Summary of the Transition Plan for the New Pension Scheme

For active participants in Pension Ring Eastman

Note: This is an online translation. In case of discrepancies, the original version in Dutch prevails.

Eastman Chemical AP Holdings B.V., Eastman Chemical B.V. and Eastman Chemical EMEA B.V.

Table of contents

There is a new pension law: the Future Pensions Act (Wtp). Therefore, the employee representatives at Eastman and Eastman as the employer (the Works Council and Eastman) have made decisions regarding the future design of the company's pension scheme. All these agreements are detailed in the 'transition plan'. In this summary, you will find the key agreements and what they mean for your pension.

Would you like to know more about all the agreements and changes? Please refer to the transition plan on Stap website.

Agreements on new pension scheme are ready, so what’s next?

The agreements on the new pension scheme have been laid down by the social partners (Eastman and the Works Council) in the transition plan.

Eastman's plan is now on the Pension Fund's website (Stap) and it is expected that Synthomer's (former Eastman Middelburg site) plan will also be available there soon.

What's next?

1. Stap assesses and decides on the feasibility, the request for transfer and the balance of the transition.
2. Early 2025, Eastman will hold information sessions on what the new pension rules mean for you.
3. Stap draws up an implementation and communication plan that will be submitted to De Nederlandsche Bank (DNB) and the Dutch Authority for the Financial Markets (AFM).
4. DNB and AFM will assess the implementation and communication plan and, after a positive assessment, will give formal approval.
5. No later than one month before the transition to the new rules, you will receive insight into the amounts that apply to you via Stap.

The key agreements summarized

In determining the conditions for the transition to the new pension scheme, Eastman and the Works Council agreed on the following:

- The new pension scheme will start on January 1, 2026.
- The new scheme is a flexible premium scheme with a variable pension. The amount of money that is invested in your pension is fixed. The amount of your pension ultimately depends on the results of the investments, among other things. Your pension will fluctuate more with economic conditions.
- Eastman invests 21.0% of your pension base (the part of your salary that counts towards your pension) for your pension, which we call the premium.
- You can also save extra for your pension at Stap.
- Stap invests the money for your pension. What is added to or deducted from your pension capital depends on the return on the investments for the investment profile that you have chosen.
- When you retire, 3% of your accrued pension capital goes to a 'risk-sharing reserve'. The fund uses this reserve to prevent your pension from decreasing as much as possible.
- If you are working at Eastman at the time of the transition, you may receive compensation due to the transition to the flat, age-independent premium. We use this compensation as standard to also build up a pension.
- If you pass away during your employment, your partner will receive a partner's pension of 42% of your income. Your children (up to 25 years old) will receive an orphan's pension of 8.4% of your income.
- The pensions at Stap from the old pension scheme will be transferred to the new pension scheme. The collective assets at Stap will be divided among all participants on 1 January 2026. The capital built up at BeFrank will remain with BeFrank.

What will remain the same?

Not everything changes.

- You will still receive AOW (state pension) from the Dutch government
- You will receive your pension as long as you live.
- Eastman pays the full premium.
- Your (potential) partner and children will receive a pension if you pass away during your employment at Eastman.
- Did you earn more than €55,000?
  - The pension capital that you built up until the transition moment on your salary above this amount remains with BeFrank.
  - You can (still) voluntarily save for extra pension.
- If you become incapacitated for work, you will continue to build up capital for your pension.

What changes in the new pension scheme? 1/2

The key changes summarized

Component	Current pension scheme	New pension scheme
Type of pension scheme	A ‘CDC-scheme’: you accrue pension up to €55,000 at Stap (base scheme). Between €55,000 and €137,800, you build up pension capital at BeFrank (Top up scheme).	‘Flexible premium scheme’: Up to a maximum of 137,800. It is fixed how much Eastman pays for your pension. The amount of the pension capital depends on the investments, among other things. You choose from various investment profiles, so you determine how much risk the pension fund must take for you. The closer you get to your retirement, the less risky the fund invests. This is how we limit the risks. After retirement, your pension for the coming year is determined annually, depending on your pension capital. The rest of the pension capital remains invested and changes with the positive or negative investment returns. You can also opt for a fixed pension payment from another pension provider on retirement date.
Accrual rate	1,875% of your pensionable income.	Not the accrual, but the contribution is central to the new pension scheme.
Amount of the premium	21.0% of your pensionable salary. The pension accrual, the risk insurance and the implementation costs are paid from this.	Net savings premium of 21.0% of your pension base. In addition, Eastman pays compensation for employees who are employed by Eastman at the time of the transfer (compensation level depends on age and salary and applies until termination of employment). In addition, the risk insurance and implementation costs are paid by Eastman.
Increase/decrease	Your pension is increased or decreased annually according to Stap's policy. For the pension in the excess scheme, you receive a return (positive or negative) on your pension capital at BeFrank.	You will receive returns (positive or negative) on your pension capital.

