Summary of the Transition Plan for the New Pension Scheme

For Eastman retirees

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

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

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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 the website of Stap website.

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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. 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).
3. DNB and AFM will assess the implementation and communication plan and, after a positive assessment, will give formal approval.
4. 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.

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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 1 January 2026.
- The new scheme is a flexible premium scheme with a variable pension. Your pension will fluctuate more with economic circumstances. At the transition date, you can also opt for a fixed pension with another pension provider.
- 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 your age group. The amount of your benefit that can be purchased for the coming year is determined annually. The rest of the pension capital remains invested and changes with the positive or negative investment returns.
- When transitioning to the new pension scheme, 3% of the accrued pension capital of current pensioners will be used for the risk-sharing reserve. This reserve is intended to prevent benefits from decreasing as much as possible, and thus ensure more stability in benefits.
- The pensions from the old pension scheme at Stap will be transferred to the new pension scheme. The collective assets at Stap will be distributed among all participants on 1 January 2026.

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.
- Did you choose a partner's pension in the event of your death when you retired? Your partner will receive this pension if you pass away, for as long as he or she lives.

What changes in the new pension scheme?

The key changes summarized

Component	Current pension scheme	New pension scheme
Pension benefit	A life long pension benefit at Stap (and possibly a partner's pension).	‘Flexible premium scheme’: The pension capital is determined at the transition point (including a possible partner's pension). The amount of your benefit that can be purchased for the coming year is determined annually. 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 at the transition point.
Increase/decrease	A 'fixed' pension with the possibility of annual increase or decrease according to Stap's policy.	Standard a 'variable' pension that moves with economic circumstances. If you prefer a fixed pension, you can place your benefit with another pension provider.

Further agreements on the new pension scheme

- **We will convert the pension you have accrued**
  Your current benefit at Stap, will be converted into pension capital in the new scheme. Your pension will retain at least the same value at the moment of transition. If there is more money after the conversion than the value of all pensions combined, we will distribute the excess money.

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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 (collectively) 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, ensuring a more stable pension.
- The risk-sharing reserve is part of the new pension scheme from retirement for the variable payout. If you prefer a fixed payout, you can have your pension paid out by another pension provider. In that case, you do not use the risk-sharing reserve.

What does this mean for your pension?

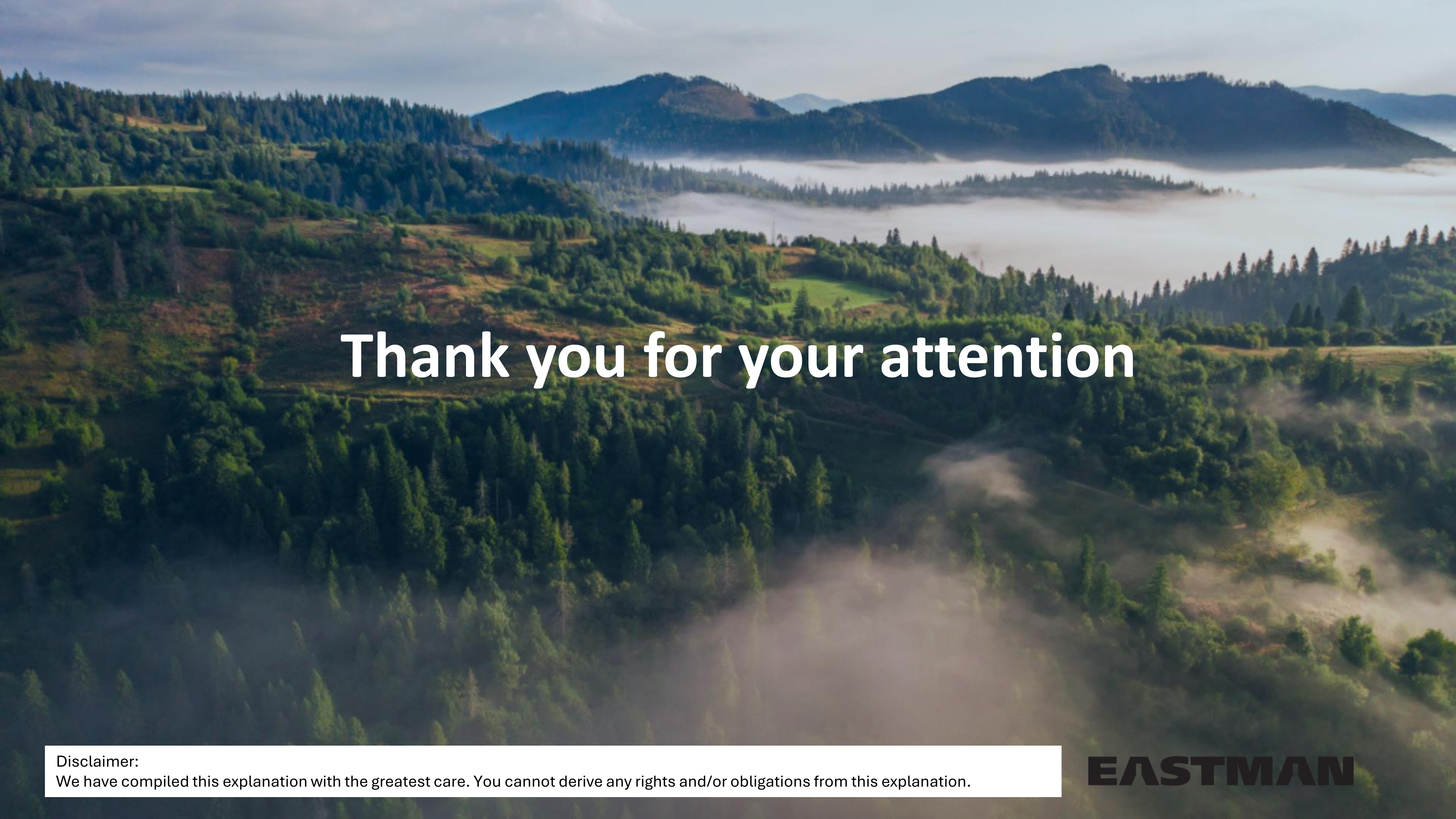
- Thousands of future scenarios have been calculated varying from very bad to very good. The calculations have shown that the new scheme leads to a better pension in approximately 70% of the future scenarios.
- Your pension payment in the first year will probably be slightly higher than your last payment before the transition. This is because we divide the buffers among all participants. After that, the amount of your payment that can be purchased for the coming year is determined annually on the basis of the pension capital. The rest of the pension capital remains invested and changes with the positive or negative investment returns.
- Just before the transition moment (1-1-2026) you will receive an overview of the expected pension for you after the transition. This shows you 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.

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

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