned a 2024 CIO 100 award from Foundry, which celebrates organizations that are using information technology in innovative ways to deliver business value.

“The award-winning teams share a passion for excellence, a customer-centric mindset, and a drive to invest in technologies that elevate business value,” said Elizabeth Cutler, content director, CIO 100 Symposium & Awards.

Project Balanced is a digital innovation that tracks the amount of waste material we bring in, how much recycled material we generate through molecular recycling, and how much certified recycled content is available using mass balance through ISCC, the International Sustainability & Carbon Certification. This is done in a transparent and easily auditable way that allows for the rapid scale-up of Eastman’s molecular recycling efforts.

“This recognition is a testament to the hard work and dedication of our team in leveraging innovative digital solutions to drive business value and make a positive impact not only on Eastman but on the world,” said Aldo Nosedá, Eastman vice president and chief information officer.

#### Aldo Nosedá

Vice President and Chief Information Officer  
(he/him/his)





# REDUCING WASTE

## Working with regional partners to make a difference

### Recycling at airport takes flight

We are working with Tri-Cities Airport, a regional airport that serves Northeast Tennessee, to collect plastic through strategically placed recycling bins throughout the airport. These new bins give travelers the opportunity to recycle plastic bottles and food containers, which will be sorted and processed at our new molecular recycling facility. [Read more.](#)



### Food City, Eastman team up to recycle

Eastman is committed to helping the world build a circular economy — and that commitment starts in the communities where we work and live. Through [efforts with community partners](#) in East Tennessee, we are working to reduce waste and increase recycling of products that, for too long, have been used once and thrown away.

A great example of a partnership came in spring 2024, when Eastman and regional grocer Food City officially launched their new **Shop, Recycle, Repeat** recycling program in Kingsport, Tennessee, which helps fulfill community needs for recycling.

Steve Smith, Food City's CEO, was among those who brought a bag of plastic from home the first day the recycling bin was ready.

"We had people bring bag upon bag of plastic," said Jacquelyn Keeney, a circular economy project leader at Eastman.

Keeney was a member of an Eastman team that worked with Food City counterparts to bring plastic recycling to Kingsport. In the first month, the early community response was overwhelming. "We collected a lot of plastic — 3,000 pounds in the first month," Kenney said.

#### How the recycling program works

Three Food City stores in Kingsport have large recycling bins that are clearly wrapped with Shop, Recycle, Repeat information and a QR code that connects to a [website](#) with recycling locations, demonstration videos, FAQs and more.

Eastman will use a wide range of hard-to-recycle plastic packaging to feed its new [molecular recycling plant in Kingsport](#), one of the largest in the world.

#### Changing the future of recycling

Food City has a growing footprint across the region of Northeast Tennessee and Southwest Virginia and has more than 150 stores in five Southeast states.

"Once we establish the program in Kingsport, we'll be working to bring this to additional stores throughout our region," Smith said. "We're excited about this opportunity, and we're even more excited to partner with Eastman as they change the future of recycling as we know it."

[Read more](#) about the Food City partnership.







**"We had to find a solution for all our cardboard. With our previous recycling partner closed, finding a baler became a top priority to keep cardboard out of the landfill and stay true to our sustainability commitments."**

**Marsha Edwards**  
*Senior Environmental Representative*  
(she/her/hers)

## REDUCING WASTE

### Collaboration with Goodwill for community impact

#### Reducing waste and creating job opportunities through Kingsport partnerships

Marsha Edwards searched everywhere for a Kingsport, Tennessee, partner that could take Eastman's cardboard and bale it for recycling. Our monthly volume — up to 120 tons — of cardboard was more than local balers could handle.

Then Goodwill Industries of Tennesse Area, Inc. knocked on Eastman's door.

Goodwill already partnered with Eastman to recycle clothing and other textiles that could not be sold, but the nonprofit organization also had three cardboard balers. That's why Goodwill approached Eastman with an offer to bale cardboard.

The partnership began in April, when Eastman donated its inaugural shipment of cardboard to Goodwill for processing. The bales are transported on Goodwill's sustainability truck to pulp and paper manufacturer Domtar, also located in Kingsport, for recycling.

"Through this collaboration, we're also lowering our carbon emissions," said Edwards. "Working with

two local organizations only about five miles away from our site requires reduced transportation. This partnership is really a win-win for everyone."

To support growth of the partnership, Goodwill purchased a fourth baler to handle larger cardboard boxes. Goodwill hired two additional employees to manage baler operations, which aligns with its mission to provide employment to those in need.

"What truly makes this moment special for me is the promise of job opportunities it brings," said Morris Baker, president and CEO of Goodwill Industries of Tennesse. "This partnership and its achievements aren't just about cardboard recycling. It's about creating pathways to success and making a tangible difference in people's lives. We see that in the success of Goodwill employees and the benefit this three-company partnership has on our community's sustainability."







# Mitigating climate change

## Governance

Eastman's climate strategy and goals are guided by our [climate policy](#) and managed through our corporate sustainability governance structure. That includes a decarbonization platform, environmental impact sub-council and other working groups, with oversight by an Eastman executive team-led Sustainability Council and board of directors.

## Strategy

Our sights are set on carbon neutrality by 2050. We plan to get there through energy efficiency, increased use of renewable energy and emerging technologies. And we'll continue to innovate, design and scale sustainable solutions.

## Business risk/opportunity

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

## Metrics and progress

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



# MITIGATING CLIMATE CHANGE

## Our path to carbon neutrality

Eastman is committed to doing our part to mitigate climate change and reach carbon neutrality by 2050.

Our decarbonization pathway has yielded consistent progress. We have reduced our Scope 1 and 2 greenhouse gas (GHG) emissions by 22.3% from our base year.

Our strategy includes near-term and longer-term actions geared toward achievement of that goal.

The critical path to our target requires focus on energy efficiency, increasing use of renewable energy, process transformation and deployment of alternative technologies.

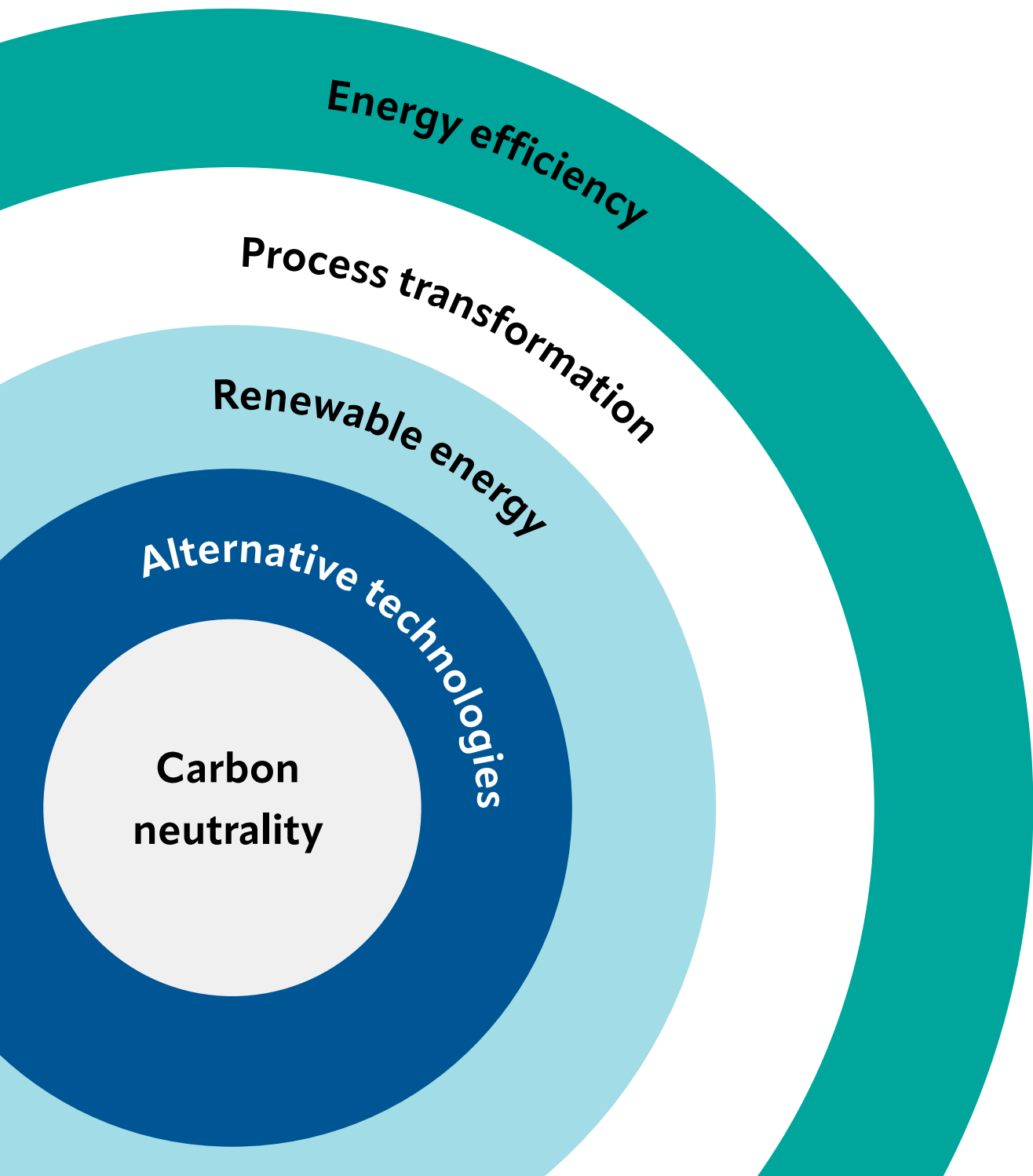
Eastman has a comprehensive decarbonization platform governance structure, with a steering team of executive leaders across multiple functions within the organization

to ensure progress toward our Scopes 1 and 2 targets as well as understanding our Scope 3 emissions and developing engagement strategies toward reduction.

And we’re committed to innovate to provide products that enable energy savings and GHG reduction down our value chains, carrying through to the consumer level. Our molecular recycling technologies are an

example of this commitment and demonstrate our innovation to develop and transform processes to reduce GHG emissions and increase circularity.

Following are examples of near-term and long-term actions that are elements of our Scopes 1 and 2 decarbonization strategy. We invite you to read the following pages to learn more.



### Decarbonization strategy

- **Energy efficiency**  
Our early progress on climate relies heavily on energy efficiency, where we have received multiple ENERGY STAR® and Department of Energy awards.
- **Process transformation**  
Development and execution of transformative changes in our processes are reducing carbon footprint.
- **Renewable energy**  
By 2030, 100% of our purchased electricity in North America and Europe will be renewable.
- **Alternative technologies**  
Technologies such as thermal batteries and carbon capture, utilization and sequestration (CCUS) are essential to achieve decarbonization.

### Near-term actions: Execute ongoing portfolio of solutions

- Convert steam boilers to lower-emission fuel
- Optimize combined heat and power via advanced modeling
- Focus on energy efficiency
- Procure additional renewable energy
- Electrify process heat through utilization of thermal batteries

### Long-term actions: Evaluate and execute transformational projects

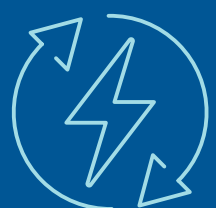
- Electrify suitable process heat loads
- Increase use of low-carbon chemical feedstocks
- Implement carbon capture, utilization and sequestration (CCUS)
- Increase use of low- to no-emission fuel for generating process heat
- Execute targeted process transformation
- Deploy emerging technologies



Decarbonization overview



1. We will develop material solutions to address climate change challenges.



2. We will reduce our carbon footprint, build resiliency measures and manage climate risks and opportunities.



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

Progress on climate strategy provides a path to achieving our goals.

Decarbonizing industry is critical to mitigating climate change. That’s why we’re committed to achieving our ambitious climate goals.

Guided by the [Eastman climate policy](#), we continue along the path to reach our goal of achieving carbon neutrality for our Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 2050. Our near-term target is a 32% reduction of these emissions by 2030, from a 2017 base year.

Our climate strategy includes multiple elements and is underpinned by our world-class expertise in energy efficiency and our development and application of innovative technologies. Eastman’s molecular recycling is reducing waste and producing new materials with a lower carbon footprint. We’re also adopting cutting-edge technologies, such as our plan to combine solar energy with thermal batteries at the molecular recycling facility we plan to build in Longview, Texas.

Our climate policy has three commitments.

1. We will develop material solutions to address climate change challenges.

Molecular recycling is revolutionizing material innovation by giving new life to products that were once relegated to incineration or landfill. Our recycling also produces new materials with a lower carbon footprint. Molecular recycling reduces reliance on fossil resources and yields intermediates with 20%–50% fewer GHGs than heritage processes. Our Longview molecular recycling facility will be able to produce recycled materials that are indistinguishable from virgin with up to 90% fewer greenhouse gas emissions, including avoided emissions, than materials made from fossil feedstocks.

2. We will reduce our carbon footprint, build resiliency measures, and manage climate risks and opportunities.

The production of new materials at our molecular recycling facility in Longview will be made possible by adopting next-generation clean energy technology — thermal batteries. Their deployment — at a scale never seen before in our industry — is part of our plan to increase our use of renewable energy so 100% of our purchased electricity in North America and Europe will be from renewable sources by 2030. Our European sites are leading the way, with three locations already sourcing 100% of their purchased electricity from renewables. Our monumental investment in molecular recycling and thermal batteries at Longview has put that site on a similar trajectory. As we continue to leverage energy efficiency across our global manufacturing sites, we’re working to source more low-to-no-GHG energy.

(Continued on following page.)



## CARBON NEUTRALITY

### Decarbonization overview (continued)

#### 3. We will pursue strategic partnerships and initiatives to advance the understanding of climate change to bring forward innovative solutions.

In pursuit of solutions aligned with climate science, we are working with others around the world — industry peers, government entities, NGOs, policymakers — to leverage and improve existing solutions and develop innovations as part of our climate strategy. Following are some of these efforts.

