

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

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

W-CH0.1a

(W-CH0.1a) Which activities in the chemical sector does your organization engage in?

Specialty organic chemicals

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2021	December 31 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

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

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which financial control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Non-manufacturing, sales and administrative offices	Small, non-manufacturing water use which is insignificant and is less than 1% of total water usage.

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, a Ticker symbol	EMN

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	Water is a basic need for Eastman's manufacturing operations thus it is rated as of vital importance since water disruptions could compromise future production. Water is used in a variety of ways including as a solvent, as a product ingredient, for steam generation, for cooling, for washing, and for fire protection. There is also a need for sufficient potable water for on-site employees and contractors. In addition, many of our suppliers are petrochemical and chemical based. We believe their dependence on water resources is important because their water requirements and uses are similar to Eastman's. Related to future water dependency, Eastman does not expect total water dependency to change dramatically over time but does expect freshwater consumption to continue to be minimal and possibly decreased with a move to more recycled water. Likewise, Eastman expects that indirect operations will likely continue to have a similar total dependence on water with freshwater needs decreasing as more attention is placed on increasing water reuse. With the escalating importance of water, we would expect to see these trends develop before 2030.
Sufficient amounts of recycled, brackish and/or produced water available for use	Vital	Important	Eastman recycles water in manufacturing operations to reduce water demand, raw water treatment costs, and to enhance energy and water efficiency. Essential recycle operations include condensate recovery and reuse and recirculating cooling tower water as well as reuse of water within some processes for heat recovery and reduced water usage. Eastman seeks to use lower quality water when available and expect these uses to increase over time relative to fresh water as fresh water becomes less accessible and as treatment of brackish water costs decrease over time. However, overall total consumption is likely to remain fairly constant over time such that freshwater consumption decreases, and brackish water consumption increases. To promote the use of lower quality waters when available, Eastman uses "true cost" of water so that the addition of energy and chemicals to treat the water is considered in the water selected for use. In addition, many of our suppliers are petrochemical and chemical based. Their water requirements and uses are similar to Eastman's and we would expect them to show similar trends. That is, they are likely to continue to use a similar amount of water but expect they would also decrease the amount of fresh water and increase the amount of recycled water. Related to future water dependency, Eastman does not expect total water dependency to change dramatically over time but does expect freshwater consumption to continue to be minimal and possibly decreased, considering the increase of recycled water consumption. Likewise, Eastman expects that indirect operations will likely increase water reuse / recycled consumption.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	The amount of water withdrawn is most often monitored or metered via digital control systems. These systems include flow probes and data logging at prescribed intervals, typically a logged measurement every ten seconds or less. Several of our sites are dependent on public utility metering systems and are typically low volume water users. Data is retained at the site level and reported to corporate Global Health, Safety & Environmental annually by volume and source. Corporate campus and regional non-manufacturing sales and administrative offices are excluded from the reported totals but are monitored, most commonly by public utility metering systems. The corporate campus and regional offices would represent less than 1% of total water usage, which is immaterial considering the total volume.
Water withdrawals – volumes by source	100%	The amount of water withdrawn is most often monitored or metered via digital control systems. These systems include flow probes and data logging at prescribed intervals, typically a logged measurement every ten seconds or less. Several of our sites are dependent on public utility metering systems and are typically low volume water users. Data is retained at the site level and reported to corporate Global Health, Safety & Environmental annually by volume and source. Corporate campus and regional non-manufacturing sales and administrative offices are excluded from the reported totals but are monitored. The corporate campus and regional offices would represent less than 1% of total water usage, which is immaterial considering the total volume.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	The quality of the water brought on a site can vary. Water withdrawals quality is monitored at the manufacturing site level quality laboratories, under standards for which the water will be used, using flow meters, automatic water samplers and lab testing as needed. Water from non-municipal sources is often treated by the sites to ensure it is adequate for the site's needs (pre-treatment). The frequency is determined by facility but ranges from continuous to monthly analysis. Corporate campus and regional non-manufacturing sales and administrative offices are excluded as they use municipal potable water sources. The corporate campus and regional offices would represent less than 1% of total water usage, which is immaterial considering the total volume.
Water discharges – total volumes	100%	The amount of water discharged is typically monitored or metered via digital control systems. These systems include data logging at prescribed intervals. Water discharge quality is monitored at the manufacturing site level per regulatory requirements, using flow meters, automatic water samplers and lab testing as needed. Corporate campus and regional non-manufacturing sales and administrative offices are excluded. The corporate campus and regional offices would represent less than 1% of total water discharge, which is immaterial considering the total volume.
Water discharges – volumes by destination	100%	The amount of water discharged is typically monitored or metered via digital control systems. These systems include data logging at prescribed intervals. Water discharge quality is monitored at the manufacturing site level per regulatory requirements, using flow meters, automatic water samplers and laboratory testing as needed. Corporate campus and regional non-manufacturing sales and administrative offices are excluded. The corporate campus and regional offices would represent less than 1% of total water discharge, which is immaterial considering the total volume.
Water discharges – volumes by treatment method	100%	The amount of water discharged is typically monitored or metered via digital control systems. These systems include data logging at prescribed intervals. Water discharge quality is monitored at the manufacturing site level per regulatory requirements, using flow meters, automatic water samplers and lab testing as needed. In most cases, pre-treatment of the waste water occurs prior to discharge to either a municipal waste water treatment plant or directly to a body of water. Corporate campus and regional non-manufacturing sales and administrative offices are excluded. The corporate campus and regional offices would represent less than 1% of total water discharge, which is immaterial considering the total volume.