What changes in the new pension scheme? 2/2

The key changes summarized

Component	Current pension scheme	New pension scheme
Partner pension in case of death during your employment	1.313% of your income that counts towards your pension for all the years that you could have worked for Eastman, up to your retirement date.	42% of your income that counts towards your pension
Choice of partner pension on retirement date	On retirement date (or at the end of employment), part of the old-age pension is exchanged for partner pension. You can choose not to do this.	Depending on the amount of your pension capital on your retirement date. You can use part of your pension capital for partner pension. This is not necessary.
Orphan's pension in case of death during your employment	20% of the partner's pension.	8.4% of your income that counts towards your pension for children up to 25 years of age.
Payment as of retirement date	A 'fixed' pension with the possibility of annual increase or decrease according to the Stap policy. For the pension from the excess scheme, it depends on the choices you make on your retirement date.	A 'variable' pension that moves with the economic circumstances is standard. If you prefer a fixed pension, you can transfer your benefit to another pension provider.
Compensation	Not applicable.	A compensation scheme applies to the transition from the current actuarial, age-dependent premium to the new flat, age-independent premium.
Additional savings	You can save extra pension yourself on your salary above €55,000. You pay the contribution yourself.	Everyone can save extra up to the fiscal maximum. You pay the contribution yourself.

EASTMAN

Further agreements on the new pension scheme

- **We will convert the pension that you have built up at Stap to the new scheme, which we call "invaren" (transfer).**

  We will convert the pension on your salary up to €55,000 that you built up until 1 January 2026 into a pension capital in the new scheme. Your pension will retain at least the same value. Is there more money after the conversion than the values of all pensions combined? Then we will divide the money that is left.

- **Your partner and children are still entitled to a partner's or orphan's pension for 6 months if you pass away when you no longer work at Eastman.**

  Are you leaving employment and do you not have another pension scheme? Then the coverage of the partner's pension will automatically continue for 6 months after your termination of employment. This means that if you pass away during this period, your partner is entitled to a partner's pension. And your children to an orphan's pension. Do you pass away after this period of 6 months? Then there is no pension for your partner and children. Do you want this period to be longer? Then you can continue the partner's pension yourself after these 6 months. You pay the premium for this from your personal pension assets.

- **Please note:** do you have a new job with a pension scheme? Then you usually do not have to continue the coverage. In the new pension scheme, your partner is often entitled to a partner's pension if you pass away.

Who bears the risks?

- Participants, former participants and pensioners themselves bear the investment risk and the risk we will all live longer on average. This means that pensions will also have to be paid out for longer. There must be enough money in the bank for this.

- In the payout phase, these risks are shared via a ‘collective allocation circle’. This means that your pension can increase or decrease by a certain percentage each year, depending on the investment returns, among other things. This percentage is the same for all pensioners.

- To prevent your pension payment from decreasing (much) in one year, we have a ‘risk-sharing reserve’. With this reserve, we try to prevent (large) fluctuations in (future) pensions. This way, you will have a more stable pension.

- The risk-sharing reserve is part of the new pension scheme as of retirement date for the variable payment. Would you prefer a fixed payment? Then you can have your pension paid out by another pension provider. In that case, you will not use the risk-sharing reserve.

What does this mean for your pension?