- We are members of **Together for Sustainability** and collaborated with the chemical industry to bring harmonization and transparency to product carbon footprints through the publication of a new standard.
- We are piloting SiGREEN, a software tool developed by Siemens for **Together for Sustainability** for the purposes of sharing product carbon footprints up and down the value chain.
- Our program manager of global natural resources, **Sharon Nolen**, was chosen by the U.S. secretary of energy to chair the **Industrial Technology Innovation Advisory Committee**. This Department of Energy (DOE) committee advises the secretary of energy on the Industrial Emissions Reductions Technology Development Program, which is focused on greenhouse gas emissions reductions in industry.
- We are members of the **Center for Climate & Energy Solutions (C2ES)** as part of its Business Environmental Leadership Council. C2ES works to secure a safe and stable climate by accelerating the transition to net-zero greenhouse gas emissions and a thriving, just and resilient economy.
- We are members of the **Renewable Thermal Collaborative (RTC)**, a global coalition for companies, institutions and governments committed to scaling up renewable heating and cooling at their facilities. Renewable thermal heating and cooling could dramatically cut carbon emissions, and the collaborative recognizes the growing necessity for sustainable, cost-competitive solutions at scale.
- Eastman is a participating member of the DOE-funded organization **Electrified Processes for Industry Without Carbon**. Known as EPIXC and based at Arizona State University, this public-private partnership was formed to drive significant decarbonization of the industrial sector using clean electricity with cost-effective, high-impact solutions.
- We are an **ENERGY STAR®** partner and participate in the ENERGY STAR® industrial program.
- Through our membership in the **Better Climate Challenge**, a DOE initiative — as well as through ENERGY STAR® — we share energy-saving strategies with industry peers and other members.
- We collaborated with **Sphera®** on the development of its LCA automation software. Sphera is a leading global provider of ESG performance and risk management software, data and consulting services, and its LCA automation solution quickly delivers holistic, real-time analysis and insights into the environmental footprint of a company's product portfolios. The tool can help businesses more effectively reduce GHG emissions at every step of production, from design to assembly.





Energy efficiency

Energy efficiency is the backbone for progress toward climate goals

Our expertise and continued energy efficiency improvements are the foundation for our climate progress. From our baseline year, we've reduced our Scope 1 and Scope 2 greenhouse gas emissions by 22.3%. Much of our gains have come from leveraging this area.

Around the globe, we have 45 active energy efficiency projects.

We also share best practices with industry peers and organizations such as the U.S. Department of Energy's Better Plants and EPA's Industrial ENERGY STAR® programs — and continue to receive recognition.

ACC Energy Efficiency Award

For its 2024 Responsible Care Awards, the American Chemistry Council recognized three projects at our **Kingsport site with ACC Energy Efficiency Awards**. One project received an "exceptional merit" distinction.

In fall 2023, DMT operations implemented a new control scheme on three distillation columns. The columns were

previously run manually and were sensitive to changes in operating conditions — and prone to process interruption.

Engineers and area personnel worked closely with the advanced controls group to develop a new control scheme that used several innovations to keep the columns stable through a variety of conditions.

As a result, the columns have demonstrated sustained stable operation while reducing steam usage required to maintain the column profile by 12.8%.

ENERGY STAR® Top Project Award

Also in Kingsport, **ENERGY STAR®** cited our work in 2023 for reducing energy demand for air cooling.

By converting a large powerhouse to natural gas, we needed less airflow through industrial fans. Engineers installed variable frequency drives that cut the amount of time fan motors would run at full speed, reducing energy demand by 1.6 megawatts and saving equivalent to the amount of electricity typically used in 1,500 homes a year.



ACC  
Energy Efficiency Award

12.8%  
in steam usage



ENERGY STAR®  
Top Project Award

1,500  
equivalent homes'  
annual electricity use



Gains in  
Ghent

15%  
energy intensity reduction  
for the process



CARBON NEUTRALITY

Energy efficiency (continued)

Gains in Ghent

At our **Ghent North facility in Belgium**, we launched an energy efficiency project in 2021 to realize gains from digital manufacturing, utilizing various process information tools to provide insight on how to impact energy consumption and optimize our processes. By fall 2023, the project had resulted in a 15% reduction in energy intensity for the process (unit of energy per unit of product). With this large process making up 70% of the site’s total energy use, the overall site’s energy intensity was reduced 10%.

Throughout our EMEA region, more than 50 climate and energy improvement projects are in the pipeline. Most of those projects focus on energy efficiency; others relate to renewable energy or process improvement.

Engineers across Eastman continue working to improve energy efficiency and reduce our GHG emissions through development of process transformation projects, employing renewable energy options, and exploring and evaluating breakthrough energy technologies. Through our global operation excellence program, an energy workstream team is working directly with senior leaders to develop and deliver solutions to further strengthen energy efficiency.

While Eastman’s operations are energy intensive, we generate a significant portion of our energy using combined heat and power, or cogeneration. Electricity produced by cogeneration plants in Kingsport, Tennessee, and Longview, Texas, is approximately twice as efficient as purchasing electricity from a utility with conventional power stations and generating required steam separately.





## Projects in Europe and Texas highlight progress

### New developments provide a sightline to our goal

Renewable energy is an essential part of our strategy to mitigate climate change, and we have established a 2030 goal that 100% of our purchased power in North America and Europe will be from renewable sources. Key projects over the past 12 months are foundational to increasing renewables in our portfolio as we move toward 2030.

### European sites showing the way

Driven by procurement teams in the Europe, Middle East and Africa (EMEA) region with input from EMEA sites, we’re making significant progress.

Two sites in Europe are sourcing all their purchased electricity from renewable sources: Newport, Wales, and Oulu, Finland. Our Finland site began dramatically increasing its use of green energy in 2019 and no longer uses fossil fuels for electricity generation. Our Newport site draws part of its electricity from wind energy.

### Cutting-edge power for Texas facility

Industrial processes typically require a lot of electricity. Decarbonizing industry is necessary — but far from simple. We’re taking a leadership role on climate with the molecular recycling facility we’re building in Longview, Texas. That’s where we’ll decarbonize the process heat needed for our facility by building the largest thermal battery project in our industry.

Eastman plans to partner with Rondo Energy, which develops and deploys heat battery technology that can power large-scale industrial processes with zero-carbon heat. Rondo Heat Batteries are modular units containing thousands of tons of brick and coils of metal, much like those in the toaster on your kitchen counter. The batteries transform intermittent renewable power — in Eastman’s case, much of it from new, on site solar — into heat in excess of 1,000°C. The brick batteries can store massive amounts of heat for up to 24 hours with very little loss.

By incorporating thermal batteries fed by renewable energy, Eastman will be able to process hard-to-recycle polyester waste and produce new materials with up to 90% reduced carbon emissions including avoided emissions, compared to fossil virgin production.

Neil Brown is an Eastman engineer who is a leader in assessing renewable energy.

“This can be a true game-changer for providing low- or zero-carbon power for industrial processes,” Brown said. “Anywhere there are great needs for process heat — and Eastman uses a lot of heat to power our processes — thermal batteries seem like the solution because you’re able to store heat for so long with so little loss.”

[Learn more](#)

### Neil Brown

Senior Chemical Engineer  
(he/his/him)



Neil Brown (below) is encouraged about next-generation energy technologies, like thermal batteries (above).







**“Everyone knows the stakes in mitigating climate change, so teams and individuals throughout EMEA are putting forth effort to make a difference.”**

**Camille De Moor**  
*Manager of Sustainability Strategic Initiatives*  
(she/her/hers)

# CARBON NEUTRALITY

## EMEA climate progress

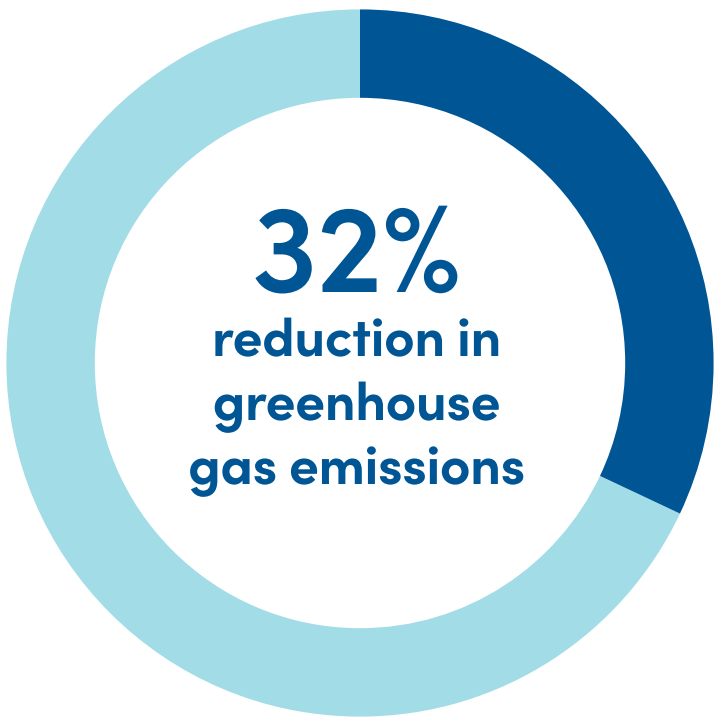
### Eastman’s EMEA region accelerates climate progress

Our sites in the EMEA region have already achieved significant climate targets. Eastman’s EMEA locations have achieved a 32% reduction in greenhouse gas emissions from a 2017 base year, drawing on a range of projects across multiple sites with gains in energy efficiency, renewable energy and process improvement.

With a focus on energy efficiency and renewable electricity, EMEA continues to identify more reduction opportunities as we look toward 2030.

“Our teams in the region take pride in showing leadership in Eastman’s overall climate strategy, while also aligning with the ambitious targets set by the European Union and the United Kingdom,” said Camille De Moor, manager of sustainability strategic initiatives in EMEA.

Eastman’s EMEA locations have achieved a





CARBON NEUTRALITY

Electrification of EMEA company lease car fleet

Vehicle transition will reduce CO<sub>2</sub> impact for EMEA fleet

Leaders in our EMEA region began transitioning company vehicles to hybrid and electric vehicles.

The process began Jan. 1, 2024, when the company started letting its leases for gasoline-powered cars expire, said Harold de Kruijf, Eastman’s total rewards lead for EMEA. Going forward, all company-leased cars in the EMEA region will be gasoline plug-in hybrid or fully electric, resulting in a reduction in CO<sub>2</sub> emissions.

“In discussions between HR and EMEA leadership, it became clear that we needed to and could support the sustainability goals of the company by making

a next step in the electrification of our car fleet,” he said. “As a company committed to global excellence in environmental stewardship, caring for the environment remains a crucial part of our legacy, culture and brand.”

Nations throughout Western and Central Europe including Germany, France, Spain and the United Kingdom will require all new cars sold to be zero-emission vehicles by 2035.

As part of our climate strategy, we are exploring increased EVs in our vehicle fleets in other global regions.



The company’s EMEA fleet of **270 cars** should complete the transition by the end of **2028** as leases expire.







## CARBON NEUTRALITY

### U.S. Secretary of Energy chooses Sharon Nolen to lead climate committee

#### Applying sustainability life lessons to the greater good

**"Our company is committed to reducing our own carbon footprint and developing innovative products that can help our customers reduce their carbon footprint. One of the core values of Eastman's view of sustainability is that the value we create must be greater than the resources we consume."**

**Sharon Nolen**  
*Fellow, Global Natural Resources Management*  
(she/her/hers)

Sharon Nolen started learning about sustainable living long before she could drive a car. Though she didn't have a license, that didn't keep her from learning how to safely drive a tractor at age 12. She learned that skill along with others — like tending the garden and bottle-feeding a calf — on the Middle Tennessee farm her family owned. Those lessons framed Nolen's perspective on sustainability and still influence her perspective as manager of global natural resources management for Eastman. As an expert on energy and water, Nolen

is a key leader in Eastman's strategy to mitigate climate change. Now, she's lending her expertise to influence positive change across the U.S. industrial sector. Nolen was chosen by the secretary of energy to chair the **Industrial Technology Innovation Advisory Committee**. This Department of Energy (DOE) committee advises the secretary of energy on the Industrial Emissions Reductions Technology Development Program, which is focused on greenhouse gas emissions reductions in industry. The committee will provide a report to Congress in 2025.

We are making progress on our own climate strategy with the goal of carbon neutrality by 2050. From her formative years to now, sustainability has always been personal for Nolen — and now the stakes are even higher for her. "I have a new granddaughter, and I think about her a lot with the work that we do," Nolen said. "I want her to have the same opportunities to enjoy nature and the world around her. We need to act today to create that bright future." [Read more.](#)





Scope 3

Our approach to Scope 3 emissions

Of the three types of greenhouse gas (GHG) emissions established by the Greenhouse Gas Protocol, Scope 3 emissions are by far the most complex. These indirect emissions occur throughout an organization’s value chain and cover a wide spectrum. All GHG emissions that are not Scope 1 (emissions from your own sources, such as generation of on-site power and process emissions) or Scope 2 (purchased energy such as steam and electricity) are considered Scope 3 emissions. So this broad set includes emissions generated by the materials you purchase from suppliers and the emissions from transporting those goods, emissions from your own products and distribution of them, and emissions generated by use of your products and their end of life.

We’re committed to establishing a process that enables rigorous calculations of these emissions throughout our value chain, which can enable us to establish a firm 2023 baseline in 2024. As part of our Scope 3 strategy, we are partnering with an external consultant with deep Scope 3

expertise to assist in our progress toward establishing that baseline emissions inventory. In addition to our baseline inventory work, we are devoting additional resources and maintain a cross-functional working team to identify our strengths and opportunities across all material Scope 3 categories.

We are also focusing on better understanding upstream Scope 3 emissions most directly in our control, such as purchased goods and services. We are early adopters of a new technology to help advance our visibility of Scope 3. Eastman is collaborating with Siemens, the developer of new software called SiGREEN, to verify carbon footprint data throughout the supply chain through our membership in Together for Sustainability. SiGREEN will give Eastman a better understanding of our upstream carbon footprint. The program will also enable Eastman to share our product carbon footprint data with customers for their Scope 3 tracking.





MITIGATING CLIMATE CHANGE

# Water and biodiversity





Water stewardship

We are committed to sound stewardship of this vital natural resource

Water stewardship is fundamental to effective, ethical solutions that mitigate climate change. With the growing global population translating to an overall increase in water use, we remain laser-focused on how we use, reuse and conserve water at our sites.

Eastman’s water policy guides our company’s consistent focus on stewardship of this vital natural resource. This policy captures our commitment to optimize resource management and collaborate with others. By partnering with organizations, industry peers and academia, we make improvements to our own processes and water stewardship while sharing what we learn with others.

The following are some of the programs that illustrate our approach and progress.

As part of our overall program for good natural resources stewardship, we continue to assess water use at Eastman sites, especially those in water-stressed regions or where freshwater withdrawals are high.

These **Water Body Risk Assessments (WBRA**s) are part of an American Chemistry Council program to demonstrate responsible water stewardship and help companies identify opportunities for improvement.

We have completed four WBRA’s and will have completed six by the end of 2024, meeting our goal, established in 2022, of two each year.

We are participating in two projects that are part of the **National Alliance for Water Innovation (NAWI)**, a program that brings together academic and industry partners to research and improve processes for water use. NAWI is a public-private partnership supported by the U.S. Department of Energy.