Water discharge quality – by standard effluent parameters	100%	Water is discharged complying with parameters outlined in either a discharge permit or in accordance with a local publicly owned treatment works. In many cases, pre-treatment is performed prior to discharge. The quality of the wastewater discharge is monitored and recorded as designated by discharge permits. Corporate campus and regional non-manufacturing sales and administrative offices are excluded. The corporate campus and regional offices would represent less than 1% of total water discharge, which is immaterial considering the total volume.
Water discharge quality – temperature	100%	Water is discharged complying with parameters outlined in either a discharge permit or in accordance with a local publicly owned treatment works. The amount of water discharged is typically monitored or metered via digital control systems that includes data logging at prescribed intervals. Corporate campus and regional non-manufacturing sales and administrative offices are excluded. The corporate campus and regional offices would represent less than 1% of total water discharge, which is immaterial considering the total volume.
Water consumption – total volume	100%	Corporate campus and regional non-manufacturing sales and administrative offices are excluded. The corporate campus and regional offices would represent less than 1% of total water consumption, which is immaterial considering the total volume.
Water recycled/reused	100%	Corporate campus and regional non-manufacturing sales and administrative offices are excluded. The corporate campus and regional offices would represent less than 1% of total water usage, which is immaterial considering the total volume.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Corporate campus and regional non-manufacturing sales and administrative offices are excluded. The corporate campus and regional offices would represent less than 1% of total water usage, which is immaterial considering the total volume.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	849821	Lower	Total withdrawals are monitored for all manufacturing sites. Water withdrawal compared to 2020 was 9% lower. This change is likely due to a variety of reasons: enhanced withdraw measurement, site closings and site divestitures. Non-manufacturing sites are excluded from the water accounting data but would represent less than 1% of our total withdrawal volumes and discharge volumes. Near future water withdrawal volumes are projected to remain about the same but could vary depending on future expansions, divestitures, acquisitions, and weather.
Total discharges	817446	Lower	Total discharges are monitored for all manufacturing sites. The discharge amount decreased 9% when compared to 2020. Reduced discharge quantities are attributed to reduced water withdraw, enhanced withdraw measurement, site closings and site divestitures. Non-manufacturing sites are excluded from the water accounting data but would represent less than 1% of our total withdrawal volumes and discharge volumes. Near future water withdrawal volumes are projected to remain about the same but could vary depending on future expansions, divestitures, acquisitions, and weather.
Total consumption	32374	Higher	Total withdrawals and discharges are monitored for all manufacturing sites. Total consumption of water increased by 14% for 2021. This aligns with the increase in 2021 production following decreased production in 2020 due to COVID-19. Non-manufacturing sites are excluded from the water accounting data but would represent less than 1% of our total withdrawal volumes and discharge volumes. Near future water withdrawal volumes are projected to remain about the same but could vary depending on future expansions, divestitures, acquisitions, and weather.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	Less than 1%	About the same	WRI Aqueduct	Both World Resources Institute's Aqueduct™ and World Wildlife Fund's Water Risk Filter™ tools are used to determine sites located in water stressed areas: 1. sites with high and extremely high scores for WRI Aqueduct risk indicators "Baseline Water Stress" and "Baseline Water Depletion", and 2. sites with high and very high scores for WWF Water Risk Filter risk indicators "Water Depletion", "Blue Water Scarcity", and "Available Water Remaining (AWARE)". Sites located in extremely water stressed areas indicated by World Resources Institute's Aqueduct™ tool represent less than 1% of Eastman's total water withdrawals, discharges, and consumption. The basis used for identifying extremely stressed sites is World Resources Institute's Aqueduct™ tool, baseline stress with an indication of "extremely stressed". The Eastman sites identified in baseline extremely stressed areas adhere to Eastman's Environmental Stewardship Policy and our Responsible Care® Principles. Both emphasize conservation of natural resources, use of material and energy efficiency, and strive to reduce emissions, discharges, and water through source reduction, reuse and recycling. The sites, where possible, use more abundant water, such as seawater. All sites that consume water located in these regions have conservation plans in place. All sites located in extremely stressed regions, consume minimum quantities of freshwater, less than 100 ML per year.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	829988	Lower	Total withdrawals are monitored for all manufacturing sites. Water withdrawal compared to 2020 was lower by 1.0%. This change is likely due to a variety of reasons: enhanced withdraw measurement, site closings and site divestitures.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Reduction due to a site closure of facility in 2020 that withdrew and discharged ocean water in process.
Groundwater – renewable	Relevant	3091	Much higher	Total water withdrawals from renewable groundwater increased but represents less than 0.4% of total water withdrawals. The increase is due to production increases in 2021 following lower production in 2020 due to COVID-19.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	Eastman does not use groundwater from non-renewable wells.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	Produced water in processing of chemicals represents less than 1% of the total water usage.
Third party sources	Relevant	16742	About the same	Total water withdrawals from third party sources remained about the same. Third party withdrawals, municipal water, represent about 2% of total water withdrawals.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	805144	About the same	Water discharges decreased by 1.4% from 2020. While production increased in 2021, five sites were divested and two sites were closed which resulted in this decrease.
Brackish surface water/seawater	Relevant	2086	Much lower	Reduction due to site closure of a facility in 2020 that withdrew and discharged a majority of ocean water in previous reporting cycles.
Groundwater	Relevant	551	Lower	Total water discharges from renewable groundwater decreased by 9%. More water was diverted to treatment facilities in 2021 compared to 2020.
Third-party destinations	Relevant	9665	About the same	Total water discharges to a third party destination decreased by 8.4%. The change is due to fluctuations in the amount of wastewater requiring off site treatment (i.e. a reduction of cleaning operations).