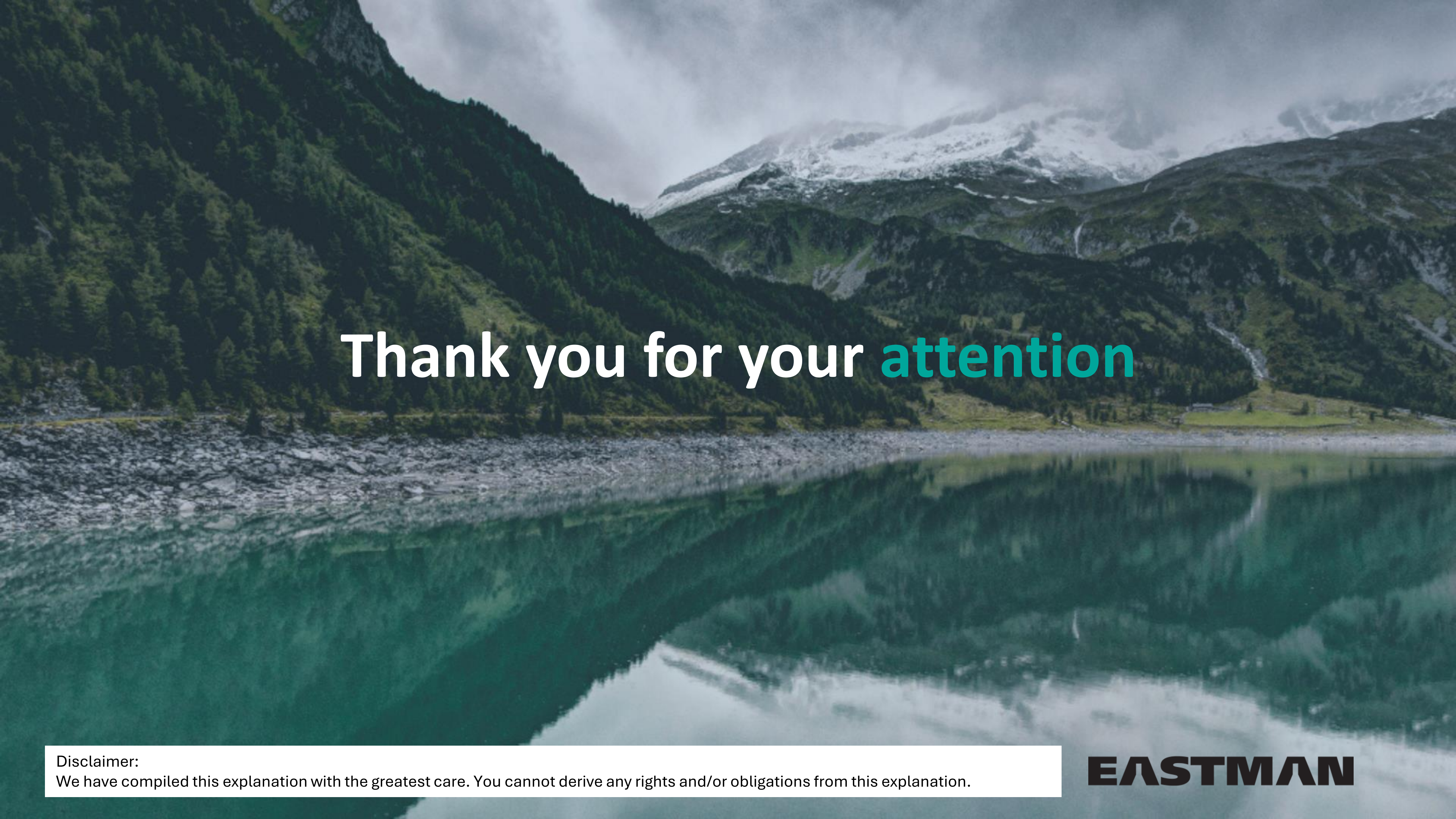
- Thousands of different future scenarios have been calculated varying from very bad to very good. The calculations have shown that the new scheme will lead to a better pension in approximately 70% of the economic future scenarios.
- Employees at the transition moment to the new scheme will receive a ‘compensation’. We determine the amount of the compensation by looking at the difference in premium paid for your pension up to your retirement date in the current and in the new scheme. We take into account an annual salary increase of 2.5% and an annual increase in the deductible and the statutory maximum salary of 2.0%. You will receive this compensation up to your retirement date, or until you leave employment.
- Just before the transition moment (1-1-2026) you will receive an overview of the expected pension for you after the transition. In it you can see what the expected consequences are for you personally.
- After the transition, you will receive an overview of the actual pension at the time of transition. You will also receive insight into your compensation at that time if there is an unfavorable difference between the premium in the new scheme and the premium in the old scheme.

A balanced pension scheme

Eastman and the Works Council find the new agreements balanced. We have had calculations made for all groups of participants with a pension at Stap and a surplus scheme at BeFrank. This allows us to see what consequences the new scheme has for all groups in different situations. If the financial position of the pension fund is very good, or very bad, for example. We have made choices about compensation and how it is financed. Eastman and the Works Council find the total of agreements balanced.

The collective assets at Stap are distributed as follows at 'invaren':

1. Convert 100% of pension entitlements into individual pension capital
2. Filling the minimum required equity (MVEV -Minimaal Vereist Eigen Vermogen-, statutory obligation)
3. Filling the buffer for the operational reserve (statutory obligation)
4. Offering compensation to active participants for the transition to the flat premium by means of compensation in the wage sphere.
5. A targeted allocation from the buffers of 3 to 5% to all participants.
6. Preventing as much as possible decreases in benefits that have started by adding a risk-sharing reserve.
7. Distributing the buffers upon entry as much as possible in line with the regulatory standard method for entry with a spreading period of 10 years.



Thank you for your attention

Disclaimer:
We have compiled this explanation with the greatest care. You cannot derive any rights and/or obligations from this explanation.