At two Eastman sites — Indian Orchard in Massachusetts and Ghent North in Belgium — we are developing an analysis tool to facilitate advanced water treatment technologies for alternative water sources. At Ghent North, we completed an analysis to optimize the use of

the canal water reverse osmosis system with the goal to reduce use of municipal water. The University of Texas at Austin is the academic leader of this project.

Eastman’s second NAWI project — at our site in Kingsport, Tennessee, and led by Lawrence Berkeley National Laboratory — is designed to reduce water consumption. We are researching the use of quantitative modeling to optimize treatment of water to make demineralized water used in boilers.

Eastman is providing funding to nonprofit organization **The Electric Power Research Institute** for a project to compare two industrial cooling alternatives. This project will develop a framework to evaluate whether retrofitting once-through cooling to closed-cycle cooling would have positive environmental and social impacts. Emissions, the use of chemicals, energy, water, and water stress, and the health and safety of the surrounding community will be taken into consideration.





BIODIVERSITY

Enhancing environments in our communities

Biodiversity allows ecosystems to function properly, and it includes all organisms across different terrains such as air, water and land. It’s also influenced by environmental conditions, including pollution, disturbances and land loss. Ultimately, biodiversity is an indicator for the quality of the environment. At Eastman, we recognize that sustaining biodiversity is a part of maintaining our right to operate.

As part of our commitment to Operation Clean Sweep Blue, we have no reportable plastic pellet loss in 2024. [Learn more about Operation Clean Sweep.](#)



Mexico City team engages in reforestation campaign

Colleagues from Eastman's Mexico City office planted more than 50 trees at Xochimilco Ecological Park in a reforestation campaign. Together with friends and family members, they made a tangible impact on the local environment while fostering a sense of camaraderie. The event was organized by Eastman’s health, safety, environment and security and facilities teams in

Mexico City in collaboration with the Mexico Secretary of Environment and the Directorate of Protected Natural Areas and Areas of Environmental Value. Both are governmental agencies in the country. Local tree species such as colorín, huizaches, guajes and fresnos mexicanos were successfully planted to enhance forest coverage and restore degraded ecosystems.



Kuantan colleagues advance environmental awareness

As part of its corporate responsibility initiative, Eastman’s Kuantan site participated in an eco-rafting challenge organized by Balok River Adoption Program (BRAP) in Kuantan, Malaysia. With more than 200 participants, the program — an environmental awareness outreach initiative sponsored by chemical companies in Kuantan — featured mangrove sapling planting, beach cleaning and the inauguration of a renovated fishermen’s hut. The event also included activities like a fish hatchling release, children's coloring contest, e-waste collection and used cooking oil collection. The program’s purpose was to enhance community awareness in the Gebeng Industrial

Estate, with collaborative support from the Malaysian Department of Environment (DOE) and SWCorp. The initiative aligns with Responsible Care®, a global voluntary program focused on improving safety, health and environmental performance. Eastman has been a Responsible Care member for more than 35 years. Since its establishment in 2007, BRAP — supported by companies like Eastman — has organized various programs such as raft races, river cleanups, educational talks, exhibitions and initiatives for fish releases and mangrove tree planting. Other participants included BASF, Kaneka and Polyplastics.





Eastman pollinator gardens

Keep America Beautiful recognizes Kingsport pollinator gardens

A network of pollinator gardens — the brainchild of Neil Brown, an Eastman engineer in Kingsport, Tennessee — has been recognized by Keep America Beautiful with a 2023 Innovation Award, one of only 10 presented across the country.

Keep Kingsport Beautiful led the local partnership of volunteers, schools and businesses that combined forces to create over 5,000 square feet of garden space at four elementary schools. Eastman was one of the organizations that contributed grant funding for the gardens.

For two years, Brown, who specializes in life cycle assessment, recruited about 50 colleagues to contribute a few hours on evenings or Saturdays to the gardening project.

The gardens are now populated with native perennial plants that provide food and habitat for a broad range of animal species — butterflies, moths and

bees, birds and even bats — that pollinate plants and trees critical for a healthy ecosystem.

Craig Leonberg, one of the Eastman volunteers for the pollinator project, is an Eastman mechanical engineer who works on our decarbonization strategy.

“Even if I’m not able to explain all the details of what I do at Eastman to my kids, they understand that what we’re doing is protecting the environment,” Leonberg said. “And now they can see a project on a different scale that’s also about the environment. This is a way for students to get involved at an early age, learn about life cycles and biodiversity, and start thinking about what they can do to have a positive impact when they grow up. It’s all connected.”

[Read more.](#)







# Caring for society

## Governance

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

## Strategy

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

## Business risk/opportunity

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

## Metrics and progress

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



CARING FOR SOCIETY

# Zero-incident mindset





ZERO-INCIDENT MINDSET

Q&A with Brian Long, VP, global health, safety and environment (GHSE)



**Eastman has seen a step change in our safety targets and performance since you joined the company in 2022. What was the turning point, and what has the journey been like for the last two years?**

I believe in the power of harnessing adversity to continuously learn and grow, and adversity was certainly knocking at our door when I joined Eastman. If you looked at our safety data at the time, the number of injuries and incidents projected over the next several years was simply unacceptable. We took a very honest look at our performance and collectively agreed that leaders at every level had to take greater accountability and lead differently if we were ever going to change the trajectory.

First, we had to define a vision our teams could rally around. We needed to move from viewing safety as a priority to embracing safety as a core company value. We wanted a resilient HSE culture deeply committed to zero incidents that explores, learns and continually improves.

Second, we aligned on four key focus areas with measurable objectives across all of our businesses and functions: demonstrate leadership commitment to zero incidents, improve personal safety, advance process safety, and boost asset integrity.

**What specific actions did you take?**

We raised expectations for people leaders to be in the field and increased and improved safety and leadership training across our manufacturing sites.

We placed stronger emphasis on hazard recognition and control, including increased safety audits and observations.

We identified an annual distraction cycle to help teams increase and improve safety focus during periods throughout the year that present greater distractions and challenges. For example, we emphasized 100 Safe Days of Summer between Memorial Day and Labor Day.

We adopted the phrase “walk the line” as a basic safety expectation when recommissioning equipment or introducing materials to a manufacturing process.

We also invested — and continue to invest — in asset integrity through proactive maintenance, upgrades and improvements to our facilities.

**What’s next on Eastman’s journey to HSE excellence?**

Success rests on continuous learning, so where we’re going isn’t shifting dramatically from where we’ve been over the last 24 months. We will continue to harness adversity to become ever better. We have more work to do, but I’m excited about the trajectory we’re now on. And I’m confident we have the right strategy in place to become a company wholeheartedly committed to zero.

[Learn more.](#)



**Brian Long**  
*Vice President, Global Health,  
Safety and Environment (GHSE)*  
(he/him/his)





ZERO-INCIDENT MINDSET

# Product safety



**Global product stewardship and regulatory affairs (PSRA):**

- Reports into the executive senior vice president and chief legal officer’s organization
- Monitors the laws and regulations that affect our products and 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 actively pursues third-party certifications for sustainable products in markets that value an independent perspective on Eastman’s holistic approach to chemical management. We both adhere to governmental requirements and conduct voluntary initiatives to drive a sustainable portfolio. These include but are not limited to:

- Adhering to the Responsible Care® Product Safety Code
- Supporting and adhering to international chemical control laws
- 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

**Eastman produces a wide range of products that have a significant impact on our daily lives. The following pages showcase a few examples of the many products that prioritize the well-being of society through safe and sustainable solutions.**



“Our approach to sustainability, circularity and safety is ingrained in the products we create and our manufacturing processes. We believe it's our responsibility to develop innovative products and applications that make a positive impact on everyday lives and enhance the quality of life worldwide.”

**Brett Sago**  
*Director, HSE Legal Services and PSRA*  
(he/his/him)



ZERO-INCIDENT MINDSET

Products that enhance lives and increase safety are core to what we do

See beyond what’s ahead with Saflex™ Horizon LVID

Head-up displays (HUD) create a safer, more comfortable, enhanced driving experience. With [Saflex™ Horizon LVID](#) automotive advanced interlayers, manufacturers can establish new standards in image quality at longer virtual image distances (LVID), creating new and unique user experiences and improving road safety.

By extending virtual image distances beyond traditional HUD systems, Saflex Horizon LVID enables the overlay of dynamic graphics with real-world objects. This technology provides vital real-time information in the

driver's natural field of view and line of sight. It also plays a significant role in increasing confidence in self-driving cars and the technologies enabling them.

Saflex Horizon LVID improves sheet thickness uniformity, resulting in reduced dynamic and localized ghosting for large field of view and augmented reality HUD systems. It ensures higher image quality and enhances road safety by minimizing distractions and providing clear, accurate information to the driver.

Solar and acoustic formulations can also be integrated with Horizon LVID PVB interlayers. This creates a quieter and more comfortable cabin experience, provides UV protection by blocking more than 99% of harmful UV radiation and offers solar control to lower interior vehicle temperatures. These features promote sustainability by improving energy efficiency, reducing the need for excessive air conditioning and providing a more eco-friendly driving environment.



Auto window films can increase shade, safety

After-market window films can add an element of style to automobiles. LLumar® automotive window tint is one of the world’s best-known brands, renowned for outstanding quality, color stability and durable, scratch-resistant coating.

But when it comes to Eastman performance films — the Eastman division that produces LLumar, SunTek® and V-KOOL® window tints — there’s more

to it than aesthetics and staving off scratches. They also provide protection from ultraviolet rays.

The factory glass in most vehicles won’t fully block the sun’s UV rays, and prolonged exposure can damage your skin. LLumar blocks up to 99% of harmful UV rays, helping keep you and your passengers safer from sun damage.

[Read more](#) to learn about those benefits and others — including cooler car interiors and added window safety in the event of an accident — that come with automotive tint from performance films.



ZERO-INCIDENT MINDSET

Products that enhance lives and increase safety are core to what we do

Eastman Esmeri™: A micropowder for more sustainable personal care products

Consumer demand for clean beauty products has increased significantly. Along with regulatory pressure, this has prompted raw material suppliers and brand owners to seek sustainable solutions. Eastman Esmeri™ cellulose ester micropowder delivers the necessary performances for personal care products – while putting sustainability in the forefront, too.

Biodegradable\* and sustainable, Esmeri is a material that is free of microplastics, and one brand owners can leverage to create high-performance cosmetics friendly to the environment. We launched our initial product, Esmeri CC1N10 for color cosmetics, in summer 2024, and there’s more to come. Esmeri CC1N10 integrates with lipophilic systems, delivering outstanding optical effects like soft focus, and ensures long-lasting wear properties.

*\*Biodegradable per regulation (EU) 2023/2055 “Synthetic Polymer Microparticles” Group 2 compliance*

Solus™: sustainable solution for a modern staple

Food and beverages on-the-go are a staple of modern life, but many brands and consumers are concerned about the environmental negatives of single-use wrappers or disposable coffee cups — especially since some common packaging can’t be recycled or composted.

Those hungry for a change can take heart from an Eastman solution: Solus™ performance additives for paper coatings. Our additives are inherently sustainable and enable compostability and recyclability for quick-service restaurant containers and packaging, while delivering ease of processing for bioplastics on paper and paperboard. Coatings enabled by Solus serve up convenience and performance for sustainably oriented global brands in single-use food-service products.

Solus™ enhances sustainability at the beginning of life with biobased content, and recycled content<sup>1</sup> via Eastman carbon renewal technology. And to provide valuable options for these food-service products at the end of life, these Solus™ coatings have earned recycling and repulping certification along with biodegradable and compostable certification, helping keep materials out of landfills.

Solus™ helps brands meet customer standards for sustainability and increasingly stringent regulations around circularity without compromising performance. [Read more about Solus™.](#)

*<sup>1</sup>Recycled content using mass balance allocation.*





ZERO-INCIDENT MINDSET

Products that enhance lives and increase safety are core to what we do (continued)

Tritan: trusted for countless products

Eastman Tritan™ copolyester is one of the most important material innovations for product safety of the past two decades.

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

That's why it's the material of choice for so many applications – from blenders to baby bottles to French presses to sports bottles and food storage containers — where health, safety and performance are vital.

Learn why hundreds of companies around the world [trust Tritan](#) as the material that makes a difference for their products.

Eastman medical polymers make a difference

Eastman [medical polymers](#) meet those standards and make a difference. Medical-grade Tritan used in device housing and fluid administration, Eastman Eastar™ in rigid medical packaging and other Eastman polymers meet the stringent safety standards for healthcare.

We're also innovating and collaborating to make medical polymers that are better for the planet. Our molecular recycling is empowering the healthcare industry to continue focusing on the best in patient safety, while contributing to a [circular economy](#).

Our collaboration with Pacur, a leading custom sheet extruder in the medical space, is a good example.

Pacur now uses Eastman Eastar Renew 6763 for its sheet and roll stock to support the sterile barrier medical device packaging market. This Eastman Renew material is indistinguishable from Eastar 6763 copolyester, with the same durability, performance and safety that is essential for medical device companies. Eastar Renew enables Pacur, a more than 40-year-old company based in Oshkosh, Wisconsin, to certify that plastic waste is being diverted from landfills to produce new packaging.

"A key element of our innovation agenda is a commitment to investing in the development of next-generation sustainability solutions," said Jason Eckel, Pacur's senior vice president of sales

and marketing. "With the introduction of Pacur custom sheet and roll stock solutions leveraging Eastar Renew 6763, Pacur and Eastman are enabling progress toward a circular economy."

Pacur's adoption of Eastar Renew 6763 to support sterile barrier packaging products is enabled by Pacur's ISCC PLUS-certified facility. ISCC, International Sustainability & Carbon Certification, is a third-party certification system that is recognized around the globe for tracking sustainable feedstocks through supply chains.

[Read more.](#)





Products that enhance lives and increase safety are core to what we do (continued)

Tetrashield™ delivers safer can coatings

[Eastman Tetrashield protective resin systems](#) help keep food and beverage cans safe by enabling coatings for aluminum cans that in which bisphenol A (BPA) is not intentionally added as an ingredient (BPA-NI). BPA is a chemical used to manufacture some plastics and coatings, but Tetrashield delivers added safety through BPA-NI can coatings that are an alternative to epoxy coatings for cans.

Tetrashield is a good fit for all pantry staples in cans. [Learn more](#) about how we exceeded expectations for one can formulator.