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	<Not Applicable>	Treatment level used but not distinguished in data collection.
Secondary treatment	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	<Not Applicable>	Treatment level used but not distinguished in data collection.
Primary treatment only	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	<Not Applicable>	Treatment level used but not distinguished in data collection.
Discharge to the natural environment without treatment	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	<Not Applicable>	Treatment level used but not distinguished in data collection.
Discharge to a third party without treatment	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	<Not Applicable>	Treatment level used but not distinguished in data collection.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Not applicable

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	10476000000	849821	12327.3018670991	Future water use it anticipated to remain consistent in future years.

W-CH1.3

(W-CH1.3) Do you calculate water intensity for your activities in the chemical sector?

No, and we have no plans to do so in the next two years

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers
 Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number
 26-50

% of total procurement spend
 51-75

Rationale for this coverage

We are institutionalizing a systemic approach to assessing our suppliers. We are initially focusing on suppliers with the highest direct spend and then expanding to our lower direct spend suppliers. The intent is then to engage with lower-scoring suppliers to help drive improvements. Suppliers are rated per the completeness of their responses, with water use being one of the metrics in which they are judged.

Impact of the engagement and measures of success

Eastman is measuring the success of our engagement using EcoVadis in the following ways: (1) Eastman measures the number of its Direct and Indirect suppliers that had a valid (< 3 years old) Ecovadis assessment. (2) Eastman monitors the quantity of suppliers that completed new assessments or completed reassessments. (3) Eastman monitors suppliers who achieved an improvement in their overall Ecovadis Score. The measures are used by Procurement to approve vendors or assign preference to those vendors with higher scores. Success is measured by the total percentage of vendors completing EcoVadis assessments and the percentage achieving a greater than 60% score.

Comment

Eastman is a member of the Together for Sustainability Initiative (TfS). TfS develops and implements a global supplier engagement program to assess, audit and improve sustainability practices within the supply chain of the chemical industry. Under this initiative Eastman requests suppliers to complete an Ecovadis sustainability assessment, which has four elements: Environmental, Labor and Human Rights, Ethics, and Sustainable Procurement.

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Onboarding & compliance

Details of engagement

Inclusion of water stewardship and risk management in supplier selection mechanism
Requirement to adhere to our code of conduct regarding water stewardship and management

% of suppliers by number

51-75

% of total procurement spend

51-75

Rationale for the coverage of your engagement

We are institutionalizing a systemic approach to assessing our suppliers. We are initially focusing on suppliers with the highest direct spend and then expanding to our lower direct spend suppliers. Our engagement currently covers 75% of Direct raw material suppliers with 2021 spend >\$1M and 69% of Direct raw material spend with suppliers of 2021 spend >\$1M. The intent is then to engage with lower-scoring suppliers to help drive improvements. Suppliers are rated per the completeness of their responses, with water use being one of the metrics in which they are judged.

Impact of the engagement and measures of success

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

Comment

W1.4c

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Eastman engages with our customers to help them better understand the water footprint of our products and how the water footprint of our products compares to competing products in the marketplace. All partners are able to visit our external website to review Eastman's Sustainability Report, EcoVadis Scores GRI Report and CDP submissions. Our Life Cycle Assessment (LCA) group works with customers to provide sustainability data, including water use, for the customer to evaluate Eastman's impact on water. Success is measured by Eastman's acceptance by customers and other partners in their willingness to do business with Eastman.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Yes, fines, enforcement orders or other penalties but none that are considered as significant

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

Total number of fines

1

Total value of fines

2500

% of total facilities/operations associated

1

Number of fines compared to previous reporting year

Lower

Comment

Water-related fines are historically low. The dollar value of the fine in 2021 does not reach a level that would be 'material' information as defined by applicable law and thus requiring public disclosure to investors. Nevertheless, Eastman team members foster a 'Zero Incident Mindset', seeking to ensure our operations comply with all legal requirements. Any instance of alleged noncompliance is taken seriously regardless of the level of the fines, or whether a disclosure is required.

W3. Procedures

W-CH3.1

(W-CH3.1) How does your organization identify and classify potential water pollutants associated with its activities in the chemical sector that could have a detrimental impact on water ecosystems or human health?

Eastman knows that water is one of our planet's most valuable resources. We maintain pollution prevention and waste minimization programs designed to achieve ongoing reductions in the amount of contaminants that may be released to the water. A hierarchical waste management strategy is followed. This strategy emphasizes maximizing the conversion of raw materials into marketable products and minimizing the creation of waste. Increasing product yields is an ongoing, continuous priority for our research and manufacturing groups. When byproducts are produced they are evaluated and, if possible, used as feed stocks in other Eastman operations. When recovery or reuse options are exhausted, waste is evaluated and, based on treatability and regulatory constraints, assigned to an appropriate treatment unit. Our facilities have invested in and operate wastewater treatment systems that are designed to effectively remove regulated materials from the effluent prior to returning the treated water to the biosphere. Eastman complies with related government issued permits or licenses to demonstrate that the treated discharges do not degrade the receiving surface waters and that all applicable water quality standards are met. Our two largest sites, which are responsible for 90% of Eastman's water usage, have voluntarily conducted numerous river studies through a third party (the Academy of Natural Sciences) to ensure that Eastman is not having a negative impact on the rivers' water quality, plants, fish, macroinvertebrates, or insects.

W-CH3.1a

(W-CH3.1a) Describe how your organization minimizes adverse impacts of potential water pollutants on water ecosystems or human health. Report up to ten potential pollutants associated with your activities in the chemical sector.

Potential water pollutant	Value chain stage	Description of water pollutant and potential impacts	Management procedures	Please explain
BOD (Biological Oxygen Demand)	Direct operations	The amount of oxygen consumed by bacteria in the decomposition of organic material. BOD provides an index to assess the effect of discharged wastewater will have on the receiving environment. The higher the BOD value, the greater the amount of organic matter available for oxygen consuming bacteria. Oxygen consumed in the decomposition process is oxygen not otherwise available for aquatic organisms.	Compliance with effluent quality standards	Government authorities issue Eastman's operations permits are designed to protect water quality in the receiving streams. Eastman operates in compliance with these permits, including any BOD effluent limits, and monitors and reports this compliance as required. Eastman's compliance with these permits ensures that the company's discharges do not impact the quality of the receiving stream. Each site that operates a wastewater treatment facility uses wastewater management procedures and processes to ensure effluent limits are met. BOD measures are accumulated and reported to regulatory authorities as required. The majority of our manufacturing sites are either certified to ISO14001, Responsible Care® Management System (RCMS) or RC®/ISO14001. RCMS is similar in scope to RC/ISO14001, both require third party verification to obtain a certificate of conformance.
COD (Chemical Oxygen Demand)	Direct operations	A measure of the amount of oxygen that could be consumed by reactions in a measured solution. COD provides an index to assess the effect discharged wastewater will have on the receiving environment. Bacteria decompose organic materials using dissolved oxygen and this leads to a reduction of dissolved oxygen for other aquatic organisms.	Compliance with effluent quality standards	Government authorities issue Eastman's operations permits are designed to protect water quality in the receiving streams. Eastman operates in compliance with these permits, including any COD effluent limits, and monitors and reports this compliance as required. Eastman's compliance with these permits ensures that the company's discharges do not impact the quality of the receiving stream. Each site that operates a wastewater treatment facility uses wastewater management procedures and processes to ensure effluent limits are met. COD measures are accumulated and reported to regulatory authorities as required. The majority of our manufacturing sites are either certified to ISO14001, Responsible Care® Management System (RCMS) or RC®/ISO14001. RCMS is similar in scope to RC/ISO14001, both require third party verification to obtain a certificate of conformance.
TSS (Total Suspended Solids)	Direct operations	TSS is the dry weight of suspended particles that are not dissolved, in a sample of water that can be trapped by a filter that is analyzed using filtration. Suspended solids can clog fish gills, reduce light penetration which reduces the ability of algae to produce food and oxygen and could settle out as sediment that may smother bottom-dwelling organisms, eggs and cover breeding areas.	Compliance with effluent quality standards	Government authorities issue Eastman's operations permits are designed to protect water quality in the receiving streams. Eastman operates in compliance with these permits, including any TSS effluent limits, and monitors and reports this compliance as required. Eastman's compliance with these permits ensures that the company's discharges do not impact the quality of the receiving stream. Each site that operates a wastewater treatment facility uses wastewater management procedures and processes to ensure effluent limits are met. TSS measures are accumulated and reported to regulatory authorities as required. The majority of our manufacturing sites are either certified to ISO14001, Responsible Care® Management System (RCMS) or RC®/ISO14001. RCMS is similar in scope to RC/ISO14001, both require third party verification to obtain a certificate of conformance.