EastaPure™ provides the purity needed for the "brains" of modern electronics

Semiconductors are the brains of electronic devices that we rely on in the modern age. Smartphones, computers and many advanced medical devices are among the many electronics that can't be made without semiconductors. Semiconductor manufacturers require purity levels for cleaning solvents so rigorous they are close to perfection. [Eastman EastaPure electronic chemicals](#), used in the manufacture of these semiconductors, are made in our world-class facilities with great care. To help companies create sophisticated devices, we produce EastaPure ultrapure solvents, ketones and acids that are tested for contaminants in the parts-per-

billion and parts-per-trillion range. We assess these levels of purity in our own [state-of-the-art clean room](#). Production of ultrahigh purity (UHP) solvents enables semiconductor manufacturers to achieve the smallest dimensions in integrated circuit production, leading to the highest performing semiconductors, as well as orders-of-magnitude productivity gains for all uses in society. Additionally, UHP solvents significantly reduce wafer yield loss by removing particles and impurities during a cleaning step, resulting in less electronic waste.





CARING FOR SOCIETY

# Inclusive culture





INCLUSIVE CULTURE

Strategic pillars build inclusivity

Our culture of inclusion and diversity powers innovation by our global team

Strengthen diverse recruitment pipeline

We are implementing strategies and initiatives aimed at attracting and hiring individuals from a wide range of backgrounds, experiences and identities.

Our actions include:

- Promoting diverse candidate slates and interview panels
- Increasing Future of STEM Scholars Initiative (FOSSI) return on investment
- Improving partnership and return on investment with historically Black colleges and universities (HBCUs) and Hispanic-serving institutions (HSIs)
- Connecting with diverse student groups and professional organizations

Accelerate diverse talent development

We are building targeted development opportunities that specifically address the needs and challenges faced by underrepresented groups.

Our actions include:

- Establishing a high-potential, diverse talent sponsoring program
- Establishing Signature and LEAD professional development opportunities
- Expanding women of color initiatives
- Building strategies to support diverse talent development and retention

Foster an environment of inclusion and belonging

We are strengthening a workplace culture where all individuals feel valued, respected, accepted and empowered to contribute their ideas.

Our actions include:

- Launching our inclusion scorecard
- Aligning ERGs and I&D councils to help drive engagement and retention
- Leveraging leadership and professional training and education
- Conducting a series of I&D events in global regions

Elevate external I&D reputation

We’re bolstering Eastman’s reputation of valuing and prioritizing I&D to attract diverse talent, foster strong partnerships and enhance the organization’s overall brand perception.

Our actions include:

- Strengthening reputation as industry leader in I&D
- Elevating positioning in benchmark submission
- Leading local community engagement initiatives
- Establishing supplier diversity framework





INCLUSIVE CULTURE

Explaining the value of Eastman’s new inclusion scorecard

*In 2024, Eastman adopted an inclusion scorecard that counts toward one-third of the company’s strategic measures in our short-term incentive (bonus) program. It measures progress in three key areas: inclusion and engagement perceptions, talent trends for those in leadership and professional roles, and the health of our talent practices. We’re tracking leading indicators and performance in these areas, which contributes toward 20% of the company’s short-term incentive program for all global team members. This will help drive accountability and responsibility for inclusion and diversity at all levels across the organization.*

*Kaamilya Clinkscales-Major, global head inclusion and diversity, explains the scorecard.*

**Kaamilya Clinkscales-Major**  
Global Director of Inclusion  
and Diversity  
(she/her/hers)



**What’s the rationale for an inclusion scorecard?**

We’ve set strong performance indicators backed by metrics that will position us to further our journey as an inclusive company. Inclusion and engagement perceptions enable us to benchmark our performance against organizations in the general industry and chemical sectors. In March, we completed an all-employee survey that identified our strengths and opportunities for improvement. It had a remarkable 56% participation rate (read more about the survey on page 77). We’re on track to do a pulse survey later this year to assess our progress.

**What are other ways we drive inclusion?**

Talent trends for leadership and those in professional roles gauge the impact of our efforts to recruit and retain talent. It will increase equal opportunities in our hiring panels and slate of candidates and ensure equal opportunity in promotion. To support these objectives, we’ve implemented mandatory unconscious bias training for all leaders and those in professional positions across the company. We’re also expanding training for high-potential diverse talent.

With health of talent practices, we’re monitoring performance distribution for disparities and analyzing pay practices to close any gender pay gaps. By taking this approach, we’ll build a more inclusive team where everyone has the utmost opportunity to succeed and find joy in their work. That translates to more satisfied team members — and it will drive innovation so that we’re a stronger company.

**What’s another way the scorecard will drive progress?**

The scorecard is dynamic and transparent and is something every team member can help drive. We’re promoting diverse candidate slates and providing broader access to more diverse pools, and we’re ensuring every team member feels like they have fair access to development opportunities throughout their career. We’re ensuring we apply these opportunities fairly and consistently across the board to include underrepresented groups. Taking these actions — and succeeding — will translate to rewarding careers where every person can realize their full potential.





**"While we acknowledge that perfection is unattainable, our continuous efforts to improve are driven by the invaluable feedback and insights from our dedicated team."**

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



## INCLUSIVE CULTURE

### Global engagement

## Global survey: amplifying voices, driving inclusion

We value open dialogue at Eastman. That's why we asked the Eastman global team to provide their feedback in a survey conducted in spring 2024.

The team responded, as 56% participated in the survey and delivered insights into the employee experience, perceptions of Eastman and inclusion and engagement levels. This survey also helps us benchmark with industry peers and identify growth opportunities.

We feel strongly that Eastman is a great place to work and contribute to a greater purpose: enhancing the quality of life in a material way. We also recognize there is always room for improvement.

#### We're focused on becoming stronger by:

- Strengthening leader accountability for inclusion by providing tools and best practices that actively promote inclusive behaviors and actions, ensuring a workplace where everyone feels valued and supported
- Empowering individual expression so team members at all levels can contribute their unique perspectives and ideas, fostering a more innovative and collaborative work environment

- Ensuring team members have access to necessary resources and opportunities in promotions and assignments to champion clear pathways for professional growth
- Leveraging our mission and vision, so team members are inspired and associate how the contributions of all team members support Eastman values, environmental stewardship, positive community impact and our innovation growth strategy

"At Eastman, we are deeply committed to creating an exceptional workplace and contributing to a greater purpose: enhancing the quality of life in meaningful ways," said Adrian Holt, senior vice president, chief human resources officer. "While we acknowledge that perfection is unattainable, our continuous efforts to improve are driven by the invaluable feedback and insights from our dedicated team."



# INCLUSIVE CULTURE

## Global engagement

Team members around the world participate in numerous events and activities throughout the year to drive inclusion and diversity. Here is a snapshot of global engagement at Eastman.

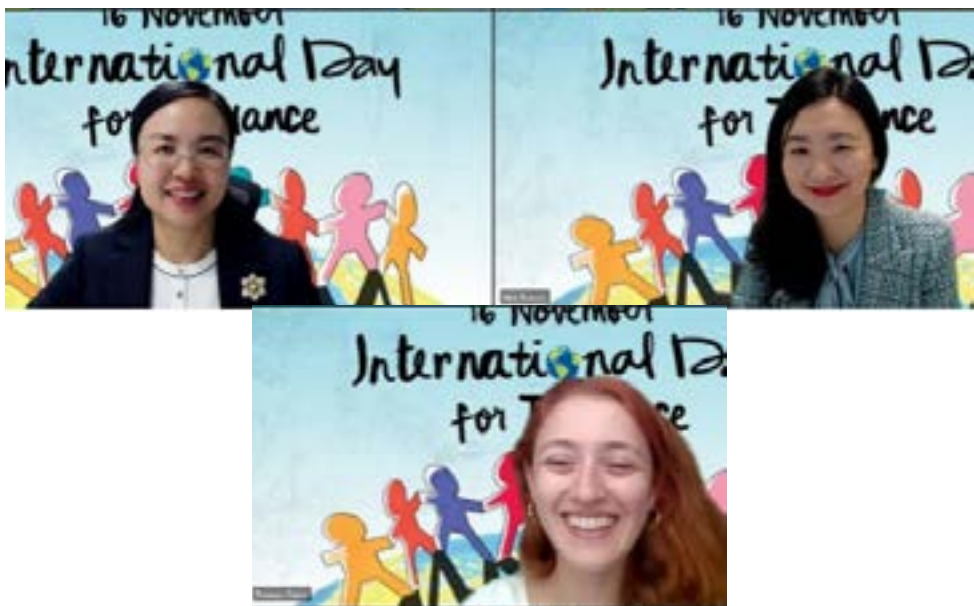
### I&D Week 2024: united in purpose

In 2024, we hosted our second annual I&D Week, “United in Purpose,” with each Eastman region holding its own events to allow for the celebration of unique cultural nuances and to provide the opportunity to address local challenges.



### Tolerance demonstrated through creative expression

We observed International Day for Tolerance on Nov. 16, 2023, through a series of panel discussions with global HR and talent acquisition leaders who talked about cultural differences in trust, feedback and leadership. The discussion promoted mutual understanding and respect among people of different cultures and backgrounds.



### Hyderabad offers abundant opportunities to belong

Our team members at the Hyderabad operations center in India work across many functions yet frequently come together through seven clubs and groups that create a vibrant atmosphere of belonging. “Approximately 10% of our HOC team actively participates in one of more of our ERGs or clubs as community members,” said Nithin Mulley, a senior systems analyst in Hyderabad.



### Honoring MLK's message of unity

Not even arctic weather in early 2024 could keep the Eastman team in Longview, Texas, from honoring the legacy of Dr. Martin Luther King Jr., as more than a dozen team members took part in the city’s MLK events — and took home an award for Best Display of Equality and Freedom.





INCLUSIVE CULTURE

Awards and recognition

We're proud of the many Eastman women who received national recognition during the past year for being leaders in our industry and for promoting an inclusive culture at Eastman. This page offers a snapshot of Eastman women who are setting a standard for excellence. [Learn more](#) about awards and recognition Eastman has received.

STEM Women of Color recognized

Women of Color (WOC) is a distinguished organization that celebrates the outstanding achievements of women in science, technology, engineering and mathematics (STEM) fields. WOC provides a supportive community for exceptional STEM professionals, fostering their growth and facilitating networking opportunities. The organization's awards aim to create inspiring role models, increase visibility of diverse

female talent for senior leadership, promote engaged work environments and enhance organizations' reputation as employers of choice for diverse talent.

Our 2023 Women in STEM Technology Rising Star award winners are pictured from left to right. Lin Feng, Subhashini Vashisth, Derika Vidale and Ariana Rogers-Smith were honored with this prestigious award for their remarkable contributions to STEM.



Women MAKE awards laud manufacturing excellence

The Manufacturing Institute recognized Laura Bustamante (pictured left) and Wendy Parliament (pictured right) in its Women MAKE Awards program. Bustamante, the director of the specialty plastics operations at our site in Kingsport, Tennessee, was a 2024 MAKE Honoree, and Parliament received the Emerging Leader award. Parliament is the superintendent of utilities maintenance in Kingsport, our largest manufacturing site.

The Women MAKE Awards recognize women in science, technology, engineering and production careers who exemplify leadership within their

companies. This national honor identifies top talent in the manufacturing industry and further encourages award recipients to mentor and support the next generation of female talent to pursue modern manufacturing careers. Amy Hooper was recognized as a MAKE Honoree in 2023. She is the director of chemicals manufacturing for our Texas operations.

Bustamante is a creative leader who mentors women at various levels of their careers. Parliament makes a point to engage young people in STEM to encourage them to develop a passion for the sciences.





CARING FOR SOCIETY

# Eastman Resource Groups

Eastman Resource Groups (ERGs) build awareness and understanding of the value and unique qualities of diverse team member populations. They're vital to achieving our inclusion and diversity strategic pillars and creating an inclusive culture. They also help our underrepresented workforce grow professionally, network and maximize their business contributions. ERGs make us a better, more competitive company.



APEX

Eastman Resource Group

Promotes the inclusion, representation and empowerment of Asian Pacific Islander team members



Catalysts

Eastman Resource Group

Catalyzes the equity and inclusion of women throughout Eastman so that gender equity is achieved, governed and sustained by the culture, corporate processes and people at Eastman



Connect

Eastman Resource Group

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



Equality

Eastman Resource Group

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



EVETS

Eastman Resource Group

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



Mosaic

Eastman Resource Group

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





## ERG reach increases around the globe

Increasing global I&D visibility has been a key focus for our company this year, and we’ve made significant progress.

Our efforts to enhance ERG visibility and engagement have yielded positive results — memberships in those groups have increased 42% over the past year. Participation in ERG activities has increased too, demonstrating that team members recognize the value, benefits and belonging that come from being part of these communities.

Jamie Straka is the global pillar lead working on expansion for Catalysts, our ERG for equity and

inclusion of women. Catalysts is building new chapters in Asia Pacific and Latin America, with plans for more chapters supporting U.S. manufacturing sites in the future.

“It’s encouraging to see our ERGs growing and expanding, which is fostering more global awareness and engagement,” Straka said. “We’re having a lot more cross-cultural dialogue, and people who don’t necessarily work together in their day-to-day roles are becoming more connected.”



**“Getting involved with APEX can have a profound impact. It provides a supportive community where you can connect with others who share your cultural background, fostering a sense of belonging in the workplace. Additionally, APEX offers valuable networking opportunities and gives you global connections, professional development resources and the opportunity to develop your leadership skills.”**

**Jerico Jayson Uy**  
Global Co-Chair, APEX  
(he/him/his)



**“Catalysts serves as a platform for women to connect, support each other and share experiences, fostering a strong sense of community and providing encouragement and mentorship. Overall, Catalysts has enriched my career and empowered me to contribute meaningfully to the advancement of women at Eastman and beyond.”**

**Sheena Barnett**  
Global Chair, Catalysts  
(she/her/hers)



INCLUSIVE CULTURE

Eastman Resource Groups



**"Change can be a positive force, and I believe Connect has cultivated a meaningful transformation at Eastman by providing support and a sense of belonging for the company's Black and African American team members."**

**Valerie R. Lawrence**  
Global Co-Chair, Connect  
(she/her/hers)



**"When I started working at Eastman over six years ago, there were few openly out team members and our strong group of allies was just starting to grow. This has evolved over the years, and I have had the pleasure to see more LGBTQ+ team members enthusiastically participate in lively panel discussions, celebrations and innovation."**

**Matt Kita**  
Global Chair, Equality  
(he/him, they/them)



**"Although I'm not a veteran, I've had family members serve in every war dating to World War I, maybe even further. Through my involvement with EVETS, I can honor their service and pay it forward by providing support to today's veterans and their families."**

**Jennifer Heronema**  
Global Chair, EVETS  
(she/her/hers)



**"Mosaic provides a community where I can be myself and gives me a chance to feel more at home. I've been involved for two years. The community of Hispanics and Latinos is bigger at Eastman than at other companies I interviewed with, partly because of Mosaic. I've made a lot of friends. I've also gotten involved with the community and volunteer as a translator in local schools, which is something I really enjoy."**

**Carlos Candelas**  
Mosaic member  
(he/him/his)



CARING FOR SOCIETY

# Social impact





SOCIAL IMPACT

University outreach

Collaboration with NC A&T, support of FOSSI strengthens diversity in STEM

As part of our partnership with North Carolina A&T State University, Eastman hosted 10 African American interns at our sites in Kingsport, Tennessee, and Martinsville, Virginia, in 2023. The students represented science, technology, engineering and math (STEM) programs.

Each student was assigned a mentor from the Connect ERG to explore Eastman culture and career paths.

The Eastman Foundation also supports the Future of STEM Scholars Initiative (FOSSI) scholars. Recognizing the lack of diversity in the broader workforce, FOSSI provides scholarships to students pursuing STEM degrees at historically Black colleges and universities (HBCUs). The initiative supports students through leadership development, mentorship, internship opportunities and corporate sponsorship.

We entered a five-year commitment to FOSSI, making 2023 our third cohort of scholars. Throughout the year, we hosted a dinner for our scholars at N.C. A&T; participated in HBCU Week in Wilmington, North Carolina, and Atlanta; and attended the 2023

American Institute of Chemical Engineers (AIChE) gala. We provided annual site visits and tours to FOSSI scholars at our corporate headquarters and at our manufacturing sites in Martinsville and Kingsport.

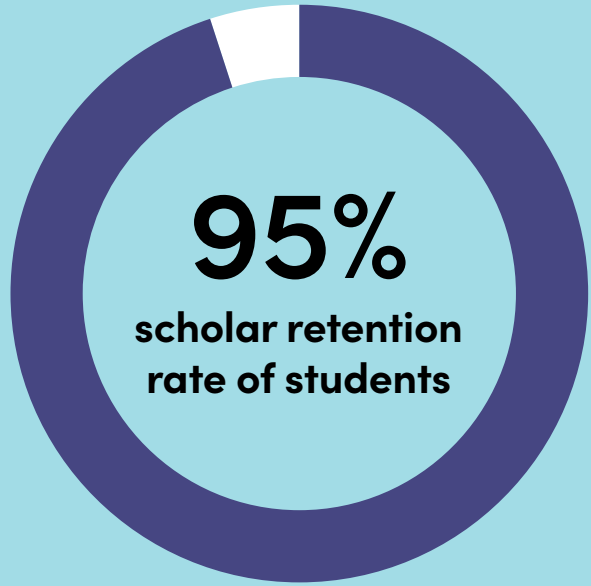
Advocating for FOSSI through leadership

As part of our commitment to advocate for FOSSI through leadership, Mark Costa, Eastman board chair and CEO, serves on the FOSSI advisory board as vice chair and will lead as chair in 2025. The Eastman Foundation has committed over \$1 million to establish multiyear partnerships with HBCUs to provide academic support to students — as we are committed to supporting STEM scholars by eliminating financial barriers that could deny them access to STEM education.

We currently sponsor 40 FOSSI scholars and will underwrite an additional 10 scholars for the 2025-2028 classes for a total of 80 scholars.

The support of Eastman and other corporate sponsors has led to a 95% scholar retention rate of students across more than 30 states.

Eastman and other corporate sponsors' support has led to a





# Internship program fosters generational diversity

Every summer at many of our U.S. sites, you can feel an extra burst of energy and a sense of unlimited possibility, The Eastman interns and co-ops have arrived. Our university relations department manages a robust internship program, and the mutual benefits — for students seeking practical experience and our company — are many.

Eastman internships and co-ops provide students with practical experience, professional development and exposure to the corporate environment at a Fortune 500 company.

“There are no ‘intern projects’ — our students are assigned to real-world projects that have a direct impact on company operations,” said Ignacio Garcia, university relations manager. “These complex projects can lead to tangible benefits such as improved processes, new product ideas or strategic insights.”

Most interns and co-ops in [our college program](#) work in the summer, though we have students in spring and fall semesters too. Garcia said the impact extends beyond a single semester.

“This program serves as a full-time talent pipeline for our company,” Garcia said. “Internships and co-ops add younger generations to our team, providing different perspectives and new ideas. It also fosters an inclusive culture, where team members of all ages can collaborate and learn from each other — promoting mutual respect and understanding.”

We host 150 students at U.S. sites each summer. Conversion from interns to full-time employees is twice as successful as campus recruiting.



**“Internships add younger generations to our team, providing different perspectives and new ideas. It also fosters an inclusive culture, where team members of all ages can collaborate and learn from each other — promoting mutual respect and understanding.”**

**Ignacio Garcia**  
*Eastman University Relations Manager*  
(he/him/his)



SOCIAL IMPACT

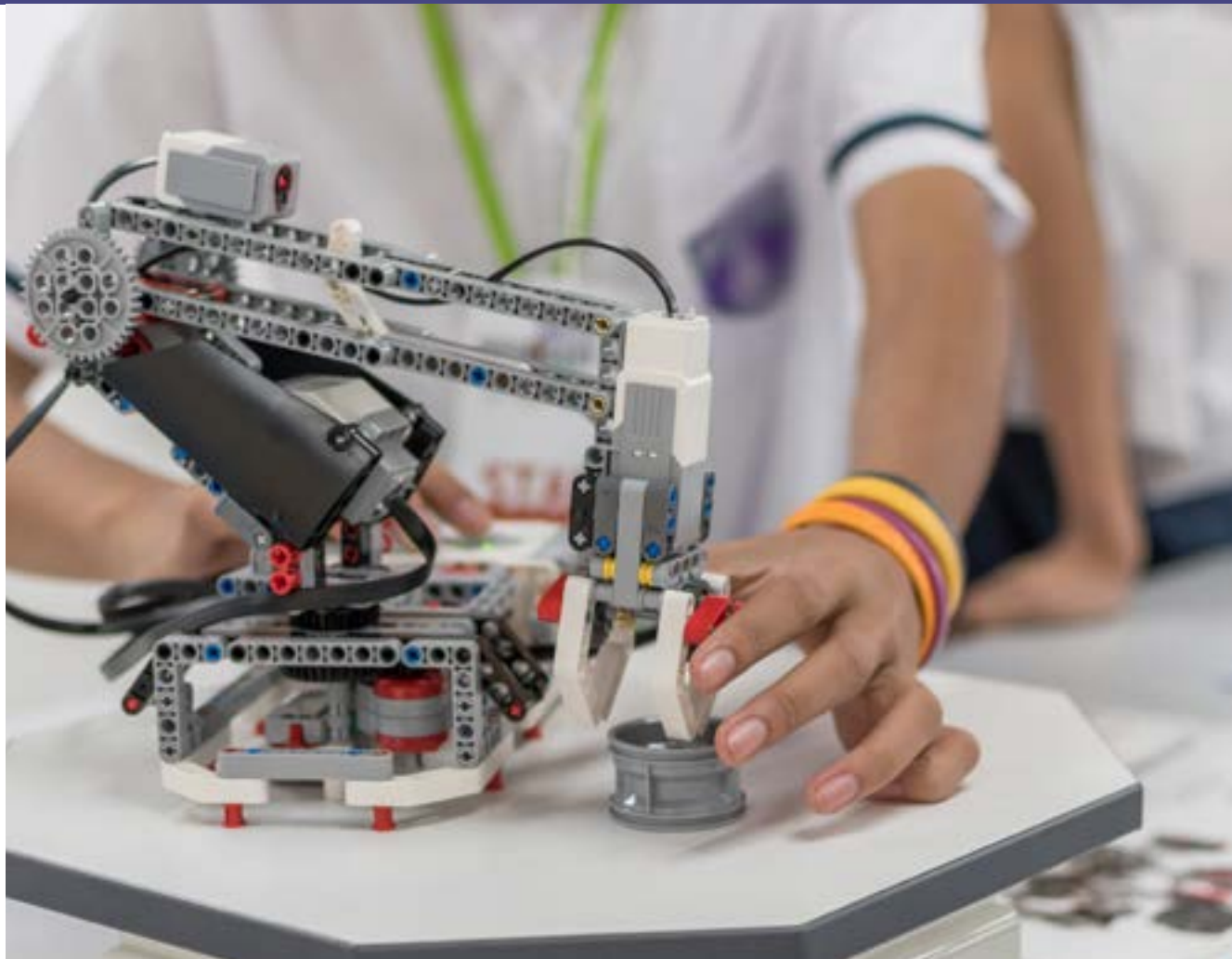
Education promoting STEM and nature studies

Collaborative project between Eastman and a Welsh high school wins engineering award

Our site in Newport, Wales, partners every year on a program with local schools to support engineering education. Engineering Education Scheme Wales supports year-12 student teams in this project over a six-month period.

The initiative welcomes applications from across the country and promotes student interest in STEM subjects for their future careers by collaborating with engineers from partner companies to tackle real-world engineering challenges.

For the 2023-24 academic year, engineers Thet Su, Paul Ojidu and Matt Griffiths at our Newport site supported students from St. Teilo’s Church in Wales High School. These students proposed a solution to capture resin beads from the water treatment system and effluent tanks to prevent them from being released into waterways.



Outdoor learning classroom also serves as wildlife hub for southern Virginia

Eastman is helping students in southern Virginia connect with nature through the Smith River Eco-Learning Station. Eastman Performance Films in Martinsville, Virginia, partnered with the Dan River Basin Association (DRBA) to build the station. The facility serves as an outdoor classroom for regional students to complement their environmental knowledge and drive community initiatives.

“Teaching our children about the importance of the environment and conservation is essential,” said Kristoff Lievens, Eastman performance films site leader. “We look forward to the many opportunities this new outdoor classroom will bring to our area.” Eastman and the DRBA began planning the site in 2018. Work on the learning station pavilion and interpretive signage finished in fall 2023.

Nearly 800 nearby students got a hands-on nature lesson at the site the following spring through the Trout in the Classroom program. The students released trout into the river, having raised them from egg to hatchling while engaging in a stream habitat study. The learning station will also provide public outdoor space as demand allows and serve as a river water quality monitoring site.





Eastman U powers continuous development

Eastman U, created in spring of 2024, is an educational and training initiative that supports continuous learning and development for our global team. It offers a variety of programs, courses and resources tailored to enhance professional skills, leadership capabilities and industry knowledge. By investing in the growth and development of our people, Eastman U will drive innovation, improve performance and help us maintain a competitive edge.

This initiative is one key element of a holistic learning and development initiative launched as part of Eastman's talent development strategy. Penelope Sur, vice president

of global talent management, said Eastman U was a direct result from listening to our team members.

"Becoming a learning organization is a key of our success at Eastman," Sur said. "Career development and training continue to be areas where our team members tell us they want more. That's why we were so excited to launch Eastman U. This will enhance learning and development to strengthen innovation and provide all our team members the resources they need to take charge of professional growth."

Microburst training promotes rapid I&D learning

In 2023, we launched a new program that comes in a compact form but is delivering immense benefits: Eastman microburst I&D trainings.

This program takes an innovative, modern approach to learning programs. In five- to 10-minute sessions, microburst training delivers knowledge bursts that provide insights into topics such as unconscious bias, microaggressions and cultural observations. Each session guides learners on a path of awareness and action, equipping them with the knowledge and tools to drive positive change.

By fostering a deeper understanding of diverse perspectives and promoting inclusive behaviors, microburst I&D training is empowering Eastman people to create and strengthen a more inclusive and dynamic work environment. We're excited to continue a training program that delivers substantial value in strengthening our culture — while not asking too much in the way of time.



**Penelope Sur**  
*Vice President,  
Global Head of Talent*  
(she/her/hers)



**Eastman U**  
Your learning organization





# Eastman team determined to close gender gap in invention process

A study by the Intellectual Property Owners Association (IPO) identified a troubling trend for women and science. Across the materials industry, a gender gap exists in the intellectual property process. The number of women involved in the formal patent and invention report process is disproportionately low compared to the number of women in technical roles — over 53% of U.S. Ph.D.s are awarded to women, yet only 12% of the recognized U.S. inventors are women, according to the IPO report.

Eastman is committed to doing something about the disparity. In late 2022, we formed a working group, Gender Diversity in Innovation, to raise awareness, better understand the root cause and

develop short- and long-term programs to bring about equity. Scientists Allison Pymer, Heather Quigley and Sador Black were the first leaders of that team, and Katie Houston now leads the effort.

“We’re now developing programs with a focus on enabling women in the patenting process,” Houston said. “Survey results from over half of our technology organization identified five key program goals. They include prioritizing access to mentors and diversifying our mentor pipeline as well as providing resources and advocacy from the beginning of innovation. We also aim to provide input on new incentives.”

Over  
**53%**  
of U.S. Ph.D.s are  
awarded to women



Only  
**12%**  
of recognized U.S.  
inventors are women





SOCIAL IMPACT

Helping build healthy communities

Indian Orchard team donates oximeters to Massachusetts fire department

When a local fire department needed lifesaving equipment, Eastman’s team in Indian Orchard, Massachusetts, was there to help.

We partnered with our corporate safety supplier, Northern Safety, to give the Springfield Fire Department 17 high-tech, portable oximeters to monitor victims’ vital signs during emergencies. The devices measure blood oxygen levels and heart rates. One will be devoted to each of Springfield’s 17 neighborhoods, including Indian Orchard.

In spring 2024, we also donated reusable pediatric finger clip sensors for each oximeter. The additional gift was part of a data-driven approach to help combat local health issues. The March of Dimes reports that the Massachusetts infant mortality rate is 1.7 times higher than the national average.

“We are committed to good corporate citizenship and collaboration between the site and local public safety officials,” said Dennis Van Nevel, Indian Orchard site manager.

Springfield Fire Commissioner B.J. Calvi brought up the need for oximeters during an Eastman Community Action Program meeting regularly hosted by the Indian Orchard team. Part of those meetings involves hearing from community members about ways to help improve the quality of life in Western Massachusetts.

“Our first responders are the first to rush into danger,” Van Nevel said. “We hope these oximeters will help save lives.”



Creating healthy smiles in rural Appalachia

Our founder, George Eastman, established the first U.S. free dentistry clinic in 1917 to serve children living below the poverty line in and around Rochester, New York. Eastman recognized a need for accessible preventative dental care after his mother had undergone multiple tooth extractions. Throughout his life, he gave many endowments to dental initiatives, clinics and schools around the world.

We honor his legacy by supporting the Kingsport Dental Clinic of the Appalachian Highlands project. Opened in August 2024, this state-of-the-art clinic

offers quality dental care using a need-based sliding scale fee structure. The Eastman Foundation and other local partners made the \$3 million clinic possible.

The initiative addresses a significant need for dental care. Tennessee is ranked 43rd in the U.S. for citizens’ access to dentists. The state is short 800 dentists, according to the American Dental Association. The dental shortage is highest in rural regions like Northeast Tennessee.

The clinic creates a training site for dental students from the University of Tennessee Health Science

Center in Memphis and clinical rotation site for East Tennessee State University’s dental hygiene students.

Access to dental care supports the overall health of our neighbors in the Appalachian region. The Kingsport Dental Clinic of the Appalachian Highlands aims to address the dentist shortage, promote health and encourage dental graduates to remain and practice in the region.





Learning and commemorating history

From Kingsport to Normandy:  
Honoring D-Day 80 years later

Ten high school students from Kingsport, Tennessee, traveled with Eastman to France to commemorate the 80th anniversary of the D-Day landings.

The students were selected as winners of "The 80 D-Day Cards" Liberty Prize project, a collaborative effort between Eastman, the Region of Normandy and the International Institute for Human Rights and Peace. Their prize was an invitation to participate in a weeklong anniversary celebration with world leaders in Normandy, France. This event commemorates the D-Day landings that played a crucial role in liberating France and Europe during World War II.

Students were joined by Eastman CEO Mark Costa and Executive Vice President Brad Lich, who were invited to attend the anniversary events by leaders of the French government. Eastman has been working closely with the Region of Normandy as part of the company's investment in Port-Jérôme-sur-Seine for a planned molecular recycling facility location.

For the contest, the students wrote heartfelt tribute letters to soldiers who landed on the beaches of Normandy on June 6, 1944.

Mark Sago, an 18-year-old recent graduate of Dobyys-Bennett High School, wrote about his great-grandfather who was a combat engineer during WWII.

"When I heard about the 80 D-Days Cards, I felt driven to write about him and thank him for his service," Sago said. "I took a moment to appreciate the amount of sacrifice and all the things he put on the line to fight for people he'd never met before. He left behind his wife and unborn child at home to go fight halfway across the world in one of the bloodiest battles of WWII."

The students met World War II veterans and heard from this year's Freedom Prize recipient and photojournalist Motaz Azaiza. They also met other students from around the world as part of the D-Day commemorative events.

"Being able to see their perspective on history was enlightening," Sago said. "Especially seeing how much education the German students have received about WWII was interesting. Not only do they take learning about history seriously, but they're also able to visit historical locations like concentration camps that most American students only learn about in classrooms. Talking to these students and veterans was a once-in-a-lifetime experience."

The Liberty Prize competition is part of the Freedom Prize initiative, created by the Region of Normandy to educate young people about D-Day, freedom and human rights.

"The Freedom Prize is our long-term project for young people between 15 and 25 to think about freedom, and to encourage and promote those who fight for it," said Bertrand Deniaud, vice president of the Normandy region.







# Goals and progress



## Goals and progress

Eastman has made sustainability integral to our strategy, driven by innovation and focused always on people. We have 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. We are dedicated to the integrity of our reporting, celebrating progress and examining where improvements can be made.

Together, we can create A Better Circle.



# 2023 goals and progress

Goal	Progress details
Mitigating climate change	
Reduce our absolute greenhouse gas Scope 1 and 2 emissions by one-third by 2030 to achieve carbon neutrality by 2050	We have reduced our absolute Scope 1 and 2 greenhouse gas emissions by 22.3% against our 32% goal by 2030, measuring from our 2017 base year.
100% of NAR and Europe purchased electricity will be renewable by 2030.	We have achieved 10% of our renewable energy goal.
Eastman is committed to comprehensively understanding our Scope 3 footprint and developing a strategy that begins to address it.	Eastman is continuing on our Scope 3 journey. We’re committed to establishing a process that enables rigorous calculations of these emissions throughout our value chain, which can enable us to establish a baseline on 2023 data in 2024. As part of our Scope 3 strategy, we are partnering with an external consultant with deep Scope 3 expertise to assist in our progress toward establishing that baseline emissions inventory. In addition to our baseline inventory work, we are devoting additional resources and maintain a cross-functional working team to identify our strengths and opportunities across all Scope 3 categories.
Innovate to provide products that enable energy savings and greenhouse gas reduction down our value chains and at the consumer level	Eastman continues to focus on the sustainability of our innovation pipeline and understanding how our products perform down the value chain. We’re actively investing in capabilities to calculate our product life cycle assessments, including carbon footprints, efficiently at scale. We’re participating in a pilot program sponsored by Together for Sustainability (TfS) for a software tool designed to streamline the communication of product carbon footprints to our customers. We also engage key customers to develop and review potential decarbonization pathways for selected products. The ability to reduce carbon emissions downstream of our own manufacturing processes is a key consideration guiding our innovation portfolio and is a strong element in the value proposition of newly launched products such as Aventa™ compostable materials for single-use food service products.



Goal	Progress details
Mainstreaming circularity	
Recycle more than 500 million pounds (225,000 MT) of plastic waste annually by 2030 via molecular recycling technologies, with a commitment to recycle 250 million pounds (110,000 MT) annually by 2025	Eastman recycled 21.9 million pounds (9,934 MT) of plastic waste in 2023. Eastman began full operation and production of on-spec material of our methanolysis facility for polyester waste in Kingsport, Tennessee, in March 2024, giving us two complementary molecular recycling technologies. Carbon renewal technology, our other technology, recycles a broader set of mixed plastic waste. Our recycling volumes have continued to increase year over year, and operation of our new Kingsport facility will significantly increase overall volumes in 2024 and 2025.
Catalyze improvement of the recycling system by continuing to expand capabilities to recycle more complex products and by participating in initiatives and collaborations to drive increased collection	<p>Eastman and the University of Tennessee challenged the University of Michigan to break the record for the most waste recycled at a college football game. Fans at each school competed to see who could recycle the most game day waste in one day. UT and Eastman successfully defended and <a href="#">broke the 2022 record</a>, recycling 44,950 pounds of game day waste.</p> <p>Eastman participates in the Recycling Partnership's PET Recycling Coalition, which is committed to providing grants to improve PET recycling in the U.S. We are members at the Steering Committee Level and are contributing \$500,000 per year for these grants.</p> <p>We also collaborate with other <a href="#">community partners</a>, including Food City and Tri-Cities Airport.</p>
Caring for society	
Achieve gender parity in alignment with our commitment to Paradigm for Parity®	In 2023, gender parity was 38%. For more information on Eastman's workforce representation, <a href="#">see the data we report</a> to the U.S. Equal Employment Opportunity Commission.
Be a leader for U.S. racial equity within our industry sector	In 2023, we increased representation in our workforce to 15%.
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	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. We strive to develop products with an improved safety profile; a few examples include: fat-coated butyrate and Keitex feed hygiene enhancer for animal nutrition, biodegradable personal care micropowder, BPA-free copolyesters for consumer durables and medical applications, window films that increase protection from ultraviolet rays, and sustainable additives in our coatings business such as Solus, which can enable recyclability for paper products. In 2023, 88% of our growth R&D spend aligned with sustainable macro trends, representing further progress on our 2030 goal.



2023 GOALS AND PROGRESS | CONTINUED

Goal	Progress details
Process safety	
Achieve top quartile performance as measured against American Chemistry Council (ACC) and American Fuel & Petrochemical Manufacturers (AFPM) companies	<p>Following a significant, positive shift in safety performance the second half of 2022, we set aggressive targets for 2023. For recordable injuries, the targets were 30% of the 2022 injury totals.</p> <p>In year-over-year performance compared to 2022, we are pleased to report that we reduced our OSHA recordable injury rate by 31%, meeting our annual continuous improvement target.</p>
Process safety events (PSE) Tier 1 + Tier 2 = 0.10 (reduction in events by 80% in 10 years)	<p>Following a significant, positive shift in safety performance the second half of 2022, we set aggressive targets for 2023 toward our long-term 2030 goal of 80% reduction. For process safety performance, the 2023 targets were 50% of the 2022 actual events.</p> <p>In year-over-year performance compared to 2022, we reduced Tier 1 process safety events by 57% (0.04 rate) and Tier 2 events by 53% (0.11 rate), meeting our annual continuous improvement target.</p>
Personal safety	
Zero serious injury and fatality (SIF) events	<p>Eastman is committed to achieving zero serious injuries across all our locations while continuing to implement systemic improvements, raise expectations and increase accountability of leaders to actively engage with their teams on safety.</p> <p>We experienced two SIF events in 2023, a 66% improvement compared to 2022 (six SIFs) and 78% improvement compared to 2020 and 2021 (nine SIFs, respectively). A comprehensive root-cause investigation and corrective actions were completed following both SIF incidents to help safeguard against similar incidents in the future.</p> <p>We remain committed to our goal of zero SIF events annually.</p>
Zero potential serious injury and fatality events (P-SIF) associated with life-critical procedures	<p>Eastman expects flawless execution of our life-critical processes (LCP). Because of this, we established that by definition any identified gap in the performance of an LCP shall be classified as a P-SIF event. Over the last three years, additional emphasis was placed on LCP audits and leadership engagement in this space to improve operational discipline and implementation.</p> <p>In year-over-year performance compared to 2022, we reduced LCP related p-SIFs by 13%.</p> <p>We remain committed to our vision of becoming a resilient HSE culture that is deeply committed to zero and explores, learns and continually improves.</p>



2023 GOALS AND PROGRESS | CONTINUED

Goal	Progress details
Environmental	
Environmental performance metric defined and implemented 2021; established baseline in 2022; achieve a 75% reduction by 2030	In 2021, Eastman defined a process comparable to the API RP 754 tiered system, which is a formalized way of reducing process safety incidents, to categorize key environmental incidents by levels (Level 1 as most serious through Level 4 as least serious). We also 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 the baseline was completed in 2022, and 2023 saw a 31% reduction in Level 1 environmental incidents compared to baseline.
Maintain membership in Operation Clean Sweep Blue	As an Operation Clean Sweep Blue member company, Eastman is committed to controlling and eliminating plastic pellet losses to the environment. We have enhanced our internal reporting to better capture data associated with plastic pellet, flake and powder containment loss (in accordance with American Chemistry Council guidance). We continue to engage with our transportation partners on the importance of pellet loss prevention, containment and clean up, and we are preparing for OCS Blue certification programs being developed in the U.S. and Europe. We are pleased to report that in 2024 there have been no reportable plastic pellet losses to the environment outside company-operated facilities.
Air emissions	
95% reduction in SO <sub>2</sub> by 2030 compared to 2017 baseline	The 2023 SO2 value of 3,895 tons per year (tpy) represents a 64.3% reduction compared to the 2017 baseline of 10,900 tpy.
50% reduction in NO <sub>x</sub> by 2030 compared to 2017 baseline	The 2023 NOx value of 6,153 tons per year (tpy) represents a 26.7% reduction compared to the 2017 baseline of 8,400 tpy.



PROGRESS

# About this report

This sustainability report reflects Eastman’s advancement toward the meaningful and measurable goals that will ensure we make progress toward the environmental, social and governance (ESG) expectations of our customers, employees and investors and the communities we serve. It is focused on both our forward momentum as well as the headwinds we incurred during the 2023 through mid-2024 time frame. The quantitative data of this report is in accordance with the Global Reporting Initiative (GRI) standards and discloses material information across the Jan. 1 to Dec. 31, 2023, time frame unless otherwise noted. In addition to the GRI, this report references additional frameworks to meet requirements for the United Nations Global Compact Communication on Progress and references the relevant United Nations Sustainable Development Goals (SDGs).

Eastman updated our corporate sustainability materiality assessment in 2024 and has identified topics of significance and indicators that align to our strategy and are most relevant to our internal and external stakeholders. Our process included an examination of our business risks and opportunities, evaluation of external trends, external expertise and our own understanding of our business. See the “Materiality” section of this report for a full explanation of our findings.

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



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





# Report of independent accountants



Report of Independent Accountants

To the Board of Directors of Eastman Chemical Company,

We have reviewed the accompanying management assertion of Eastman Chemical Company (Eastman) that the greenhouse gas (GHG) emissions metrics for the year ended December 31, 2023 in management's assertion, are presented in accordance with the assessment criteria set forth in management's assertion. Eastman's management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the GHG emissions metrics. Our responsibility is to express a conclusion on management's assertion based on our review.

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

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

The firm applies the Statements on Quality Control Standards established by the AICPA.

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

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

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

*Pratt & Whitney LLP*

Portland, Oregon  
August 13, 2024





REPORT OF INDEPENDENT ACCOUNTANTS

Management assertion

With respect to the greenhouse gas (GHG) emissions metrics presented by Eastman Chemical Company (Eastman) in the table for the year ended December 31, 2023, management of Eastman asserts that the GHG emissions metrics are presented in accordance with the assessment criteria set forth below. Management is responsible for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the GHG emissions metrics and for the completeness, accuracy, and validity of the GHG emissions metrics.

Organizational boundary

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

GHG emissions metrics	Definition of metric/ assessment criteria <sup>1,2,3</sup>	Metric quantity in metric tons of carbon dioxide equivalent (mtCO <sub>2</sub> e)
Direct (Scope 1) GHG emissions	Direct GHG emissions from stationary combustion, chemical processes, and fugitive (volatile organic compounds and refrigerants) sources. <sup>4,5</sup>	5,526,585
Indirect (Scope 2) GHG emissions	Indirect GHG emissions from the generation of purchased grid electricity and steam, using the location-based and market-based methods. <sup>6</sup>	Location-based: 1,048,027  Market-based: 1,011,020
Total GHG emissions (Scope 1 and Scope 2)	Direct GHG emissions from Scope 1 and indirect GHG emissions from Scope 2 (market-based). <sup>4,5,6</sup>	6,537,605
Other indirect (Scope 3) GHG emissions — Category 6, Business travel	Indirect GHG emissions from air, rental car, and rail transportation and hotel stays of employees for business-related activities. <sup>7</sup>	7,330

- 1

Eastman considers the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development’s (WBCSD) The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard, and Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Accounting and Reporting Standard (together, the “GHG Protocol”) to guide the criteria to assess, calculate, and report GHG emissions.
- 2

GHG emissions are expressed in CO<sub>2</sub>e and include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), and industrial gases, such as hydrofluorocarbons (HFCs), sulfur hexafluoride (SF<sub>6</sub>), and perfluorocarbons (PFCs). Nitrogen trifluoride (NF<sub>3</sub>) is not emitted by Eastman’s manufacturing sites. Emissions data by individual GHG is not disclosed as a majority of CO<sub>2</sub>e relates to CO<sub>2</sub>. Carbon dioxide equivalent emissions are calculated by multiplying actual fuel usage and calculated process emissions and refrigerant gas loss by the relevant emission factor taking into account Global Warming Potentials (GWPs) of the compounds as defined by the Intergovernmental Panel on Climate Change’s (IPCC) Fifth 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.



## REPORT OF INDEPENDENT ACCOUNTANTS

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

**5** Related to direct (Scope 1) GHG emissions:

- Emissions from stationary combustion of fossil fuels (natural gas, liquified petroleum gas, distillate fuel oil, residual fuel oil, coal and fuels produced on site):
  - Consumption is measured based on manufacturing site-level monthly (or aggregate) third-party invoices for purchased fossil fuels.
  - Emission factors: U.S. Environmental Protection Agency (EPA) Emission Factors for Greenhouse Gas Inventories as obtained from the American Chemistry Council.
- Stationary combustion includes fuel produced on site, which represents energy generated from the heating of gaseous, solid, and liquid residues. Fuel produced on site was calculated as follows:
  - Data Collection: Quantities of gaseous, solid, and liquid fuels are gathered using meters. This ensures accurate measurement of fuel consumption.
  - Conversion to GHG Emissions: The collected fuel quantities are converted to GHG emissions using specific conversion factors for each type of fuel. These factors translate the amount of fuel consumed into the corresponding amount of GHG emissions produced.
  - Sourcing Emission Factors: Emission factors are sourced from various references. Permit-specific or regulatory-required emissions factors are prioritized to ensure compliance with relevant regulations. In cases where these factors are not available, other published emissions factors or calculated emissions intensity based on generator knowledge are utilized. These may include:
    - U.S. EPA State Inventory and Projection Tools
    - U.S. Emission Factor Resources (e.g., AP-42)
    - Other government frameworks, publications or approved methodologies (e.g., European Environmental Authorities)
    - Lab results or engineering knowledge of the fuel mixture
- Emissions from fugitives:
  - HFCs and PFCs are related to replenishment of refrigerants during 2023. 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 CO<sub>2</sub>e.

**6** Related to indirect (Scope 2) GHG emissions:

- Consumption is measured based on monthly third-party invoices for electricity and steam usage. A location-based or market-based emission factor (as described below) is then applied.
- Emission factors for electricity and steam (location-based):
  - U.S. manufacturing sites: U.S. EPA Emissions & Generation Resource Integrated Database (eGrid) subregion emission factors for 2022 — January 2024.
  - All other manufacturing sites: 2023 Carbon Footprint™ Country-Specific Electricity GRID Greenhouse Gas Emission Factors release 11 – July 2023 (Total Production fuel mix factor).
- Emission factors for electricity (market-based):
  - Eastman used Guarantees of Origin (GOs) and Renewable Energy Credits (RECs) and green tariffs during 2023 to contractually procure renewable energy in relation to the following manufacturing sites: Oulu, Finland; Newport, Wales; Ghent North, Belgium; Martinsville, Virginia; Kingsport, Tennessee.

**6** Related to indirect (Scope 2) GHG emissions (continued):

- Emission factors for electricity (market-based):
  - GOs and RECs applicable to the 2023 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, Green Tariffs and RECs considered 0 g CO<sub>2</sub>e/MWh.
    - Utility-specific market-based fuel mix (proportionate amounts of fuels driving electricity consumption) for the most recent reporting year comes from the Specific Electricity GRID Greenhouse Gas Emission Residual Mix Factors, release 11 – June 2023.
    - Other grid-average emission factors are the same as location-based.

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

- Air travel, rental cars and rail: Calculated based on (i) business travel data (mileage) obtained through annual reports from SAP Concur Global expense data a third-party travel management organization responsible for employees globally.
- Hotel stays: Calculated based on (i) business travel data (nights stayed) obtained through annual reports from Concur Travel Management system, a third-party travel management organization responsible for employees globally.
- Emissions factors:
  - Business travel data for air and rail travel, rental cars, and hotel stays obtained through annual reports: Department for Environment, Food, & Rural Affairs (DEFRA) United Kingdom Government GHG Conversion Factors for Company Reporting 2023.



PROGRESS

# Global Reporting Initiative index





# Global Reporting Initiative index

This Global Reporting Initiative (GRI) index corresponds to sustainability information presented in our annual sustainability report, our proxy statement and annual report, our website, and other disclosures. Sustainability information presented in our sustainability report is prepared in accordance with GRI Standards core guidelines and focuses on performance in calendar year 2023.

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

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



Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Governance					
2-9	Governance structure and composition	<a href="#">Appendix</a> , <a href="#">Board of Directors</a> , <a href="#">Corporate Governance Guidelines</a> , <a href="#">Bylaws</a> , <a href="#">2024 Proxy Statement</a>			
2-10	Nomination and selection of the highest governance body	<a href="#">Corporate Governance Guidelines</a> , <a href="#">Bylaws</a> , <a href="#">Certification of Incorporation</a> , <a href="#">2024 Proxy Statement</a>			
2-11	Chair of the highest governance body	<a href="#">2024 Proxy Statement</a> , <a href="#">Corporate Governance Guidelines</a>			
2-12	Role of the highest governance body in overseeing the management of impacts	<a href="#">Corporate Governance</a> , <a href="#">Sustainability Governance</a> , <a href="#">2024 Proxy Statement</a> , <a href="#">CDP Climate Change</a>			
2-13	Delegation of responsibility for managing impacts	<a href="#">Corporate Governance</a> , <a href="#">2024 Proxy Statement</a> , <a href="#">Corporate Governance Guidelines</a> , <a href="#">Audit Committee Charter</a>			
2-14	Role of highest governance body in sustainability reporting	<a href="#">Governance</a>			
2-15	Conflicts of interest	<a href="#">Corporate Governance</a> , <a href="#">Corporate Governance Guidelines</a> , <a href="#">2024 Proxy Statement</a> , <a href="#">Audit Committee Charter</a>			
2-16	Communication of critical concerns	<a href="#">Corporate Governance Guidelines</a> , <a href="#">2024 Proxy Statement</a> , <a href="#">Board Stockholder Communication and Engagement Policy</a> , <a href="#">Audit Committee Charter</a>			
2-17	Collective knowledge of the highest governance bodies	<a href="#">Corporate Governance</a> , <a href="#">Corporate Governance Guidelines</a> , <a href="#">2024 Proxy Statement</a>			



Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
2-18	Evaluation of the performance of the highest governance body	<a href="#">Corporate Governance</a> , <a href="#">Corporate Governance Guidelines</a> , <a href="#">2024 Proxy Statement</a> , <a href="#">Audit Committee Charter</a> , <a href="#">Compensation and Management Development Committee Charter</a> , <a href="#">Finance Committee Charter</a> , <a href="#">Environmental, Safety and Sustainability Committee Charter</a> , <a href="#">Nominating and Corporate Governance Committee Charter</a>			
2-19	Remuneration policies	<a href="#">Corporate Governance Guidelines</a> , <a href="#">2024 Proxy Statement</a>			
2-20	Process to determine remuneration	<a href="#">Corporate Governance Guidelines</a> , <a href="#">2024 Proxy Statement</a>			
2-21	Annual total compensation ratio	This is considered business confidential.			
Strategy, policies and practices					
2-22	Statement on sustainable development strategy	<a href="#">CEO message</a>			
2-23	Policy commitments	<a href="#">Values</a> , <a href="#">Code of Business Conduct</a>			
2-24	Embedding policy commitments	<a href="#">Corporate Governance</a> , <a href="#">Corporate Governance Guidelines</a>			
2-25	Processes to remediate negative impacts	<a href="#">Corporate Governance</a> , <a href="#">Corporate Governance Guidelines</a> , <a href="#">2024 Proxy Statement</a>			
2-26	Mechanisms for seeking advice and raising concerns	<a href="#">Appendix</a> , <a href="#">Code of Business Conduct</a> , <a href="#">Third-Party Code of Conduct</a>		16	10
2-27	Compliance with laws and regulations	<a href="#">Corporate Governance Guidelines</a> , <a href="#">2024 Proxy Statement</a>			
2-28	Membership associations	<a href="#">Memberships</a>			



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Stakeholder engagement					
2-29	Approach to stakeholder engagement	<a href="#">Stakeholder engagement</a>		16	
2-30	Collective bargaining agreements	As of July 1, 2024, collective bargaining agreements covered approximately 3% of Eastman’s U.S.-based workforce.			
3-1	Report process of determining material topics	<a href="#">Materiality assessment</a>			
3-2	Report a list of its material topics	<a href="#">Materiality assessment</a>			
3-3	Report how it manages each material topic	<a href="#">Materiality assessment</a>			
Economic performance					
201-1	Direct economic value generated and distributed	<a href="#">2023 10K Report</a> , Part II, Item 8		2, 5, 7, 8, 9	
201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">Appendix</a>		13	
201-3	Defined benefit plan obligations and other retirement plans	Eastman provides on-site and virtual no-cost financial planning counseling resources to our employees and their family members. In addition, multiple innovative financial technology solutions are provided at no cost to assist our employees to support their financial wellness. Also, eligible employees get \$1,000 per year into their Health Savings Accounts (HSAs) from Eastman that can be saved for retirement. <a href="#">Benefits at Eastman</a>			



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

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



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

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



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Energy					
302-1	Energy consumption within the organization	Eastman used about 104.1 trillion BTU in 2023 to produce products using both direct and indirect energy. About 86% of direct energy was produced from purchased natural gas and coal, and about 14% was recovered fuel from feedstock.		7, 8, 12, 13	7, 8
302-2	Energy consumption outside of the organization	In 2023, Eastman used about 22 trillion BTU of indirect energy in the form of purchased steam and electricity to produce products.		7, 8, 12, 13	7, 8
302-3	Energy intensity	<a href="#">Energy</a> , <a href="#">Energy management</a>		7, 8, 12, 13	7, 8
302-4	Reduction of energy consumption	<a href="#">Energy management</a> , <a href="#">CDP Climate Change</a>		7, 8, 12, 13	8, 9
302-5	Reductions in energy requirements of products and services	<a href="#">Energy management</a>			
Water and effluents					
303-1	Interactions with water as a shared resource	<a href="#">Water management</a>			
303-2	Management of water discharge-related impacts	Eastman is not aware of any significant impact on any water source. At our largest manufacturing facilities in Kingsport, Tennessee, and Longview, Texas, comprehensive river studies conducted by the Academy of Natural Sciences of Drexel University, formerly known as the Philadelphia Academy of Natural Sciences, confirm that these rivers provide thriving habitats for wildlife communities.  <a href="#">Water management</a>			
303-3	Water withdrawal	<a href="#">Water</a> , <a href="#">CDP Water Response</a> ; <a href="#">CDP Water Response</a>			



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
303-4	Water discharge	<a href="#">Water, CDP Water Response</a> (W1.2b)			
303-5	Water consumption	<a href="#">Water, CDP Water Response</a> (W1.2b)			
Biodiversity					
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	<a href="#">Biodiversity</a>			
304-2	Significant impacts of activities, products and services on biodiversity	<a href="#">Biodiversity</a>		6, 14, 15	8
304-3	Habitats protected or restored	<a href="#">Biodiversity</a>			
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	<a href="#">Biodiversity</a>			
Emissions					
305-1	Direct (Scope 1) GHG emissions	Our 2023 direct greenhouse gas emissions, based on the Greenhouse Gas Protocol, were 5,526,585 MT CO <sub>2</sub> e, <a href="#">CDP Climate</a>		3, 12, 13, 14, 15	7, 8
305-2	Energy indirect (Scope 2) GHG emissions	Our 2023 indirect location-based greenhouse gas emissions, based on the Greenhouse Gas Protocol, were 1,048,027 MT CO <sub>2</sub> e, <a href="#">CDP Climate</a>		3, 12, 13, 14, 15	7, 8



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

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



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

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



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
403-3	Occupational health services	<a href="#">Safety</a>			
403-4	Worker participation, consultation and communication on occupational health and safety	<a href="#">Safety</a>			
403-5	Worker training on occupational health and safety	<a href="#">Safety</a>			
403-6	Promotion of worker health	<a href="#">Employee wellness</a>			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<a href="#">Safety</a>			
403-8	Workers covered by an occupational health and safety management system	Approximately 14,000 employees were employed by Eastman in 2023. All employees are subject to Eastman's health and safety programs.			
403-9	Work-related injuries	<a href="#">Safety metrics</a>			
403-10	Work-related ill health	<a href="#">Safety metrics</a>			
Training and education					
404-1	Average hours of training per year per employee	<a href="#">Appendix</a>		8	6



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

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



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Child labor					
408-1	Operations and suppliers at significant risk for incidents of child labor	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.  <a href="#">Code of Conduct</a> , <a href="#">Third-Party Code of Conduct</a> , <a href="#">Statement on slavery and human trafficking</a> , <a href="#">Policy statement on human rights</a>		8, 16	5
Forced or compulsory labor					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	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.  <a href="#">Code of Conduct</a> , <a href="#">Third-Party Code of Conduct</a> , <a href="#">Statement on Slavery and Human Trafficking</a> , <a href="#">Policy statement on human rights</a>		8	4
Security practices					
410-1	Security personnel trained in human rights policies or procedures	<a href="#">Security</a>		16	1
Rights of Indigenous peoples					
411-1	Incidents of violations involving rights of indigenous peoples	As of December 2023, 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



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Local communities					
413-1	Operations with local community engagement, impact assessments and development programs	Appendix			
Supplier social assessment					
414-1	New suppliers that were screened using social criteria	Eastman is a member of the Together for Sustainability Initiative (TfS), the chemical initiative for sustainable supply chains. TfS is a member-driven initiative founded in 2011 by six major chemical companies. Since that time, membership has grown to 53 members, including Eastman as the first U.S. chemical industry member. TfS develops and implements a global supplier engagement program to assess, audit and improve sustainability practices within the supply chain of the chemical industry. Under this initiative, Eastman collects information from suppliers by requesting suppliers complete an EcoVadis sustainability assessment, which has four elements: environmental, labor and human rights, ethics, and sustainable procurement. The TfS initiative also coordinates third-party audits of the responses to the assessments when needed. One of the guiding principles of TfS is data sharing between the members — an assessment or audit for one member is an assessment or audit for all.			2
414-2	Negative social impacts in the supply chain and actions taken	Eastman is not aware of any significant impacts in our supply chain with respect to the environment, labor, human rights or societal issues that occurred in 2023.			2
Public policy					
415-1	Political contributions	Appendix			10



GLOBAL REPORTING INITIATIVE INDEX | CONTINUED

Disclosure number	Description	Cross-reference or answer	Pages	SDG	UNGC connection
Customer health and safety					
416-1	Assessment of the health and safety impacts of product and service categories	<p>Eastman’s product stewardship PSRA program performs hazard and risk assessment reviews for 100% of its products. Monitoring potential risk classifications drives the Eastman goal of reduction or elimination of PBT, vPvB, CMR, ED and sensitizers from Eastman’s existing product portfolio. Monitoring hazards and risk classifications also highlights potential areas of the portfolio where there could be capacity for improvement. Active engagement in hazard and risk assessments provides opportunities for members of the product stewardship and regulatory affairs program to proactively identify any potential human and/or environmental hazard concerns for a proposed product undergoing research and development. A course of action to eliminate the potential hazards and risks can then be designed and implemented.</p> <p><a href="#">Responsible Care</a></p>			
Marketing and labeling					
417-1	Requirements for product and service information and labeling	<a href="#">Product Safety</a> , <a href="#">Product Stewardship</a>		12	
417-2	Incidents of noncompliance concerning product and service information and labeling	<p>Eastman has not identified any noncompliance with regulations or voluntary codes regarding product or service information and labeling for the reporting year.</p> <p>All of our product safety data sheets and labeling comply with regulatory requirements for hazard communication in all countries and regions. In 2016, we implemented the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) process to define, classify and communicate chemical hazard and safety information for all of our products.</p>		16	
417-3	Incidents of noncompliance concerning marketing communications	Eastman is unaware of any significant fines in 2023 concerning marketing communications.			
Customer privacy					
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Eastman is unaware of any complaints regarding breaches of customer privacy or loss of customer data in 2023.			



# Global Reporting Initiative appendix

## 2-7 Employees

Total workforce	Employment type	Region
14,140 employees as of December 31, 2023	Full-time: 97.8%	North America: 73%
	Part-time: 2.2%	Europe, Middle East and Africa: 14%
		Asia Pacific: 10%
		Latin America: 3%

## 2-9 Governance structure and composition

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

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

Eastman's 2024 Proxy Statement was filed with the Securities and Exchange Commission on March 21, 2024. A list of directors, committees, committee members, independence, tenure, other commitments held, gender, and skills and qualifications of each member of the Board and "Director Nominees" is on page 22 of the Company's 2024 Proxy Statement.

The Board believes that communication and engagement with the Company's stockholders and other interested parties is an important component of the Company's corporate governance practices. We have adopted a Board Stockholder Communication and Engagement Policy to facilitate communication between stockholders and other interested parties and the Board. Stockholders and other interested parties may send communications to the Board, any individual director, or the independent directors as a group in writing by mail to Board of Directors, Eastman Chemical Company, c/o Corporate Secretary, P.O. Box 1976, Kingsport, Tennessee 37662-1976, or email corpsecy@eastman.com and leaddirector@eastman.com. Stockholders should indicate in the "ATTN:" line of the envelope or the subject line of the email, as applicable, whether the communication is directed to the Board, an individual director or the independent directors as a group. The Board Stockholder Communication and Engagement Policy is available by [clicking here](#).

## 2-26 Mechanisms for seeking advice and raising concerns

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

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

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



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

Please see Eastman’s most recent CDP Climate Change questionnaire for a comprehensive review of climate change related implications, risks and opportunities. Future changes in legislation and regulation and related voluntary actions associated with physical impacts of climate change may increase the likelihood that Eastman’s manufacturing facilities will be impacted by carbon requirements, regulation of greenhouse gas emissions, and energy policy that may result in additional and increased capital expenditures, increases in costs for raw materials and energy, limitations on raw material and energy source and supply choices, and other direct compliance costs.

That said, physical impacts of climate change 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 tint 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.

Eastman also 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. Specifically, Eastman's molecular recycling facilities will support our commitment to address the global waste crisis and to mitigating challenges created by climate change.

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

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

203-1 Infrastructure investments and services supported

Eastman was notified in March 2024 by the US Department of Energy (DOE) that it was selected to receive an up to \$375 million investment to support Eastman construction of a second U.S. molecular recycling facility in Longview, Texas. The new facility will have the capacity to recycle approximately 110,000 metric tonnes of hard-to-recycle plastic waste, enable true circularity and set a new benchmark for decarbonization. The investment is expected to bring more than 200 full-time, high paying jobs to the Longview community in addition to approximately 1,000 temporary construction jobs during site development and building of the facility. Preparations for the facility build-out and community initiative is expected to begin in the spring of 2025 with financial support from DOE extending over a five-year period. Eastman has operated in the Longview community for over 70 years and currently has more than 1,500 employees at the location. Eastman’s planned project is aligned with the DOE’s goal of catalyzing industry-wide change to a low-carbon future and will include deployment of thermal batteries and on-site solar power. These carbon-reduction enhancements, combined with Eastman's next-generation methanolysis technology, will achieve a step-change improvement in decarbonizing PET production resulting in recycled PET with greater than 70 percent reduced carbon emissions compared to fossil fuel-based virgin PET production, and approximately 90 percent reduced carbon emissions when including avoided emissions.

Recognized as a global health issue in 2022 by the World Health Organization (WHO), poor oral health disproportionately affects the most vulnerable and disadvantaged populations, and Kingsport, Tennessee, and nearby rural Appalachia is no exception. With high rates of diabetes and heart disease, which are linked to poor oral health, and approximately 45 percent of the population considered disadvantaged under U.S. federal guidance, Kingsport and the Northeast Tennessee region was representative of a much larger issue facing the state — the increasing shortage of dental care in rural Tennessee that worsened during the pandemic. In 2023, Eastman partnered with the City of Kingsport and the University of Tennessee Health Science Center (UTHSC) to raise \$3 million to construct and establish a teaching clinic in rural Appalachia and begin closing the equity gap for oral health care in rural Tennessee. Currently, The College of Dentistry at UTHSC is increasing enrollment by nearly 30 percent, which will require additional training spaces for students in order to meet the state’s increasingly high demand for dentists in rural areas. Included was support by the state legislature allocating \$6.5 million that will enable the City of Kingsport to purchase the building where the clinic is being constructed and the UTHSC to expand its dental school in Memphis to Northeast Tennessee. Eastman's pledge of \$1 million enabled construction and remodeling to begin in early 2024, with completion in August 2024. In 2024, the College of Dentistry at UTHSC will welcome 130 students, up from 100 in 2021. UTHSC is Tennessee’s only public dental school and provides more than 70% of dentists in the state.



In February 2023, Eastman embarked on a \$15 million major remodel of the MeadowView Marriott Hotel in Kingsport, Tennessee. The hotel now boasts 301 renovated rooms and suites. The Eastman-owned hotel is part of the MeadowView Marriott Conference Resort & Convention Center, which is owned by the city of Kingsport. The hotel and conference center was a long-awaited dream of city leaders and community members who wanted both an economic driver and a multi-purpose meeting space. When it was built in 1996, the entire facility cost \$39 million, and Eastman guaranteed construction and operating loans for \$15 million to ensure its development. Today, according to the City of Kingsport, the entire hotel and conference center has an assessed and booked value at more than \$83 million. Since it was established, the MeadowView has become the crown jewel of Kingsport and generated more than \$200 million in sales since 2007, with an estimated economic impact of more than \$625 million during that same period, according to the Kingsport Chamber of Commerce’s Visit Kingsport division. The site welcomes more than 400,000 guests each year and serves as the only conference center and resort within a 54 mile radius, serving both Johnson City, Tennessee and Bristol, Tennessee and Virginia. The hotel’s occupancy has averaged 59.5% percent since 2007, bringing it close to optimal performance at 65%, according to Marriott officials.

203–2 Infrastructure investments and services supported

As reported under GRI-203-1, Eastman’s new molecular recycling facility to be built in Longview, Texas, is expected to result in the addition of more than 200 full-time, high paying jobs in the Longview community in addition to approximately 1,000 temporary construction jobs during site development and building of the facility. As part of the grant application, Eastman committed to an investment of approximately \$20 million to engage communities and labor, invest in workers through quality jobs, advance diversity, equity, inclusion and accessibility through recruitment and training, and implement Justice40, which directs 40% of the overall benefits to flow to disadvantaged communities. These anticipated investments include an expansion of Eastman’s apprenticeship program and the remediation and renovation of a dated and underutilized community building in South Longview.

To encourage diversity in the STEM sector, Eastman increased its support in the Future of STEM Scholars Initiative (FOSSI) from 10 students in 2021 to 30 students in 2023. FOSSI is a national chemical industry-wide program, which provides scholarships to students pursuing degrees in relevant STEM areas at historically Black colleges and universities (HBCU). Scholarship recipients receive \$10,000 per year for four years and leadership development, mentoring and internship opportunities. The support of Eastman and other corporate sponsors of the FOSSI program has led to an approximately 95% student retention rate since FOSSI welcomed its first class in 2021. Since its inception in 2021, Eastman has committed to investing \$1.2 million for 30 four-year scholarships valued at \$40,000 each.

In 2023, Eastman expanded its high school internship program from seven students in its inaugural year of 2022 to 31 internships in 2023. Eastman’s high school interns undergo a structured educational experience that integrates classroom learning (school-based) with productive, structured work experiences (work-based) related to the students’ career goals, program of study and employability skills. Eastman’s internships include an hourly pay rate of \$15, compared to Tennessee’s minimum wage of \$7.25, and expose students to productive, value-adding manufacturing roles at its Kingsport operations.

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

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

306–2 Management of significant waste-related impacts

Eastman continuously strives to protect the environment in the communities where we operate as well as understand the environmental impact of our products. As a manufacturer of chemicals since 1920 and a Responsible Care® company for 35 years, Eastman has comprehensive guidelines and processes in place for reducing energy usage and minimizing our environmental footprint. In keeping with Eastman’s circular economy efforts, waste management at Eastman begins in order of preference with source reduction, followed by reuse, recycling and energy recovery, with the last option being treatment and disposal. Not only does this deliver productivity gains for our business, it contributes to our regulatory compliance and reduces our environmental footprint. Eastman 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 HSE Audit Program implements an HSE assessment program to evaluate the hazards/risks associated with third-party providers that are contracted to provide services to Eastman or that otherwise do business with Eastman in a manner that involves their handling or management of Eastman-owned products or materials. The process includes identification of third-party providers, risk-based determination of assessment need, and appropriate assessment/ reassessment. Eastman uses internal tracking mechanisms to collect and monitor waste-related data.



401-1 New employee hires and employee turnover

Eastman’s total global voluntary turnover rate was 5.0%. We calculate voluntary turnover separately from retirements, company-initiated turnover and reductions in force. Total turnover rate was 11.9%

Attrition by gender	Attrition by age	Attrition by region	Hires by gender	Hires by age	Hires by region
Male employees: 11.6%	Less than 30 years: 15.1%	North America: 11.8%	Male employees: 10.7%	Less than 30 years: 27.6%	North America: 11.1%
Female employees: 14.2%	30 to 50 years: 9.7%	Europe, Middle East and Africa: 14.1%	Female employees: 9.8%	30 to 50 years: 8.6%	Europe, Middle East and Africa: 6.3%
	Greater than 50 years: 14.8%	Asia Pacific: 13.6%		Greater than 50 years: 4.1%	Asia Pacific: 10.8%
		Latin America: 8.3%			Latin America: 12.7%

403-1 Occupational health and safety management system

Preventing workplace incidents, injuries and illnesses is a core value of our company and an integral part of our worldwide business strategy.

As with all aspects of sustainability, we continually strive to improve our safety performance, with an ultimate goal of zero injuries and incidents. Eastman has a corporate safety 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 methods to identify and evaluate potential health and safety risks in planned or existing facilities.

Preventive maintenance and housekeeping programs are in place to maintain the safety of the employees, facilities, tools and equipment.

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

404-1 Average hours of training per year per employee

Employee category	Hours
Leadership	21
Professional/management	61
Nonexempt (nonoperational)	14
Nonexempt (operations)	61
Technicians/technologists	28
Average	37



405–1 Diversity of governance bodies and employees

Gender	Age	Ethnicity
Male: 75.3%	Less than 30 years: 17.1%	Minority: 12%
Female: 24.7%	30–50 years: 52.1%	White: 88%
	Greater than 50 years: 30.9%	

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

In 2023, when Eastman submitted its DOE grant application (see GRI 203-1 and 203-2) and Community Benefits Plan (CBP). CBPs are based on four core policy priorities: 1. Engaging communities and labor 2) investment in America’s workers through quality jobs 3) Advancing diversity, equity, inclusion and accessibility through recruitment and training and 4) implementing Justice40 which directs 40 percent of the overall benefits of certain federal investments to flow to disadvantaged communities. The idea behind these priorities is that when incorporated comprehensively into project proposals and applications and executed upon, the CBP portion will help ensure broadly shared prosperity in the clean energy transition. Eastman’s CBP was developed in partnership with local Longview leaders following considerable community consultations, an investment valued at approximately \$20 million for the South Longview community. The CBP investment is underpinned by data from environmental justice tools offered by the US Environmental Protection Agency, the White House Council on Environmental Quality and the DOE that explore the environmental health and the conditions (socioeconomic and or other distinguishing community characteristics) within a specific region, town, city or entire state. The CBP will be implemented in partnership with the South Longview community over a five-year period.

415–1 Political contributions

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

Criteria for candidates

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

In 2023, EastmanPAC contributed \$83,500 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, Maryland, Massachusetts, New York, Tennessee and Texas. In states where the law allows corporate contributions, Eastman supports state candidates. Corporate contributions to state candidates in Tennessee totaled \$10,500 in 2023. The federal government requires all registered lobbyists to report personal campaign contributions semiannually. Each year, Eastman employees who meet the requirements file the necessary reports. These reports are available online at <http://lobbyingdisclosure.house.gov/>. Eastman’s political activity policies and guidelines are located on the company’s website: [Political Engagement](#) | Eastman Chemical Company





**Eastman Corporate Headquarters**

P.O. Box 431  
Kingsport, TN 37662-5280 U.S.A.  
  
U.S.A. and Canada, 800-EASTMAN (800-327-8626)  
Other locations, +(1) 423-229-2000  
  
[eastman.com/locations](http://eastman.com/locations)

Although the information and recommendations set forth herein are presented in good faith, Eastman Chemical Company (“Eastman”) and its subsidiaries make no representations or warranties as to the completeness or accuracy thereof. You must make your own determination of its suitability and completeness for your own use, for the protection of the environment, and for the health and safety of your employees and purchasers of your products. Nothing contained herein is to be construed as a recommendation to use any product, process, equipment, or formulation in conflict with any patent, and we make no representations or warranties, express or implied, that the use thereof will not infringe any patent. NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER NATURE ARE MADE HEREUNDER WITH RESPECT TO INFORMATION OR THE PRODUCT TO WHICH INFORMATION REFERS AND NOTHING HEREIN WAIVES ANY OF THE SELLER’S CONDITIONS OF SALE.

Safety Data Sheets providing safety precautions that should be observed when handling and storing our products are available online or by request. You should obtain and review available material safety information before handling our products. If any materials mentioned are not our products, appropriate industrial hygiene and other safety precautions recommended by their manufacturers should be observed.

© 2024 Eastman. Eastman brands referenced herein are trademarks of Eastman or one of its subsidiaries or are being used under license. Non-Eastman brands referenced herein are trademarks of their respective owners.