pH	Direct operations	A measure of hydrogen ion concentration. Aquatic life is adapted to natural pH levels. Changes in pH could have negative impacts on the aquatic community.	Compliance with effluent quality standards	Government authorities issue Eastman's operations permits are designed to protect water quality in the receiving streams. Eastman operates in compliance with these permits, including any effluent pH limits, and monitors and reports this compliance as required. Eastman's compliance with these permits ensures that the company's discharges do not impact the quality of the receiving stream. Each site that operates a wastewater treatment facility uses wastewater management procedures and processes to ensure effluent limits are met. pH measures are accumulated and reported to regulatory authorities as required. The majority of our manufacturing sites are either certified to ISO14001, Responsible Care® Management System (RCMS) or RC®/ISO14001. RCMS is similar in scope to RC/ISO14001, both require third party verification to obtain a certificate of conformance.
Temperature	Direct operations	A measure of the heat present in a substance. Temperature affects the dissolved oxygen levels in water, photosynthesis of aquatic plants, metabolic rates of aquatic organisms.	Compliance with effluent quality standards	Government authorities issue Eastman's operations permits are designed to protect water quality in the receiving streams. Eastman operates in compliance with these permits, including any effluent temperature limits, and monitors and reports this compliance as required. Eastman's compliance with these permits ensures that the company's discharges do not impact the quality of the receiving stream. Each site that operates a wastewater treatment facility uses wastewater management procedures and processes to ensure effluent limits are met. Temperature measures are accumulated and reported to regulatory authorities as required. The majority of our manufacturing sites are either certified to ISO14001, Responsible Care® Management System (RCMS) or RC®/ISO14001. RCMS is similar in scope to RC/ISO14001, both require third party verification to obtain a certificate of conformance.
Metals	Direct operations	Metals are essential to biochemical processes but in high concentrations are toxic to aquatic organisms.	Compliance with effluent quality standards	Government authorities issue Eastman's operations permits are designed to protect water quality in the receiving streams. Eastman operates in compliance with these permits, including any effluent metals limits, and monitors and reports this compliance as required. Eastman's compliance with these permits ensures that the company's discharges do not impact the quality of the receiving stream. Each site that operates a wastewater treatment facility uses wastewater management procedures and processes to ensure effluent limits are met. Metals measures are accumulated and reported to regulatory authorities as required. The majority of our manufacturing sites are either certified to ISO14001, Responsible Care® Management System (RCMS) or RC®/ISO14001. RCMS is similar in scope to RC/ISO14001, both require third party verification to obtain a certificate of conformance.
Nutrients	Direct operations	Phosphorus and nitrogen are the primary nutrients that in excessive amounts have a negative impact on aquatic environments leading to eutrophication.	Compliance with effluent quality standards	Government authorities issue Eastman's operations permits are designed to protect water quality in the receiving streams. Eastman operates in compliance with these permits, including any effluent nutrient limits, and monitors and reports this compliance as required. Eastman's compliance with these permits ensures that the company's discharges do not impact the quality of the receiving stream. Each site that operates a wastewater treatment facility uses wastewater management procedures and processes to ensure effluent limits are met. Nutrients measures are accumulated and reported to regulatory authorities as required. The majority of our manufacturing sites are either certified to ISO14001, Responsible Care® Management System (RCMS) or RC®/ISO14001. RCMS is similar in scope to RC/ISO14001, both require third party verification to obtain a certificate of conformance.
Ammonia	Direct operations	Ammonia, in high levels, builds up in aquatic organism's tissues and blood.	Compliance with effluent quality standards	Government authorities issue Eastman's operations permits are designed to protect water quality in the receiving streams. Eastman operates in compliance with these permits, including any effluent ammonia limits, and monitors and reports this compliance as required. Eastman's compliance with these permits ensures that the company's discharges do not impact the quality of the receiving stream. Each site that operates a wastewater treatment facility uses wastewater management procedures and processes to ensure effluent limits are met. Ammonia measures are accumulated and reported to regulatory authorities as required. The majority of our manufacturing sites are either certified to ISO14001, Responsible Care® Management System (RCMS) or RC®/ISO14001. RCMS is similar in scope to RC/ISO14001, both require third party verification to obtain a certificate of conformance.
Toxicity	Direct operations	Toxicity is measured varying parameters, exposing test species and comparing survival, growth and reproduction to a control test.	Compliance with effluent quality standards	Government authorities issue Eastman's operations permits are designed to protect water quality in the receiving streams. Eastman operates in compliance with these permits, including any effluent toxicity limits, and monitors and reports this compliance as required. Eastman's compliance with these permits ensures that the company's discharges do not impact the quality of the receiving stream. Each site that operates a wastewater treatment facility uses wastewater management procedures and processes to ensure effluent limits are met. Toxicity measures are accumulated and reported to regulatory authorities as required. The majority of our manufacturing sites are either certified to ISO14001, Responsible Care® Management System (RCMS) or RC®/ISO14001. RCMS is similar in scope to RC/ISO14001, both require third party verification to obtain a certificate of conformance.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market

Tools and methods used

WRI Aqueduct

WWF Water Risk Filter

Contextual issues considered

Water availability at a basin/catchment level

Water quality at a basin/catchment level

Implications of water on your key commodities/raw materials

Water regulatory frameworks

Status of ecosystems and habitats

Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers

Investors

Regulators

Suppliers

Water utilities at a local level

Comment

World Resources Institute's AqueductTM and World Wildlife Fund's Water Risk Filter tools are used. To assess risks using total water risk, baseline water stress, baseline water depletion, and projected water stress using projections by the tools.

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Annually

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Other

Tools and methods used

Other, please specify (Ecovadis assessment)

Contextual issues considered

Implications of water on your key commodities/raw materials

Water regulatory frameworks

Status of ecosystems and habitats

Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Suppliers

Comment

Eastman is a member of Together for Sustainability (TfS) which is a procurement-led initiative focused on elevating the sustainability of the supply chain for the chemical industry. Eastman is committed to responsible sourcing and is driving an initiative to focus on the top 80% of our direct spend and assess those suppliers regarding sustainability. Eastman is leveraging the widely accepted Ecovadis assessment which includes a specific focus on water management practices. The intent is to gain a better understanding of our suppliers' performance in this space and then to help drive improvements with suppliers where appropriate.

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Water is a basic need for our manufacturing operations. Eastman performs a comprehensive, company-wide risk assessment for its operations every five years, or more often in the event of acquisitions. These assessments help the company understand where water scarcity issues exist and help to prioritize limited resources to address water quality and availability issues, if any are identified.

Eastman annually uses the WRI Aqueduct™ and WWF Water Risk Filter™ tools to project water-stressed site risks to 2030 for Eastman operations. Suppliers are evaluated by EcoVadis and other in-house vendor evaluation tools. Water risks, including quantity and quality, as well as regulatory and community restraints, are site issues that are managed as key infrastructure elements that govern viability and potential growth of every site. The decision to establish a site includes an evaluation of the water resources and annual decisions concerning the siting of new processes are largely determined on the assessment of infrastructure needs.

New facility siting is governed by an Eastman policy that requires the project evaluation team to consider these criteria: historical climate data including potential impact, likelihood of occurrence and resources required for preparation for severe storms and other natural disasters; availability, capacity, and capability of waste treatment facilities; availability of fresh water via local rivers or aquifers, local streams or rivers potentially impacted as receiving streams; and existence of local/regional sensitivities and necessary means to minimize their impact.

Suppliers water risks are evaluated using EcoVadis. EcoVadis scores are reviewed to ensure Eastman is working with responsible partners.

Significant risks, including water-related risks, are evaluated in Eastman's Enterprise Risk Management (ERM) process which is overseen by the Audit Committee of the Board of Directors. Mitigation plans are developed as needed and executed upon by the appropriate working groups.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

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

Eastman uses accumulated earnings or slower growth as quantifiable indicators to define substantive financial or strategic impact. Climate risk severity impact levels varies from Low (< \$50 M accumulated losses or 10% slower growth) to Very High (> \$250 M accumulated losses or 50% slower growth).

W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Eastman utilizes World Resources Institute's Aqueduct™ tool to identify sites in water-stressed regions. Less than 20% of Eastman sites are in water-stressed regions with a much lower percentage of actual production at water-stressed sites. Water quantity and quality are considered in new site siting decisions. In addition, water reuse opportunities are identified and exploited to reduce water requirements. For example, condensate return is emphasized, and heat integration reuses the thermal energy of water streams. Eastman has a broad portfolio of products and this diversification mitigates the impact of risk to any particular product or site. This was evident in 2017 when a number of hurricanes hit the United States but had no substantive impact on Eastman's ability to fill orders and satisfy customer needs.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Water related issues have not risen to a substantive level for Eastman. Eastman has a diverse raw material and commodity supply chain which minimizes our risk when there are issues with severe weather events or other events beyond our control and our supply chain. In addition, our key suppliers are routinely risk assessed and our contracting process surfaces issues of this nature where they are dealt with contractually. Any new supplier is vetted through Eastman's process.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Products and services

Primary water-related opportunity

Increased sales of existing products/services

Company-specific description & strategy to realize opportunity

Eastman sells bio-based polymers, cellulose esters, into membrane filtration to purify water or water-based products such as fruit juices, wine, beer, and dairy products. A portfolio of such products was introduced. Offering a range of cellulose esters allows the user to purchase multiple products that can be blended to obtain the targeted membrane functionality. Eastman has significant technical expertise in our research and development and technical service departments to assist with product selection and development. Eastman assesses this to be a strategic opportunity given the Company's significant technical expertise and the potential for this to lead to increased market share and revenues in this area. For example, Eastman's cellulosic membrane materials are used in forward osmosis membranes, both in industrial applications and personal hydration systems.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Low-medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

1000000

Potential financial impact figure – maximum (currency)

5000000

Explanation of financial impact

As the world's leading supplier of specialty cellulose esters for more than 85 years, Eastman has a long history of reliably supplying customers with consistently high-quality products manufactured using advanced processes and controls. Eastman has a diverse portfolio of more than 50 cellulose esters for a variety of applications. The potential financial impact range is a calculated estimate of sales figures related to this line of Eastman products.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

No, but we plan to develop one within the next 2 years

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Director on board	At the highest level, the Audit Committee of Eastman's Board of Directors has responsibility for Eastman's Enterprise Risk Management (ERM) process which includes management of all risks, including water-related risks. The Audit committee is chaired by a specific Director. The Eastman Board of Directors also has an Environmental, Safety, and Sustainability (ESS) Committee which has broad and dedicated oversight for ESG matters affecting the Company. Water-related issues are a part of the Committee's oversight responsibility. The ESS Committee of the Eastman Board is chaired by a specific Director and includes every member of the Board. The ESS Committee routinely receives updates and presentations on water-related risks and issues. The Finance Committee of Eastman's Board of Directors reviews new capital projects and reviews water issues as part of that process. For example, in 2020, the Board approved the methanolysis project with consideration of water requirements. The Finance Committee and the full Board review and address water scarcity issues that are surfaced. The Finance Committee is chaired by a specific Director.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Setting performance objectives	The Audit Committee of Eastman's Board of Directors has oversight responsibility for Eastman's Enterprise Risk Management (ERM) process which includes management of all risks, including water-related risks. A risk review is conducted with the Audit Committee at least once per year. Eastman personnel provide the Audit Committee with semi-annual reports on regulatory and legislative developments, including water-related initiatives, that have the potential to affect the Company's operations. As part of the ERM process, appropriate mitigation plans are developed. The Audit Committee is involved in setting performance objectives. The Finance Committee of Eastman's Board of Directors oversees acquisitions and divestitures and major capital expenditures. Water issues are reviewed as part of the acquisitions and capital project review process. The Eastman Board of Directors also has an Environmental, Safety, and Sustainability (ESS) Committee which has broad and dedicated oversight for ESG matters affecting the Company. Water-related issues are a part of the Committee's oversight responsibility. The ESS Committee of the Eastman Board is chaired by a specific Director and includes every member of the Board. The ESS Committee routinely receives updates and presentations on water-related risks and issues and provides input on strategy. The Finance Committee of Eastman's Board of Directors reviews new capital projects and reviews water issues as part of that process. The Finance Committee and the full Board review and address water scarcity issues that are surfaced. The Finance Committee is chaired by a specific Director.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	Chemical industry and specialty materials strategy, technology, innovation, and manufacturing experience. We are currently raising expectations on levels of competence of Board members on specific subjects, with water being one of those. The Committee Chair has expertise across various business, operational and ESG issues. We see opportunity to build depth of knowledge on water-related issues specifically and plan to accomplish that through specific Board training coursework.	<Not Applicable>	<Not Applicable>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Sustainability Officer (CSO)

Responsibility

Assessing water-related risks and opportunities
 Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Less frequently than annually

Please explain

The CSO reports directly to the CEO and Chairman of the Board and is responsible for driving sustainability throughout the company including responsible use of water. Examples of reports pertaining to water given to the Board of Directors include regulatory updates, water resource management overview, updates on issues such as plastics in the ocean and water pollution in China, research by the Woods Hole Oceanographic Institution, work with the Southern California Coastal Water Research Project, Global HSES Audit Program updates, our Sustainability Report, cooling water intake structure studies, and National Academy of Sciences studies of the health of local rivers. In 2021, these reports were given on an as-needed basis, generally less than annually. The CSO is responsible for both Eastman's Technology and Sustainability organizations and is also the CMSE. As such, he is responsible for maintaining water supply and ensuring compliance with all regulations.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Other C-suite Officer (Chief Manufacturing, Supply Chain, and Engineering Officer (CMSE))	Other, please specify (Responsible water management is included in Eastman's Zero Incident Mindset initiative.)	Eastman requires all employees to complete Zero Incident Mindset (ZIM) training, which is risk-based. ZIM is centered on complete focus on each activity at hand – viewing all incidents as preventable in all categories. We define "incident" as, "an unanticipated event that normally requires time or money to correct – often due to a departure from our core values, expected behaviors and principles." Expectations for application mean that no deviation from normal operations is tolerated. An example is the adoption of the Operation Clean Sweep Program (OCS), a product stewardship program of ACC and the Plastics Industry Association focused on the implementation of good housekeeping and containment practices to achieve zero pellet, flake and powder loss. The ZIM initiative is included in the CMSE's Personal Performance Commitments and is considered during compensation review for variable compensation awards.
Non-monetary reward	No one is entitled to these incentives	<Not Applicable>	No non-monetary rewards are provided at this time.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Direct engagements with policy makers and trade associations are overseen by the Company's Government Affairs organization and are intended to be consistent with and supportive of Eastman policies and commitments. Structure is in place through the Sustainability Council and sub-councils; the Issue Management Council; and groups such as the Global HSES Advocacy Network Team to review positions and gain alignment. This structure exists in part to drive consistency across the Company. Any inconsistency that may arise between the positions or needs of a specific site, geography, business or function and the general Eastman policies and commitments is addressed through this structure. The extent and implication of any inconsistency is evaluated, and corrective action can be taken to address the particular situation and need. Public policy overviews and activities for selected areas (including environment and natural resources) are presented to the Board of Directors at least annually. Funding for research organizations with respect to water issues is managed through either Global Public Affairs or Technology. Funded research is either in support of Economic Success, Social Wellbeing and Environmental Integrity pillars significant to Eastman or strategic to business opportunities.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, and we have no plans to do so

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	21-30	While Eastman has not identified significant water risks with substantive impact, water issues are integrated into long-term business objectives. Eastman is advantaged in that the vast majority of Eastman sites are not in water-stressed areas which minimizes our potential risks. Nevertheless, the leadership teams for each of Eastman's Business Units consider water risks including the potential impacts of the loss of primary containment of raw materials, intermediate and products that could potentially impact water quality. ***For example, The Finance Committee of Eastman's Board of Directors oversees acquisitions and divestitures and major capital expenditures. Water issues are reviewed as part of the acquisitions and capital project review process in support of achieving long-term business objectives.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	21-30	While Eastman has not identified significant water risks with substantive impact, water issues are integrated into long-term business objectives. Eastman is advantaged in that the vast majority of Eastman sites are not in water-stressed areas which minimizes our potential risks. Nevertheless, the leadership teams for each of Eastman's Business Units consider water risks including the potential impacts of the loss of primary containment of raw materials, intermediate and products that could potentially impact water quality. ***For example, Eastman utilizes World Resources Institute's Aqeduct™ tool to identify sites in water-stressed regions. Water quantity and quality are considered in siting decisions. In addition, water reuse opportunities are identified and exploited to reduce water requirements in support of Eastman's strategy for achieving long-term objectives.
Financial planning	Yes, water-related issues are integrated	21-30	While Eastman has not identified significant water risks with substantive impact, water issues are integrated into long-term business objectives. Eastman is advantaged in that the vast majority of Eastman sites are not in water-stressed areas which minimizes our potential risks. Nevertheless, the leadership teams for each of Eastman's Business Units consider water risks including the potential impacts of the loss of primary containment of raw materials, intermediate and products that could potentially impact water quality. ***For example, Eastman places an internal price on water to aid financial planning. Project financials are based on internally developed pricing for all utilities. This pricing has been developed using a model that estimates the total cost of water, including treatment and delivery. In addition, this model estimates how every other utility impact water use and incorporates the impact of total water cost in the internal pricing of all other utilities. This methodology ensures that project evaluations capture the total upstream impact on water use and costs.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

150

Anticipated forward trend for CAPEX (+/- % change)

80

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

In 2021, CAPEX increased as some projects previously delayed due to issues associated with the COVID-19 pandemic and available resources were able to move forward. CAPEX is projected to increase going forward into 2023 as projects proceed including cooling water infrastructure improvements, wastewater improvements, and a fire water storage tank. No change in OPEX is anticipated at this time.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	Parameters Measurable factors built into the scenario that may have a material impact on our business performance that we have included are the worldwide steam coal, crude oil price, CO2 prices for advanced and emerging economies, regional natural gas prices and annual energy investment in end-use for both electrification and efficiency. Assumptions: The assumptions made in use of the Net Zero Emissions (NZE) scenario include relevant milestones of anticipated policy results achieved affecting the electricity and heat, industry, buildings, transport and other sectors across the period 2030 to 2050 given that we have customers that represent each of them and it is therefore relevant to our strategic plan. Moreover, we have assumed a falling oil price globally over the period from 2020 to 2050, increasing carbon prices in both advanced and emerging economies with reductions in natural gas prices in the European Union and China. Analytical choices: The time horizon extends to 2050 for which the International Energy Agency's (IEA) World Energy Outlook (WEO) 2021 were most heavily referenced in preparation of our analysis. Our analysis using this scenario was primarily qualitative in nature, for which in 2022 we're incorporating quantitative considerations using the fuel costs, regional carbon prices, and energy investment metrics disclosed in the WEO 2021 scenario documentation.	Considering the scenario analysis implemented by Eastman in 2021 and that this being our first exercise focused on climate-related impacts, we do not have any water-related outcomes to provide.	Considering that this scenario analysis exercise was completed by the end of 2021, we did not face any influence on business strategy yet.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

Yes

Please explain

Project financials are based on internally developed pricing for all utilities. This pricing was developed using a model that estimates the total cost of water, including treatment and delivery. In addition, this model estimates how every other utility impacts water use and incorporates the impact of total water cost in the internal pricing of all other utilities. This methodology ensures that project evaluations capture the total upstream impact on water use and costs.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, but we plan to address this within the next two years	<Not Applicable>	Important but not an immediate business priority	Eastman is working to reduce its water impact at the enterprise level focusing on areas of high water stress. Assessing the embodied water impacts at an individual product level involves significant uncertainty and data gaps and is therefore not fully evaluated at this time.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Site/facility specific targets and/or goals Country level targets and/or goals	Goals are monitored at the corporate level	Qualitative goals are established to increase freshwater availability and reduce water risk, energy use, water treatment chemical use, and cost. Qualitative goals have been established at the corporate level. For example, providing access to safely managed Water, Sanitation and Hygiene (WASH) in workplace is a corporate level goal. At the corporate level, best practices for water reuse and conservation have been developed. Qualitative goals have been established for specific sites. For example, two sites have goals to reduce dependency on municipal water and use lower quality water when appropriate in process areas. Three other sites are committed to the Blue Deal of Flanders and have goals to reduce water use and reuse water. Most manufacturing sites measure condensate return and have established targets that are monitored at the site level.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Other, please specify (Commitment to the Blue Deal of Flanders)

Level

Company-wide

Motivation

Risk mitigation

Description of goal

Eastman performs company-wide water risk assessments. The three Eastman sites in Flanders, the northern region of Belgium, are at high risk. The Blue Deal of Flanders aims to reduce the effect of drought in this water stressed region. These sites are committed to the Blue Deal of Flanders and reducing water consumption by reusing and recycling water. Eastman is participating in a chemical industry workgroup preparing a quantitative water reduction proposal to the government.

Baseline year

2019

Start year

2020

End year

2030

Progress

A new Ultrafiltration and Reverse Osmosis (UFRO) unit was installed at one site in 2020, resulting in a 30% increase in surface water intake efficiency and 90% reduction in municipal water intake in 2021. Water bath optimization projects are currently being implemented at a second site. Additional water efficiency and water reuse projects are being studied, including the reuse of rainwater. In 2022, we expect a quantitative reduction in water consumption for the chemical industry to be agreed upon.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we are waiting for more mature verification standards and/or processes

W10. Sign off

W-FI

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

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Executive Vice President, Technology and Chief Sustainability Officer	Chief Sustainability Officer (CSO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	Please select	

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms