

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-K**

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended **December 31, 2025**
OR
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number 1-12626

EASTMAN CHEMICAL COMPANY
(Exact name of registrant as specified in its charter)

Delaware **62-1539359**
(State or other jurisdiction of incorporation or organization) (I.R.S. employer identification no.)

200 South Wilcox Drive
Kingsport Tennessee **37662**
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(423) 229-2000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	EMN	New York Stock Exchange
1.875% Notes Due 2026	EMN26	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.	Large accelerated filer <input checked="" type="checkbox"/> Non-accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/> Smaller reporting company <input type="checkbox"/> Emerging growth company <input type="checkbox"/>
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.	<input type="checkbox"/>	
Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.	<input checked="" type="checkbox"/>	
If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.	<input type="checkbox"/>	
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).	<input type="checkbox"/>	
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

The aggregate market value (based upon the \$74.66 closing price on the New York Stock Exchange on June 30, 2025) of the 113,208,187 shares of common equity held by non-affiliates as of December 31, 2025 was \$8,452,123,241 using beneficial ownership rules adopted pursuant to Section 13 of the Securities Exchange Act of 1934 to exclude common stock that may be deemed beneficially owned as of December 31, 2025 by Eastman Chemical Company's directors and executive officers and charitable foundation, some of whom might not be held to be affiliates upon judicial determination. A total of 114,097,314 shares of common stock of the registrant were outstanding at December 31, 2025.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission, are incorporated by reference in Part III, Items 10 to 14 of this Annual Report on Form 10-K (this "Annual Report") as indicated herein.

FORWARD-LOOKING STATEMENTS

Certain statements made or incorporated by reference in this Annual Report are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act (Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended). Forward-looking statements are all statements, other than statements of historical fact, that may be made by Eastman Chemical Company ("Eastman" or the "Company") from time to time. In some cases, you can identify forward-looking statements by terminology such as "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "forecasts", "will", "would", "could", and similar expressions, or expressions of the negative of these terms. Forward-looking statements may relate to, among other things, such matters as planned and expected capacity increases and utilization; anticipated capital spending; expected depreciation and amortization; environmental matters and opportunities (including potential risks associated with physical and transitional impacts of climate change and related voluntary and regulatory carbon requirements); exposure to and effects of hedging raw material and energy prices and costs and foreign currencies exchange and interest rates; disruption or interruption of operations and of raw material or energy supply (including as a result of cyber-attacks or other breaches of the Company's information security systems); global and regional economic, political, and business conditions, including heightened inflation, capital market volatility, interest rate and currency fluctuations, and economic slowdown or recession; impacts from U.S. tariffs, reciprocal tariffs, and global trade disruption; competition; growth opportunities; supply and demand, volume, price, cost, margin and sales; pending and future legal proceedings; earnings, cash flow, dividends, stock repurchases and other expected financial results, events, decisions, and conditions; expectations, strategies, and plans for individual assets and products, businesses, and operating segments, as well as for the whole of Eastman; cash sources and requirements and uses of available cash; financing plans and activities; pension expenses and funding; credit ratings; anticipated and other future restructuring, acquisition, divestiture, and consolidation activities; cost reduction and control efforts and targets; the timing and costs of, benefits from the integration of, and expected business and financial performance of acquired businesses, as well as the subsequent impairment assessments of acquired long-lived assets; strategic, technology, and product innovation initiatives and development, production, commercialization and acceptance of new products, services and technologies and related costs; asset, business, and product portfolio changes; and expected tax rates and interest costs.

Forward-looking statements are based upon certain underlying assumptions as of the date such statements were made. Such assumptions are based upon internal estimates and other analyses of current market conditions and trends, management expectations, plans, and strategies, economic conditions, and other factors. Forward-looking statements and the assumptions underlying them are necessarily subject to risks and uncertainties inherent in projecting future conditions and results. Actual results could differ materially from expectations expressed in the forward-looking statements if one or more of the underlying assumptions and expectations proves to be inaccurate or is unrealized. The known material factors, risks, and uncertainties that could cause actual results to differ materially from those in the forward-looking statements are identified and discussed under "Risk Factors" in Part I, Item 1A of this Annual Report. Other factors, risks, or uncertainties of which management is not aware, or presently deems immaterial, could also cause actual results to differ materially from those in the forward-looking statements.

The Company cautions you not to place undue reliance on forward-looking statements, which speak only as of the date of this Annual Report. Except as may be required by law, the Company undertakes no obligation to publicly update or alter these forward-looking statements, whether as a result of new information, future events, or otherwise. Investors are advised, however, to consult any further public Company disclosures (such as filings with the Securities and Exchange Commission, Company press releases, or pre-noticed public investor presentations) on related subjects.

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CORPORATE OVERVIEW

Eastman Chemical Company ("Eastman" or the "Company") is a global specialty materials company that produces a broad range of products found in items people use every day. Eastman began business in 1920 for the purpose of producing chemicals for Eastman Kodak Company's photographic business and became a public company, incorporated in Delaware, on December 31, 1993. Eastman has 36 manufacturing facilities and has equity interests in four manufacturing joint ventures in 12 countries that supply products to customers throughout the world. See "Properties" in Part I, Item 2 of this Annual Report on Form 10-K (this "Annual Report"). The Company's headquarters and largest manufacturing facility are located in Kingsport, Tennessee. With a robust portfolio of specialty businesses, Eastman works with customers to deliver innovative products and solutions with a commitment to safety and sustainability. Eastman's businesses are managed and reported in four operating segments: Advanced Materials ("AM"), Additives & Functional Products ("AFP"), Chemical Intermediates ("CI"), and Fibers. See "Business Segments".

In the first years as a stand-alone company, Eastman was diversified between commodity and more specialty chemical businesses. Beginning in 2004, the Company refocused its strategy and changed its businesses and portfolio of products, first by the divestiture and discontinuance of under-performing assets and commodity businesses and initiatives (including divestiture in 2004 of resins, inks, and monomers product lines, divestiture in 2006 of the polyethylene business, and divestiture from 2007 to 2010 of the polyethylene terephthalate ("PET") assets and business). The Company then pursued growth through the development and acquisition of more specialty businesses and product lines by inorganic acquisition and integration (including acquisitions of Solutia, Inc., a global leader in performance materials and specialty chemicals in 2012, and Taminco Corporation, a global specialty chemical company in 2014) and organic development and commercialization of new and enhanced technologies and products.

Eastman uses an innovation-driven growth model which consists of leveraging world class scalable technology platforms, delivering differentiated application development capabilities, and relentlessly engaging the market. The Company's world class technology platforms, scale advantage, and sustainability macro trends form the foundation of the Company's research and development ("R&D") and innovation initiatives. Molecular recycling technologies continue to be an area of investment focus for the Company and extend the level of differentiation afforded by its world class technology platforms. Eastman began operating the world's largest polyester molecular recycling facility in 2024 and achieved strong improvement in operating rates in 2025. Differentiated application development converts market complexity into opportunities for growth and accelerates innovation by enabling a deeper understanding of the value of Eastman's products and how they perform within customers' and end-users' products. Key areas of application development include thermoplastic conversion, functional films, coatings formulations, textiles, and personal and home care formulations. The Company engages the market by working directly with customers and downstream users, targeting attractive markets, and leveraging disruptive macro trends. Management believes that these elements of the Company's innovation-driven growth model, combined with disciplined portfolio management and balanced capital deployment, are transforming Eastman into a global specialty materials company that enhances the quality of life in a material way. The Company's impact is evidenced by recycling technology that allows for waste to be used as building blocks in several Eastman products, branded with "Renew". As a global specialty materials company, management continuously evaluates the Company's business and operations to improve cost structure, increase investment in growth, and strengthen execution capabilities, including specific initiatives to transform operations, work processes and systems, and business structure alignment, scale, and integration.

In 2025, the Company reported sales revenue of \$8.8 billion, earnings before interest and taxes ("EBIT") of \$776 million, and net earnings attributable to Eastman of \$474 million. Diluted earnings per share were \$4.10. Net cash provided by operating activities was \$970 million. Excluding non-core and unusual items, adjusted EBIT was \$930 million and adjusted diluted earnings per share were \$5.42. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of this Annual Report for a reconciliation of financial measures under accounting principles generally accepted in the United States ("GAAP") to non-GAAP financial measures, description of excluded items, and related information. For Company sales revenue by end-use market, see [Exhibit 99.01](#) "2025 Company and Segment Sales Revenue by End-Use Market" of this Annual Report. Approximately 55 percent of 2025 sales revenue was generated from outside the United States and Canada region. For additional information regarding sales by customer location and by segment, see Note 20, "Segment and Regional Sales Information", to the Company's consolidated financial statements in Part II, Item 8, and "Management's Discussion and Analysis of Financial Condition and Results of Operations - Summary by Operating Segment", and "Sales by Customer Location" in Part II, Item 7 of this Annual Report.

BUSINESS STRATEGY

Eastman's objective is to be a global specialty materials company that enhances the quality of life in a material way with consistent, sustainable earnings growth and strong cash flow. Integral to the Company's strategy for growth is leveraging its heritage expertise and innovation within its cellulosic biopolymer and acetyl, olefins, polyester, and alkylamine chemistries. For each of these "streams", the Company has developed and acquired a combination of assets and technologies that combine scale and integration across multiple manufacturing units and sites as a competitive advantage. Management uses an innovation-driven growth model which consists of leveraging world class scalable technology platforms, delivering differentiated application development, and relentlessly engaging the market. The Company sells differentiated products into diverse markets and geographic regions and engages the market by collaborating and co-innovating with customers and downstream users in existing and new targeted markets to creatively solve problems. Management believes that this innovation-driven growth model will enable the Company to leverage its proven technology capabilities to improve product mix, increasing emphasis on specialty businesses, and sustaining and expanding market share through leadership in attractive targeted markets.

Innovation

Management is pursuing specific opportunities to leverage Eastman's innovation-driven growth model with the goal of greater than end-market growth by both sustaining the Company's leadership in existing markets and expanding into new markets. Recently developed, introduced, or commercialized innovation products, applications, and technologies include the following:

- Molecular recycling technologies, including polyester renewal technology and carbon renewal technology, which are being used for production and commercial sales of multiple products, described below under "Sustainability and Circular Economy";
- Eastman Tritan™ Renew copolyester based on polyester renewal technology which transforms single-use polyester waste into basic building blocks that are then used to make durable, high performance materials;
- Naia™, a biodegradable and compostable cellulosic biopolymer fiber product for the apparel market developed from proprietary cellulosic materials that are approximately 60 percent biopolymer derived, and Naia™ Renew, approximately 60 percent biopolymer and 40 percent waste plastics derived;
- Aventa™, a biodegradable and compostable cellulosic biopolymer that is approximately 60 percent bio-content derived, and Aventa™ Renew, approximately 60 percent bio-content derived and 40 percent recycled plastic derived, both used in food service and food packaging applications. Aventa™ is both home and industrially compostable and does not persist in the environment as a microplastic;
- Esmeri™, a naturally derived, biodegradable cellulose ester micropowder that delivers advanced optical effects and durable performance in color cosmetics, sun care, and skin care;
- Solus™, a biodegradable paper coating additive that enhances the end of life of packaging used in food service;
- Saflex™ innovations in both the automotive and building and construction markets including: Saflex™ Horizon Vision, a next generation polyvinyl butyral ("PVB") interlayer product, for advanced Head-up Displays ("HUD") systems, enhancing virtual image and field of view; Saflex™ Evoca, a new platform for electrical vehicle glazing, offering acoustic, solar, or color options to design; and Saflex™ LiteCarbon Clear, a premium PVB interlayer that reduces the embodied carbon of laminated glass elements while maintaining the construction of safe buildings; and
- Eastman CORE™, a software platform that provides automotive dealership groups and professional installers access to shop management and automotive film patterns to improve installation quality and customer experience.

Sustainability and Circular Economy

Central to Eastman's innovation-driven growth model is the Company's dedication to enhance the quality of life in a material way with an ongoing commitment to sustainability.

The Company's long history of technical expertise in chemical processes and polymer science positions it to provide innovative solutions to some of the world's most complex problems. One example is Eastman's contribution to the development of a more "circular economy". A circular economy focuses on making the most of the world's resources - minimizing waste and maximizing value - by providing end-of-life solutions to reduce, reuse, and recycle products and materials. This keeps materials in use and decouples growth from scarce resource consumption by recycling carbon in the form of hard to recycle waste plastics, while allowing economic development and improvement in quality of life. The Company's sustainable innovation initiatives include biodegradation, molecular recycling, and strategic collaborations with end-user markets. The Company continues the use of its unique platform of solutions to address the challenges of plastic waste in the environment with advanced circular recycling, or molecular recycling, including polyester renewal and carbon renewal technologies. Together, these technologies allow the Company to use plastic waste, such as polyester carpet and waste rejected from mechanical recyclers, colored strapping, and bottles, as feedstock to lower greenhouse gas ("GHG") emissions compared to traditional processes. Eastman's scale and integration provide a unique opportunity to accelerate the use of these molecular recycling technologies and make a meaningful positive impact on the environment.

Management approaches sustainability as a source of competitive strength by focusing its innovation strategy on opportunities where disruptive macro trends align with the Company's differentiated technology platforms. Applications development capabilities are used to develop innovative products, applications, and technologies that enable customers' development and sale of sustainable products. Eastman's sustainability-related growth initiatives include targeted product and process innovation that focuses on enhancing product health and safety, end-use product durability, recyclability, and reducing material usage, while lowering GHG emissions associated with climate change. Eastman has focused on communication and collaboration with stakeholders, including policymakers and other interested parties, to build support for the concepts of molecular recycling and mass balance accounting (an accepted and certified protocol by International Sustainability & Carbon Certification ("ISCC") that documents and tracks recycled content through complex manufacturing systems). Eastman has committed to reduce its absolute scope 1 (direct GHG emissions occurring from sources that are owned by Eastman) and scope 2 (indirect GHG associated with the purchase of electricity, steam, heat, or cooling as a result of Eastman's energy use) emissions by 30 percent by 2035, measured from the Company's 2017 baseline year, in order to achieve net-zero operations by 2050, and to innovate to provide products that enable energy savings and GHG emissions reductions to customers and end-users.

Eastman focuses on the triple challenge of climate change, plastic waste, and a growing population through its aligned innovation pillars of Circularity, Caring for Society, and Climate. Examples of Eastman sustainable solutions within identified disruptive macro trends include:

Growth Platform by Segment	Innovation Pillar		
	Mainstreaming Circularity	Mitigating Climate Change	Caring For Society
Advanced Materials			
Circular Economy Solutions (Eastman Renew)	x	x	x
Next-Generation Copolyester Innovation	x		x
Saflex™ Evoca™ for Electric Vehicles ⁽¹⁾		x	x
Window and Paint Protection Films		x	
Additives & Functional Products			
Solus™ Biobased Additive for Paper Coatings ⁽²⁾	x		x
Esmeri™ Micropowder for Personal Care ⁽³⁾	x	x	
Fibers			
Naia™ Filament and Staple Fiber	x	x	
Other			
Aventa™ and Aventa™ Renew Compostable Materials ⁽⁴⁾	x	x	x

⁽¹⁾ Saflex™ Evoca™ interlayers improves acoustic performance, provides lightweight alternatives for windshields, and helps mitigate solar heat to increase maximum driving range and reduce strain on air conditioning systems in electric vehicles.

⁽²⁾ Solus™ for paper coatings is a proprietary additive used in food service and food backing that is compatible with the recycle stream for paper.

⁽³⁾ Esmeri™ is a cellulosic biopolymer for personal care applications including color cosmetics, sunscreens, and facial lotions.

⁽⁴⁾ Aventa™, a biodegradable and compostable cellulosic biopolymer, replaces single-use, traditional materials in food packaging and quick-service restaurants such as straws, cutlery, and protein trays.

Eastman is positioned to enhance the quality of life in a material way with its sustainable solutions. The Company's expertise and scalability within the Circular Economy platform allows true material to material recycling with an infinite loop and no compromise to quality. The Company's technologies create virgin equivalent drop-in replacements for existing products by breaking down hard-to-recycle plastic waste feedstock to a molecular level and upcycling it back to food-grade products. This platform is further differentiated as it is able to reduce GHG emissions by up to 70 percent, including avoided emissions, when comparing to materials made from fossil feedstocks. The Company's molecular recycling technology also overcomes barriers seen in mechanical recycling such as degradation in color and performance after multiple cycles.

These strengths have enabled the Company to achieve significant milestones in 2025 within the Circular Economy platform, including:

- Operating the world's largest polyester molecular recycling facility, which generated approximately 2.5 times greater output than 2024; and
- Continued adoption of the Company's circular polyester offerings across multiple end-markets including consumer durables and packaging.

FINANCIAL STRATEGY

In its management of the Company's businesses and growth initiatives, management is committed to maintaining a strong financial position with appropriate financial flexibility and liquidity. Management believes maintaining a financial profile that supports a solid investment grade credit rating is important to its long-term strategy and financial flexibility. The Company employs a disciplined and balanced approach to capital allocation and deployment of cash. The priorities for uses of available cash include paying the quarterly dividend, funding targeted growth opportunities, and repurchasing shares, while maintaining a solid investment-grade balance sheet. Management expects that the combination of continued stable cash flow generation, a strong balance sheet, and sufficient liquidity will continue to provide flexibility to pursue growth initiatives.

BUSINESS SEGMENTS

The Company's products and operations are managed and reported in four operating segments: Advanced Materials ("AM"), Additives & Functional Products ("AFP"), Chemical Intermediates ("CI"), and Fibers. This organizational structure is based on the management of the strategies, operating models, and sales channels that the various businesses employ and supports the Company's continued transformation towards a global specialty materials company.

For segment sales revenue and earnings and segment product lines revenues, see Note 20, "Segment and Regional Sales Information", to the Company's consolidated financial statements in Part II, Item 8 and "Management's Discussion and Analysis of Financial Condition and Results of Operations - Summary by Operating Segment" in Part II, Item 7 of this Annual Report. For identification of manufacturing facilities by segment, see Item 2, "Properties" of this Annual Report.

ADVANCED MATERIALS SEGMENT

Overview

In the AM segment, the Company produces and markets polymers, films, and plastics with differentiated performance properties for value-added end-uses in transportation; durables and electronics; building and construction; medical and pharma; and consumables end-markets. Key technology platforms for this segment include cellulosic biopolymers, copolyesters, and PVB and polyester films.

Eastman's technical, application development, and market development capabilities enable the AM segment to modify its polymers, films, and plastics to control and customize their final properties for the development of new applications with enhanced functionality. For example, Tritan™ copolyesters are a leading solution for food contact applications due to their performance and processing attributes and bisphenol A free ("BPA free") properties. The Saflex™ Q Series product line is a leading acoustic solution for architectural and automotive applications. The Company also maintains a leading solar control technology position in the window films market as well as advanced urethane film and coatings technologies in the paint protection film market. The segment principally competes on differentiated technology and application development capabilities. Management believes the AM segment's competitive advantages also include long-term customer relationships, vertical integration and scale in manufacturing, and leading market positions.

Principal Products

Product	Description	Principal Competitors	Key Raw Materials	End-Use Applications
Advanced Interlayers				
Saflex™ Saflex™ Q Series Saflex™ HUD interlayer products	standard PVB sheet premium PVB sheet	Sekisui Chemical Co., Ltd. Kuraray Co., Ltd. Kingboard (Fo Gang) Specialty Resins Limited Chang Chun Petrochemical Co., Ltd.	polyvinyl alcohol butyraldehyde 2-ethyl hexanol ethanol triethylene glycol vinyl acetate monomer	transportation (automotive safety glass, automotive acoustic glass, and HUD) building and construction (PVB for architectural interlayers)
Performance Films				
LLumar™ Flexvue™ SunTek™ V-KOOL™ Gila™	window films and protective films products for aftermarket applied films	XPEL, Inc. 3M Company Saint-Gobain S.A.	polyethylene terephthalate film aliphatic thermoplastic polyurethane film	transportation (automotive after- market window films and paint protection films) building and construction (residential and commercial window films)
Specialty Plastics				
Tritan™ copolyesters Eastar™ copolyesters Spectar™ copolyesters Embrace™ copolyesters Visualize™ Eastman Aspira™ family of resins Treva™	standard copolyesters premium copolyesters cellulosic biopolymers molecular-recycled copolyesters	S.K. Chemical Industries Sichuan Push Acetati Company Limited Daicel Chemical Industries Ltd. Covestro AG Trinseo S.A. Saudi Basic Industries Corporation	paraxylene ethylene glycol cellulose purified terephthalic acid waste plastics and textiles	consumables (consumer packaging, cosmetics packaging, in-store fixtures and displays) durable goods (consumer housewares and appliances) health and wellness (medical) electronics (displays)

See [Exhibit 99.01](#) for AM segment revenue by end-use market.

Strategy

Management applies Eastman's innovation-driven growth model in the AM segment by leveraging innovation and technology platforms to develop new and multi-generational products and applications to help facilitate AM segment growth and leverage its manufacturing capacity. The AM segment is positioned to benefit from Eastman polyesters and acetyl streams sustainability innovations by leveraging molecular recycling technologies to enable various waste plastics to be recycled into specialty plastics products marketed and sold under the "Renew" product designations. See "Corporate Overview - Business Strategy - Sustainability and Circular Economy". The segment continues to expand its portfolio of higher margin products in attractive end-markets. Through Eastman's advantaged asset position and expertise in applications development, management believes that the AM segment is well positioned for future growth. The advanced interlayers product lines, including acoustic and HUD sheet interlayer products, leverage Eastman's global presence to supply industry leading innovations to automotive and architectural end-markets by collaborating with global and large regional customers. In the performance films product lines, management believes it has one of the largest distribution and dealer networks which, when combined with its industry leading technologies and recognized brands, positions Eastman for further growth, particularly in leading automotive markets such as North America and Asia. The segment's product portfolio is aligned with underlying energy efficiency trends in both automotive and architectural markets.

The AM segment expects to continue to benefit from sales of premium products, including Tritan™ copolyester, Tritan™ Renew, Visualize™ material, Saflex™ Q acoustic series, Saflex™ HUD interlayer products, LLumar™, V-KOOL™, and SunTek™ window and protective films.

ADDITIVES & FUNCTIONAL PRODUCTS SEGMENT

Overview

In the AFP segment, the Company manufactures materials for products in the food, feed, and agriculture; transportation; water treatment and energy; personal care and wellness; building and construction; consumables; and durables and electronics end-markets. Key technology platforms are cellulosic biopolymers, polyester polymers, alkylamine derivatives, and propylene derivatives.

The AFP segment is focused on producing high-value additives that provide critical functionality but which comprise a small percentage of total customer product cost. The segment principally competes on the differentiated performance characteristics of its products and through leveraging its strong customer base and long-standing customer relationships to promote substantial recurring business and product development. A critical element of the AFP segment's success is its close formulation collaboration with customers through advantaged application development capability.

Principal Products

Product	Description	Principal Competitors	Key Raw Materials	End-Use Applications
Care Additives				
Alkylamine derivatives Organic acids and derivatives Cellulosic biopolymers	amine derivative-based building blocks for production of flocculants intermediates for surfactants metam-based soil fumigants organic acid-based solutions	BASF SE Huntsman Corporation Argo-Kanesho Co., Ltd. Adisseo DSM-Firmenich	alkylamines acrylonitrile alcohols methanol ethylene oxide carbon disulfide ("CS2") caustic soda	water treatment personal and home care pharmaceuticals agriculture and crop protection gut health solutions preservation and hygiene
Coatings Additives				
Polymers cellulosics polyesters polyolefins Additives and Solvents Texanol™ Optifilm™ ketones esters EastaPure™ electronic chemicals	specialty coalescents specialty solvents paint additives specialty polymers	BASF SE Dow Inc. OXEA Celanese Corporation Alternative Technologies Elementis Global Clariant Specialty Chemicals	wood pulp propane propylene	building and construction (architectural coatings) transportation (OEM) and refinish coatings durable goods (wood, industrial coatings and applications) consumables (graphic arts, inks, and packaging) electronics
Functional Amines				
Alkylamines	methylamines and salts higher amines and solvents	BASF SE Arelin Inc. Advansix OXEA	methanol ammonia acetone ethanol butanol	agrochemicals energy pharmaceuticals water treatment industrial intermediates
Specialty Fluids & Energy				
Therminol™ Turbo oils Skydrol™ SkyKleen™ Marlotherm™	heat transfer and aviation fluids	Dow Inc. Exxon Mobil Corporation	benzene phosphorous neo-polyol esters	industrial chemicals and processing (heat transfer fluids for chemical processes) renewable energy commercial aviation

See [Exhibit 99.01](#) for AFP segment revenue by end-use market.

Strategy

Management applies Eastman's innovation-driven growth model in the AFP segment by leveraging proprietary technologies for

the continued development of innovative product offerings and focusing growth efforts in end-markets such as food, feed, and agriculture; transportation; water treatment and energy; personal care and wellness; building and construction; consumables; and durables and electronics. Management believes that the ability to leverage the AFP segment's research, differentiated application development, and production capabilities across multiple markets uniquely positions it to meet evolving needs to improve the quality and performance of its customers' products. For example, Eastman EastaPure™ electronic chemicals is a portfolio of ultrapure solvents designed to meet the rigorous purity needs required in the electronics industry with our comprehensive material testing, multiple purification steps, shipping measures, and on-site, state-of-the-art, clean room that provides continuous monitoring and purity certification. The Company is also developing solutions to address the environmental challenges caused by non-biodegradable materials in personal care products by leveraging its world-class biodegradable cellulosic biopolymer technology platform in biodegradable cellulose-ester micropowders for personal care applications.

CHEMICAL INTERMEDIATES SEGMENT

Overview

Eastman leverages large scale and vertical integration from the cellulosic biopolymers and acetyl and olefins streams to support the Company's specialty operating segments with advantaged cost positions. The CI segment sells excess intermediates beyond the Company's internal specialty needs into end-markets such as industrial chemicals and processing, building and construction, health and wellness, and food and feed. Key technology platforms include acetyls, oxos, and plasticizers.

The CI segment product lines benefit from competitive cost positions primarily resulting from the use of and access to lower cost raw materials, and the Company's scale, technology, and operational excellence. Examples include produced acetic anhydride used in the manufacturing of cellulosic biopolymers and acetyl stream product lines, propylene and ethylene used in the production of olefin derivative product lines such as oxo alcohols and plasticizers. The CI segment also provides superior reliability to customers through its backward integration into readily available raw materials, such as propane, ethane, and propylene. See "Eastman Chemical Company General Information - Manufacturing Streams".

Several CI segment product lines are affected by cyclicity, most notably olefin and acetyl-based products. This cyclicity is caused by periods of supply and demand imbalance, when either incremental capacity additions are not offset by corresponding increases in demand, or when demand exceeds existing supply. Although future results are expected to fluctuate due to both general economic conditions and industry supply and demand, management has taken steps to reduce the impact of the trough of these cycles, including the use of refinery-grade propylene ("RGP") in the feedstock mix, resulting in reduced participation in the merchant ethylene market and the divestiture of its Texas City Operations in 2023. The Company is now investing in the conversion of existing assets and utilizing licensed metathesis technology to convert ethylene to propylene ("E2P"). This E2P conversion will align the Company's strategy with business needs by balancing ethylene and propylene across the site structurally, improving feedstock mix, and improving downstream propylene usage.

Principal Products

Product	Description	Principal Competitors	Key Raw Materials	End-Use Applications
Intermediates				
Oxo alcohols and derivatives Acetic acid and derivatives Acetic anhydride Ethylene Glycol ethers Esters Organic acids and derivatives	olefin derivatives acetyl derivatives ethylene commodity solvents	Lyondell Bassell BASF SE Dow Inc. OXEA Celanese Corporation Lonza Ineos Group Holdings S.A	propane ethane propylene coal natural gas paraxylene	industrial chemicals and processing building and construction (paint and coating applications, construction chemicals, building materials) pharmaceuticals and agriculture health and wellness packaging
Plasticizers				
Eastman 168™ Dioctyl phthalate ("DOP") Benzoflex™ TXIB™ Effusion™	primary non-phthalate and phthalate plasticizers and a range of targeted non-phthalate plasticizers	BASF SE Exxon Mobil Corporation LG Chem, Ltd. Lanxess AG	propane propylene paraxylene	building and construction (non-phthalate plasticizers used in interior surfaces) consumables (food packaging, packaging adhesives, and glove applications) health and wellness (medical devices)

See [Exhibit 99.01](#) for CI segment revenue by end-use market.

Strategy

To maintain and enhance its status as a low-cost producer and optimize earnings, the CI segment continuously focuses on cost control, operational efficiency, and capacity utilization. This includes focusing on products used internally by other operating segments, thereby supporting growth in specialty product lines throughout the Company. Through the CI segment, the Company has leveraged the advantage of its highly integrated manufacturing facilities. Scale at the Kingsport, Tennessee manufacturing facility allows for competitive advantage in the production of acetic anhydride and other acetyl derivatives. At the Longview, Texas manufacturing site, Eastman uses its proprietary oxo technology in one of the world's largest single-site oxo butyraldehyde manufacturing facilities to produce a wide range of alcohols and other derivative products utilizing local propane and ethane supplies and purchased propylene. These integrated facilities, combined with large scale production processes and a continuous focus on additional process improvements, allow the CI segment product lines to remain cost competitive and, for some products, cost-advantaged as compared to competitors. Use of RGP in the feedstock mix of the olefin cracking units at the Longview, Texas manufacturing site reduces the amount of other purchased feedstocks. This results in a decrease in ethylene production and excess ethylene sales while maintaining historical levels of propylene production, providing flexibility to reduce participation in the merchant ethylene market, and retaining a cost-advantaged integrated propylene position to support specialty derivatives throughout the Company.

FIBERS SEGMENT

Overview

In the Fibers segment, Eastman manufactures and sells acetate tow and triacetin plasticizers for use in filtration media, primarily cigarette filters; cellulosic filament yarn and staple fibers for use in apparel under the brand Naia™, home furnishings, and industrial fabrics; nonwoven media for use in filtration and friction applications, used primarily in transportation, industrial, and agricultural end-markets; and cellulose acetate flake and acetyl raw materials for other acetate fiber producers.

The Fibers segment's competitive strengths include a reputation for high-quality products, technical expertise, large scale vertically-integrated processes, reliability of supply, internally produced acetate flake supply for Fibers segment's products, a reputation for customer service excellence, and a customer base characterized by strategic long-term customers and end-user relationships. The Company continues to capitalize and build on these strengths to further improve the strategic position of its Fibers segment. To strengthen and stabilize segment earnings, the Company has taken actions such as the establishment of long-term variable pricing in acetate tow customer arrangements and agreements, development of innovative textile and nonwoven applications, and repurposing manufacturing capacity from acetate tow to new products.

The 10 largest Fibers segment customers accounted for approximately 65 percent of the segment's 2025 sales revenue, and include multinational as well as regional cigarette producers, fabric manufacturers, textile distributors, and other acetate fiber producers.

The Company's long history and experience in fibers markets are reflected in the Fibers segment's operating expertise, both within the Company and in support of its customers' processes. The Fibers segment's knowledge of the industry and of customers' processes allows it to assist its customers in maximizing their processing efficiencies, promoting repeat sales, and developing mutually beneficial, long-term customer relationships.

The Company's fully integrated fibers manufacturing process employs unique technology that allows it to use a broad range of high-purity wood pulps for which the Company has dependable sources of supply.

Principal Products

Product	Description	Principal Competitors	Key Raw Materials	End-Use Applications
Acetate Tow				
Estron™	cellulose acetate tow	Celanese Corporation Cerdia International Daicel Corporation Jinan Acetate Chemical	wood pulp methanol high sulfur coal	filtration media (primarily cigarette filters)
Acetate Yarn and Fiber				
Naia™ Estron™	natural (undyed) acetate yarn solution dyed acetate yarn staple fiber	UAB Dirbtinis Pluostas Lenzing AG Aditya Birla Group	wood pulp methanol high sulfur coal waste plastics and textiles	consumables (apparel, home furnishings, and industrial fabrics) health and wellness (medical tape)
Acetyl Chemical Products				
Estrobond™	triacetin cellulose acetate flake acetic acid acetic anhydride	Daicel Corporation Celanese Corporation Cerdia International Jinan Acetate Chemical	wood pulp methanol high sulfur coal	filtration media (primarily cigarette filters)
Nonwovens				
Nonwovens	wetlaid nonwoven media specialty and engineered papers cellulose acetate fiber	Hollingsworth and Vose Company Lydall, Inc. BorgWarner Inc.	natural and synthetic fibers inorganic and metallic additives resins	filtration and friction media for transportation industrial agriculture and mining aerospace markets

Strategy

Management applies the innovation-driven growth model to the Fibers segment by leveraging its strong customer relationships and industry knowledge to maintain a leading industry position in the global market. The segment benefits from a state-of-the-art, world class, acetate flake production facility at the Kingsport, Tennessee site, which is supplied from Eastman's vertically integrated gasification facility and is the largest and most integrated acetate tow site in the world. The Fibers segment also expects to benefit from Eastman's carbon renewal technology, which enables the substitution of fossil feedstock with recycled waste content. Products using this technology are marketed and sold under the "Renew" product designation. See "Corporate Overview - Business Strategy - Sustainability and Circular Economy". The Company contractually supplies acetate flake raw material to the manufacturing facility of its acetate tow joint venture in China from the Company's manufacturing facility in Kingsport, Tennessee, which the Company recognizes in sales revenue. The Company recognizes earnings in the joint venture through its equity investment, reported in "Other (income) charges, net" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings in Part II, Item 8 of this Annual Report. The Company's focus on innovation has resulted in repurposing some of its acetate tow manufacturing capacity to fibers products for textiles, resulting in increased capacity utilization and lower acetate tow costs.

To meet customers' evolving needs and further improve the Fibers segment's manufacturing process efficiencies, the Company leverages proprietary cellulosic biopolymers and spinning technology, optimizing asset productivity through process improvement, selecting product innovation in response to acetate tow customer needs, and working with suppliers to reduce costs. For textiles, the Fibers segment seeks to offset declines in acetate tow through investments in differentiated application development capabilities and new product innovations, including circular solutions, to drive growth in textiles and apparel of Naia™ yarns and fibers.

EASTMAN CHEMICAL COMPANY GENERAL INFORMATION

Seasonality

Eastman's earnings are typically lowest in fourth quarter, and cash flows from operations are typically highest in the second half of the year due to seasonal demand based on general economic activity in the Company's key markets as described in "Business Segments". Results in all segments except the Fibers segment are typically weaker in the fourth quarter due to seasonal downturns in key markets.

Eastman is exposed to consumer discretionary end-markets and changes in global consumer spending, particularly in the AM and AFP segments. The coatings additives product line of the AFP segment and the intermediates product line of the CI segment are impacted by the cyclicity of key end products and markets, while other operating segments and product lines are more sensitive to global economic conditions. Supply and demand dynamics determine profitability at different stages of business cycles, and global economic conditions affect the length of each cycle.

Sales, Marketing, and Distribution

Eastman markets and sells products primarily through a global marketing and sales organization that has a presence in the United States and approximately 30 other countries, selling into more than 100 countries around the world. The Company focuses its market engagement on attractive targeted markets, leveraging disruptive macro trends, and market activation throughout the value chain with both customers and downstream users. Eastman's strategy is to target industries and markets where the Company can leverage its application development expertise to develop product offerings to provide differentiated value that addresses current and future customer and market needs. The Company's strategic marketing approach and capabilities leverage the Company's insights about trends, markets, and customers to drive development of specialty products. Through a highly skilled and specialized sales force that is capable of providing differentiated product solutions, Eastman strives to be the preferred supplier in the Company's targeted markets.

The Company's products are also marketed through indirect channels, which include dealers and contract representatives. Sales outside the United States tend to be made more frequently through dealers and contract representatives than sales in the United States. The combination of direct and indirect sales channels allows Eastman to reliably serve customers throughout the world.

The Company's products are shipped to customers and downstream users directly from Eastman manufacturing plants and distribution centers worldwide.

Research and Development

Management applies its innovation-driven growth model by leveraging the Company's world class scalable technology platforms, such as cellulosic biopolymers and polyesters, that provide a competitive advantage and the foundation for sustainable earnings growth. The Company's R&D strategy for sustainable growth through innovation includes multi-generational product development for specialty products, faster and more differentiated product development by leveraging global application development capabilities, and the creation of value through integration of multiple technology platforms. The Company's innovation strategy is guided by the need to provide timely and practical solutions to sustainability macro-drivers that will improve the quality of life globally through material solutions. This strategy has been accelerated by investment in global differentiated application development capabilities that position Eastman as a strategic customer partner driving success within attractive targeted markets. See examples of recent product and technology innovations in "Corporate Overview - Business Strategy - Innovation".

Eastman manages certain growth initiatives and costs at the corporate level, including certain R&D costs not allocated to any one operating segment. The Company uses a stage-gating process, which is a disciplined decision-making framework for evaluating targeted opportunities, with a number of projects at various stages of development. As projects meet milestones, additional amounts are spent on those projects. The Company continues to explore and invest in R&D initiatives such as high-performance materials and opportunities created by disruptive macro trends, including sustainability and development of a circular economy. See "Corporate Overview - Business Strategy - Sustainability and Circular Economy".

Manufacturing Streams

Integral to Eastman's strategy for growth is leveraging its heritage expertise and innovation in polyester, cellulosic biopolymers and acetyl, alkylamine, and olefins chemistries in key markets, including transportation, building and construction, consumables, and agriculture. For each of these chemistries, Eastman has developed and acquired a combination of assets and technologies that are operated within four manufacturing "streams", combining scale and integration across multiple manufacturing units and sites as a competitive advantage.

- In the polyester stream, the Company begins with paraxylene, ethylene glycol, and integrated feedstocks, converting them through a series of intermediate materials to ultimately produce clear, tough, chemically resistant copolyesters. The Company has further enhanced the polyester stream by investing in plastic-to-plastic polyester renewal facilities to enable various waste plastics to be recycled into high quality, polyester Renew products. Polyester stream products are converted for end-uses in cosmetics and personal care, medical devices, durable goods, and food packaging industries.
- In the cellulosic biopolymer and acetyl stream, the Company begins with gasification of fossil fuels with oxygen. The resulting synthesis gas is converted into acetic acid and acetic anhydride. Cellulosic biopolymers derivative manufacturing at the Company begins with natural polymers, sourced from sustainably-managed forests, which, when combined with acetyl and olefin chemicals, provide differentiated product lines. Through recycling innovation, carbon renewal technology is enabling the recycling of complex plastics to serve as the basic building blocks of Eastman's cellulosic product stream. The major end-markets for products from the cellulosic biopolymers and acetyl stream include coatings, displays, and thermoplastics.
- In the alkylamines stream, the Company begins with ammonia and alcohol feedstocks to produce methylamines and higher alkylamines, which can then be further converted into alkylamine derivatives. The Company's alkylamines products are primarily used in agriculture, water treatment, consumables, and oil and gas end-markets.
- In the olefins stream, the Company primarily focuses on propylene derivatives through its world-class Oxo catalyst technology. This technology is used to produce numerous derivative products converted for end-uses in the food industry, health and beauty products, detergents, and automotive products. Underlying this technology is the Company's low-cost propylene position created through the combination of propylene-centric hydrocarbon cracking, RGP processing, and cost-advantaged purchase agreements.

The Company leverages its expertise and innovation in polyester, cellulosic biopolymers and acetyl, alkylamine, and olefins chemistries and technologies to meet demand and create new uses and opportunities for the Company's products in key markets. Through integration and optimization across these streams, the Company is able to create unique and differentiated products that have a performance advantage over competitive materials.

Sources and Availability of Raw Materials and Energy

Eastman purchases a majority of its key raw materials and energy through different contract mechanisms, generally of one to three years in initial duration, with renewal or cancellation options for each party. Most of these agreements do not require the Company to purchase materials or energy if its operations are reduced or idle. The cost of raw materials and energy is generally based on market price at the time of purchase; however, from time to time, Eastman uses derivative financial instruments for certain key raw materials to mitigate the impact of market price fluctuations. Key raw materials include cellulose, fatty alcohol, methanol, paraxylene, polyvinyl alcohol, propane, propylene, and a wide variety of precursors for specialty organic chemicals. Key purchased energy sources include natural gas, coal, and electricity. The Company has multiple suppliers for most key raw materials and energy sources and uses quality management principles, such as the establishment of long-term relationships with suppliers and ongoing performance assessments and benchmarking, as part of its supplier management process. When appropriate, the Company purchases raw materials from a single source supplier to maximize quality and reduce cost and has contingency plans to minimize the potential impact of any supply disruptions from single source suppliers.

While temporary shortages of raw materials and energy may occasionally occur, these items are generally sufficiently available to cover current and projected requirements. However, their continuous availability and cost are subject to unscheduled plant interruptions occurring during periods of high demand, domestic and world market conditions, changes in government regulation, supply chain disruption, global pandemics, natural disasters, war or other outbreak of hostilities or terrorism or other political factors, or breakdown or degradation of transportation infrastructure. Eastman's operations or products have been in the past, and may be in the future, adversely affected by these factors. See "Risk Factors" in Part I, Item 1A of this Annual Report. The Company's raw material and energy costs as a percent of total cost of operations were approximately 45 percent in 2025. For additional information about raw materials, see [Exhibit 99.02](#) "Product and Raw Material Information" of this Annual Report.

Intellectual Property and Trademarks

While Eastman's intellectual property portfolio is an important Company asset that it expands and vigorously protects globally through a combination of patents, trademarks, copyrights, and trade secrets, its business is not substantially dependent upon any one particular patent, trademark, copyright, or trade secret. As a producer of a broad range of advanced materials, specialty additives, chemicals, and fibers, Eastman owns over 700 active United States patents, over 1,600 active foreign patents, and over 4,500 active worldwide trademark applications and registrations. Domestic and foreign patents within the Company's portfolio are subject to various expiration dates, depending on the dates they were originally filed and laws governing patent terms and extensions thereof in applicable jurisdictions. As the laws of many countries do not protect intellectual property to the same extent as the laws of the United States, Eastman cannot ensure that it will be able to adequately protect its intellectual property assets outside the United States. See "Risk Factors" in Part I, Item 1A of this Annual Report.

Information Security

The Company employs information systems to support its business, enable transformation, and deploy digital services. The Company utilizes a risk-based, multi-layered information security approach based on the U.S. National Institute of Standards and Technology Cybersecurity Framework ("US NIST") and International Organization for Standardization / International Electrotechnical Commission 27001:2022 ("ISO 27001"). To date, the Company has not experienced a cybersecurity incident that has materially affected its business strategy, results of operations, or financial condition, nor has resulted in any penalties or settlements. See "Risk Factors" in Part I, Item 1A and "Cybersecurity" in Part I, Item 1C of this Annual Report.

Artificial Intelligence

Eastman has been increasingly using artificial intelligence ("AI") tools and more traditional data science practices in its operations, research and development, and other areas to improve efficiency and effectiveness. Eastman has implemented a risk-based governance approach led by a cross-functional Responsible AI Council that oversees AI use cases, sets standards, and coordinates with existing risk and compliance functions. The Company maintains AI-specific policies, procedures, and general IT controls that define permitted uses, data handling requirements (including privacy and intellectual property protection), human oversight, and documentation expectations. AI use cases, models, and third-party tools are subject to review, vendor due diligence, and contractual safeguards. See "Risk Factors" in Part I, Item 1A of this Annual Report.

Human Capital

To keep solving complex problems and growing its business, the Company must continue to attract, develop, and retain exceptional people ("human capital"), and motivate them to excel. Strong workforce and leadership development, succession management, an inclusive culture that brings out the best in every individual, and competitive compensation and benefits are vital to the success of Eastman's innovation-driven growth strategy. The Compensation and Management Development Committee of the Board of Directors oversees workforce and senior management development and the Board of Directors monitors the culture of the Company and leadership quality, morale, and development.

Eastman places a strong emphasis on the health, safety, and well-being of employees - both at work and at home. Eastman's "zero-incident mindset" takes a holistic approach to people and processes by fostering the right behaviors, values, and culture to ensure that employees are operating responsibly, accountably, and safely.

The Company's focus on well-being also includes physical, emotional, and financial health of employees and their families, with on-site and on-demand resources such as fitness classes, health coaches, and financial counselors. The Company regularly reviews its benefits equity to better understand the needs of its employees in the current environment. Through this work, the Company continues to explore new ways to make benefits more attractive in an evolving talent marketplace. The Company also continues to provide global flexibility principles and resources to emphasize the importance of balancing work and personal responsibilities.

Breakthroughs require creativity and unconventional ideas, and that takes diverse perspectives and an environment that empowers everyone to speak their mind and add value, so their ideas are translated into plans and actions. As Eastman develops new products to meet today's most pressing needs, the Company inspires innovative ideas by making every team member feel valued and empowered to do their best work. Building an inclusive workplace, powered by a global employee population of approximately 13,000 people worldwide is key to promoting innovation and driving results.

The table below shows the percentage of the Company's global employee population by region.

United States and Canada	72 %
Europe, Middle East, and Africa	15 %
Asia Pacific	10 %
Latin America	3 %
Total	100 %

Eastman's compensation philosophy, principles, and processes are designed to ensure the Company pays competitively in the market for top talent and that the pay is distributed fairly and consistently. An independent third party assesses pay equity each year by comparing pay for people in the same jobs, job levels, and locations. This analysis, which considers gender, race and ethnicity (in the United States), performance, tenure, specialty skills, and educational credentials, is completed during the annual compensation review process, when leadership makes pay decisions.

Customers

Eastman has an extensive customer base and, while it is not dependent on any one customer, loss of certain top customers could adversely affect the Company until such business is replaced. The top 100 customers accounted for approximately 60 percent of the Company's 2025 sales revenue. No single customer accounted for 10 percent or more of the Company's consolidated sales revenue during 2025.

Compliance With Environmental and Other Government Regulations

The Company is subject to significant and complex governmental laws and regulations, both in the U.S. and internationally, which require and will continue to require significant expenditures to remain in compliance and may, depending on specific facts and circumstances, impact the Company's competitive position. See "Risk Factors -- Legislative, regulatory, or voluntary actions could increase the Company's future health, safety, and environmental compliance costs." in Part I, Item 1A of this Annual Report. These include health, safety, and environmental laws and regulations; site security regulations; chemical control laws; laws protecting intellectual property; privacy, data sharing, and data protection laws; laws regulating energy generation and distribution, such as utilities, pipelines and co-generation facilities; and customs laws and laws regulating import and export of products and technology. As described below, the most significant environmental capital and other expenditures are for compliance with environmental and health and safety laws. In addition to these regulations, compliance with chemical control laws (including the U.S. Toxic Substances Control Act, the U.S. Federal Insecticide, Fungicide, and Rodenticide Act and similar non-U.S. counterparts, and the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH") program in the European Union) and laws protecting intellectual property (see "Intellectual Property and Trademarks") have the most impact on the Company's day-to-day operations and competitive position.

Environmental

The Company is subject to laws, regulations, and legal requirements relating to the use, storage, handling, generation, transportation, emission, discharge, disposal, remediation of, and exposure to, hazardous and non-hazardous substances and wastes in all of the countries in which it does business. These health, safety, and environmental considerations are a priority in the Company's planning for all existing and new products and processes. The Environmental, Safety, and Sustainability Committee of Eastman's Board of Directors oversees the Company's policies and practices concerning health, safety, and the environment and its processes for complying with related laws and regulations and monitors related matters.

The Company's policy is to operate its plants and facilities in compliance with all applicable laws and regulations such that it protects the environment and the health and safety of its employees and the public. The Company intends to continue to make expenditures for environmental protection and improvements in a timely manner consistent with its policies and with available technology. In some cases, applicable environmental regulations such as those adopted under the United States' Clean Air Act, Resource Conservation and Recovery Act, Comprehensive Environmental Response, Compensation, and Liability Act, and related actions of regulatory agencies determine the timing and amount of environmental costs incurred by the Company. Likewise, any new legislation or regulations related to GHG emissions, energy, or climate change, or the repeal of such legislation or regulations, could impact the timing and amount of environmental costs incurred by the Company.

The Company accrues environmental costs when it is probable that the Company has incurred a liability at a contaminated site and the amount can be reasonably estimated. In some instances, the amount cannot be reasonably estimated due to insufficient information, particularly as to the nature and timing of future expenditures. In these cases, the liability is monitored until such time that sufficient information exists. With respect to a contaminated site, the amount accrued reflects liabilities expected to be paid out within approximately 30 years as well as the Company's assumptions about remediation requirements at the contaminated site, the nature of the remedy, the outcome of discussions with regulatory agencies and other potentially responsible parties at multi-party sites, and the number and financial viability of other potentially responsible parties. Changes in the estimates on which the accruals are based, unanticipated government enforcement action, or changes in health, safety, environmental, and chemical control regulations, and testing requirements could result in higher or lower costs.

The Company does not currently expect near term environmental capital expenditures arising from requirements of environmental laws and regulations to materially impact the Company's planned level of annual capital expenditures for environmental control facilities. Other matters concerning health, safety, and the environment are discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 and in Note 1, "Significant Accounting Policies"; Note 13, "Environmental Matters and Asset Retirement Obligations"; and Note 21, "Reserve Rollforwards", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Eastman's cash expenditures related to environmental protection and improvement were \$339 million, \$307 million, and \$314 million in 2025, 2024, and 2023, respectively, and include operating costs associated with environmental protection equipment and facilities, engineering costs, and construction costs. These cash expenditures include environmental capital expenditures of approximately \$80 million, \$70 million, and \$65 million in 2025, 2024, and 2023, respectively.

Health and Safety

Eastman places a strong emphasis on the health, safety, and well-being of its employees. Eastman's commitment to a "zero-incident mindset" takes a holistic approach to people and processes by fostering the right behaviors, values, and culture to ensure that its employees are operating responsibly, accountably, and safely. See "Human Capital". Under the U.S. Occupational Safety and Health Act of 1970, as administered by the Occupational Safety and Health Administration ("OSHA"), some of the Company's operations are subject to workplace standards under OSHA's Process Safety Management program. From time to time, the Company may incur significant capital expenditures to maintain compliance with the requirements of this program.

Available Information - Securities and Exchange Commission ("SEC") Filings

Eastman makes available free of charge, in the Investors section of its Internet website at www.eastman.com, its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as soon as reasonably practicable after electronically filing such material with, or furnishing it to, the SEC. Additionally, the Company routinely posts additional important information, including press releases, on its website and recognizes its website as a channel of distribution to reach public investors and as a means of disclosing material non-public information for complying with disclosure obligations under Regulation FD. Accordingly, investors should monitor the Company's website in addition to its SEC filings and public webcasts. The information contained on the Company's website is not included as a part of, or incorporated by reference into, this Annual Report.

The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at www.sec.gov.

ITEM 1A. RISK FACTORS

In addition to factors described elsewhere in this Annual Report, the following are the material known factors, risks, and uncertainties that could cause actual results to differ materially from those in the forward-looking statements made in this Annual Report and elsewhere from time to time. See "Forward-Looking Statements". The risks described below should be carefully considered, some of which have manifested and any of which may occur in the future, in addition to the other information contained in this Annual Report, before making an investment decision with respect to any of the Company's securities. The following risk factors are not necessarily presented in the order of importance. In addition, there may be other factors not currently known to the Company, which could, in the future, materially adversely affect the Company, its business, financial condition, or results of operations. This and other related disclosures made by the Company in this Annual Report, and elsewhere from time to time, represent management's best judgment as of the date the information is given. The Company does not undertake responsibility for updating any of such information, whether as a result of new information, future events, or otherwise, except as required by law. Investors are advised, however, to consult any further public Company disclosures (such as in filings with the Securities and Exchange Commission, in Company press releases, or in other public Company presentations) on related subjects.

Risks Related to Global Economy and Industry Conditions

Continued uncertain conditions in the global economy, labor market, and financial markets could negatively impact the Company.

The Company's business and operating results are impacted by global recessions, and the related impacts, such as the credit market crisis, declining consumer and business confidence, fluctuating commodity prices, volatile exchange rates, increasing interest rates, and other challenges that impacted the global economy. Similarly, as a company that operates and sells products worldwide, uncertainty in the global economy, labor market, and capital markets (including impacts from inflation, higher interest rates, changes in governing and legislative bodies, and subsequent changes and disruptions in business, political, and economic conditions) has impacted and may adversely impact demand for and the costs of certain Eastman products and accordingly results of operations. These events may in turn adversely impact the Company's financial condition and cash flows

and ability to access the credit and capital markets under attractive rates and terms, negatively impacting the Company's liquidity or ability to pursue certain growth initiatives.

In addition, the Federal Reserve in the U.S. and other central banks in various countries have raised interest rates in response to concerns about inflation, which, coupled with reduced government spending and volatility in financial markets, may have the effect of further increasing economic uncertainty and heightening these risks. Interest rate increases or other government actions taken to reduce inflation could also result in recessionary pressures in many parts of the world.

Volatility in costs for strategic raw material and energy commodities or disruption in the supply and transportation of these commodities and in transportation of Company products could adversely impact the Company's financial results.

Eastman is reliant on certain strategic raw material and energy commodities for its operations and utilizes certain risk management tools to mitigate market fluctuations in raw material and energy costs. The cost and availability of these raw materials and energy commodities can be adversely impacted by factors such as business and economic conditions, anomalous severe weather events, natural disasters, global pandemics, plant interruptions, supply chain and transportation disruptions, changes in laws or regulations, levels of unemployment and inflation, currency exchange rates, higher interest rates, war or other outbreak of hostilities or terrorism (such as the ongoing Russia/Ukraine conflict), and breakdown or degradation of transportation and supply chain infrastructure.

Inflationary pressures affecting the general economy, energy markets, and certain raw materials have increased the Company's operating costs. While the Company has undertaken efforts to offset many of these costs through various pricing actions, these risk mitigation measures do not eliminate all exposure to market fluctuations. In addition to these inflationary pressures, the Company has experienced certain supply chain challenges impacting its ability to secure certain raw materials and timely distribute products to customers. To mitigate the effects of these and other supply chain disruptions, the Company has implemented multifaceted sourcing, warehousing, and delivery strategies to focus on building resilient and redundant supply positions, and minimizing disruptions to customers by using alternate shipping methods to expedite delivery times. The Company's geographic footprint has also helped reduce exposure to localized risks.

Prolonged periods of heightened inflation or supply chain disruptions could have a material, adverse impact on the Company's financial performance and results of operations.

The Company's substantial global operations subject it to risks of doing business in other countries that could adversely impact its business, financial condition, and results of operations.

More than half of Eastman's sales for 2025 were to customers outside of North America. The Company expects sales from international markets to continue to represent a significant portion of its sales. Also, a significant portion of the Company's manufacturing capacity is located outside of the United States. Accordingly, the Company's business is subject to risks related to the differing legal, political, cultural, social and regulatory requirements, and economic conditions of many jurisdictions. Fluctuations in currency exchange rates may impact product demand and may adversely impact the profitability in U.S. dollars of products and services provided in foreign countries. Volatility or unfavorable movements in currency exchange rates may adversely impact Eastman's financial condition or cash flows. Although the Company employs a variety of techniques to mitigate the impact of exchange rate fluctuations, there cannot be a guarantee that such hedging and risk management strategies will be effective, and Eastman's results of operations could be adversely affected.

The U.S. and foreign countries may also adopt or increase restrictions on foreign trade or investment, including currency exchange controls, tariffs or other taxes, or limitations on imports or exports (including recent and proposed changes in U.S. trade policy and resulting retaliatory actions by other countries, including China, which may increasingly reduce demand for and increase costs of impacted products or result in U.S.-based trade counterparties limiting trade with U.S.-based companies or non-U.S. customers limiting their purchases from U.S.-based companies). Certain legal and political risks are also inherent in the operation of a company with Eastman's global scope. For example, it may be more difficult for Eastman to enforce its agreements or collect receivables through foreign legal systems. There is also a risk that foreign governments may nationalize private enterprises in certain countries where Eastman operates. Also, changes in general economic and political conditions in countries where Eastman operates are a risk to the Company's financial performance. As Eastman continues to operate its business globally, its success will depend, in part, on its ability to anticipate and effectively manage and mitigate these and other related risks. There can be no assurance that the consequences of these and other factors relating to its multinational operations will not have an adverse impact on Eastman's business, financial condition, or results of operations.

Risks Related to the Company's Business and Strategy

The Company's business is subject to operating risks common to chemical and specialty materials manufacturing businesses, any of which could disrupt manufacturing operations or related infrastructure and adversely impact results of operations.

As a global specialty materials company, Eastman's business is subject to operating risks common to chemical manufacturing, storage, handling, and transportation, including explosions, fires, inclement weather, natural disasters, mechanical failure, unscheduled downtime, transportation and supply chain interruptions, remediation, chemical spills, and discharges or releases of toxic or hazardous substances or gases. Significant limitation on the Company's ability to manufacture products due to disruption of manufacturing operations or related infrastructure could have a material adverse impact on the Company's sales revenue, costs, results of operations, credit ratings, and financial condition. Disruptions could occur due to internal factors such as computer or equipment malfunction (accidental or intentional), operator error, or process failures; or external factors such as supply chain disruption, computer or equipment malfunction at third-party service providers, natural disasters, changes in laws or regulations, war or other outbreak of hostilities or terrorism, cyber-attacks, or breakdown or degradation of transportation and supply chain infrastructure used for delivery of supplies to the Company or for delivery of products to customers. Unplanned disruptions of manufacturing operations or related infrastructure could be significant in scale and could negatively impact operations, neighbors, and the environment, and could have a negative impact on the Company's results of operations.

In addition, as a chemical and materials manufacturing company, efficient inventory management is also a critical component of Eastman's business success. If inventory management decisions do not accurately forecast customer demand, buying trends and patterns, or seasonality, the Company may have to recognize unanticipated expenses or make pricing adjustments to dispose of the excess inventory, which can adversely impact Eastman's financial results.

The Company is subject to operating risks related to its information technology infrastructure, including service interruptions, data corruption, cyber-based attacks, or network security incidents, which could cause operations to be disrupted, product manufacturing to be delayed, or data confidentiality to be impaired.

Eastman depends on information technology ("IT") to enable the Company to operate safely, interface with employees, vendors and customers, and maintain its internal control environment. The Company's IT systems are maintained with a risk-based approach for the implementation of security protocols, system updates, employee training, and engagement of external experts. Eastman's risk-based approach is integrated with the Company's overall risk management strategy. Eastman's IT capabilities are delivered through a combination of internal and external services and service providers.

Despite the Company's efforts to mitigate cybersecurity risk, its business may be impacted by system shutdowns, service disruptions, or cybersecurity incidents. Cybersecurity incidents, data breaches, and operational disruptions are constantly evolving, becoming more sophisticated, and conducted by groups and individuals with a wide range of expertise and motives, including foreign governments, cyber terrorists, cyber criminals, malicious employees, and other insiders and outsiders. Such an incident could result in unauthorized access or disclosure of confidential or personal information, and loss of trade secrets and intellectual property. In addition, the Company may suffer financial and reputational damage because of lost or misappropriated confidential information belonging to the Company, its current or former employees, customers, or suppliers, and may become exposed to legal action, governmental investigations, enforcement actions, and regulatory fines. The Company may also be required to spend additional resources to restore systems or repair damage caused by a cybersecurity incident. These risks may also be present for the Company's joint venture partners, suppliers, or acquired businesses.

The Company has been in the past, and likely will be in the future, subject to cyber-attacks related to its information systems. Although none of the previous cyber-attacks have had a material adverse impact on the Company's operations or financial results, no assurances can be provided that any future disruptions due to these, or other circumstances, will not have such an impact. See "Cybersecurity" in Part I, Item 1C of this Annual Report.

The Company is subject to risks associated with the potential use of artificial intelligence in the Company's own operations and by third-party partners that the Company may engage with.

Eastman has been increasingly using AI tools and more traditional data science practices in its operations, research and development, and other areas to improve efficiency and effectiveness. The Company may be exposed to risks in cases where it utilizes AI in connection with certain business activities now or in the future. In addition, the use of AI by Eastman, its employees, or any of its third-party partners may result in unauthorized disclosure of data, which can result in, among other things, reputational harm, loss of confidence by the Company's customers or employees, penalties, litigation costs, or legal

liability. Analyses, results, or business processes relying on AI may also be deficient, inaccurate, or biased, and the Company may fail to identify in a timely fashion, or at all, if or to the extent that is the case.

Growth initiatives may not achieve desired business or financial objectives and may require significant resources in addition to or different from those available or in excess of those estimated or budgeted for such initiatives.

Eastman continues to identify and pursue growth opportunities through both organic and inorganic initiatives, such as Eastman's sustainable innovation initiatives, which aim to develop a more "circular economy." These and other growth opportunities include development and commercialization of innovative new products and technologies, expansion into new markets and geographic regions through, among other means, alliances, ventures, and acquisitions that complement and extend the Company's portfolio of businesses and capabilities. Such initiatives are necessarily constrained by availability and development of additional resources.

There can be no assurance that such innovation, development and commercialization, investments, or acquisitions and alliances (including integration of acquired businesses) will receive necessary governmental or regulatory approvals, or result in financially successful commercialization of products, or acceptance by existing or new customers, or successful entry into new markets or otherwise achieve their underlying strategic business objectives or that they will be beneficial to the Company's results of operations. There also can be no assurance that capital projects for growth efforts can be completed within the time or at the costs projected due to, among other things, demand for and availability of construction materials and labor, obtaining regulatory approvals and operating permits, and reaching agreement on terms of key agreements and arrangements with potential suppliers and customers. Any such delays or cost overruns or the inability to obtain such approvals or to reach such agreements on acceptable terms could negatively impact the returns from any proposed or current investments and projects.

The Company is the subject of various legal proceedings, and may be subject to future claims, that could have a material adverse effect on the business, financial condition, and results of operations.

From time to time, Eastman is involved in various legal proceedings or other commercial disputes and other legal and regulatory proceedings relating to its business. Due to the inherent uncertainties of litigation, commercial disputes, including claims related to product quality, defects, or use, or other legal or regulatory proceedings, management cannot accurately predict their ultimate outcome, including the outcome of any related appeals. Although management establishes reserves based on the assessment of contingencies related to legal claims asserted against the Company, subsequent developments may affect its assessment and estimates of the loss contingency recorded as a reserve and require payments in excess of the Company's reserves, which could have an adverse effect on Eastman's business, financial conditions, and results of operations. Although the Company maintains liability insurance coverage, potential litigation claims could be excluded, limited by self-insured retentions, or exceed coverage limits under the terms of the Company's insurance policies.

If Eastman is unable to protect its intellectual property rights, the Company's competitive position, financial condition, and results of operations could be adversely impacted.

Eastman relies on its intellectual property rights both in the U.S. and in foreign countries, including patents, trade secrets, trademarks, trade names, and copyrights to protect its investment in research and development and its competitive commercial positions in manufacturing and branding its products. Because of the differences in foreign trademark, patent, and other laws concerning intellectual property rights, the intellectual property rights may not receive the same degree of protection in foreign countries as they would in the U.S., which could result in inconsistent protection or loss of valuable intellectual property rights in some countries. If the Company is not successful in protecting its intellectual property rights, Eastman's business, financial condition, and results of operations may be adversely affected.

Significant acquisitions or divestitures could expose the Company to risks and uncertainties, the occurrence of any of which could materially adversely affect the Company's business, financial condition, and results of operations.

While acquisitions and divestitures have been and continue to be a part of Eastman's strategy, acquisitions of large companies and acquisitions or divestitures of businesses subject the Company to a number of risks and uncertainties, the occurrence of any of which could have a material adverse effect on Eastman. These include, but are not limited to, the possibility that the actual and projected future financial performance of the acquired or remaining business may be significantly worse than expected. In the case of an acquired business and as reported in "Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Estimates – Impairment of Long-Lived Assets - Goodwill" in Part II, Item 7 of this Annual Report, the carrying values of goodwill, indefinite-lived intangible assets, and certain assets from acquisitions may, as has been the case for certain acquired assets, be impaired resulting in non-cash charges to future earnings. In the case of a divested

business, the divestiture could reduce Eastman's revenue and, potentially, margins and increase its costs and liabilities in the form of transition costs and retained liabilities from the operations divested, including environmental liabilities.

If Eastman were to incur significant additional indebtedness, it may constrain the Company's ability to access the credit and capital markets at attractive interest rates and favorable terms, which may negatively impact the Company's liquidity or ability to pursue certain growth initiatives. The Company also may not be able to achieve the cost, revenue, tax, or other "synergies" expected from any acquisition, or that there may be delays in achieving any such synergies. In addition, management's time and effort may be dedicated to the integration of the new business or specific assets or product lines or separation of the divested business or specific assets or product lines resulting in a loss of focus on the successful operation of the Company's legacy businesses. The Company also may be required to expend significant additional resources in order to integrate any acquired business or specific assets or product lines into Eastman or separate any divested business or specific assets or product lines from Eastman. As such, the integration or separation efforts may not achieve the expected benefits.

The Company may be subject to indemnity claims relating to properties or businesses it has divested or acquired.

In connection with the sale of certain properties and businesses, Eastman has agreed to indemnify the purchasers of such properties for certain types of matters, including unknown contingent liabilities for environmental matters or tax liabilities. In addition, the Company has assumed liabilities related to certain properties it has acquired. With respect to environmental matters, the discovery of contamination arising from properties that the Company has divested or acquired may expose it to liability for environmental matters, including indemnity obligations under the sale agreements with the buyers of such properties or cleanup obligations and other damages under applicable environmental laws. Eastman may not have insurance coverage for such indemnity obligations or cash flows to make such indemnity or other payments.

Certain agreements by which the Company has acquired companies require the former owners to indemnify Eastman against certain liabilities related to the operation of those companies prior to Eastman's acquisition. Similarly, the purchasers of the Company's disposed operations may, from time to time, agree to indemnify it for operations of such businesses after the closing. There can be no assurance that the indemnity agreements will be sufficient to protect Eastman against the full amount of any liabilities that may arise, or that the indemnitors will be able to fully satisfy their indemnification obligations. The failure to receive amounts for which Eastman is entitled to indemnification could adversely affect Eastman's financial condition and results of operations. For information regarding potential environmental remediation costs, see Note 13, "Environmental Matters and Asset Retirement Obligations", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Failure to attract and retain talented personnel could adversely affect the Company's ability to compete and achieve its strategic objectives.

Eastman's future success in achieving its performance and growth goals depends on its ability to attract, retain, develop, and motivate highly skilled personnel. The Company has experienced, and continues to experience, an increasingly competitive hiring environment for skilled employees at its manufacturing and other sites, which has generally increased the cost of hiring or retaining talented employees essential to its success. In addition, effective succession planning is paramount to its long-term success. It is critical that Eastman identifies and develops succession candidates for senior management and other key positions throughout the organization. Failure to timely identify and develop succession candidates heightens the risk associated with the unexpected departure of key employees. Eastman's inability to ensure effective transfer of knowledge and transitions involving key employees could adversely impact its strategic planning and execution, which could adversely affect Eastman's business, financial condition, and results of operations.

Risks Related to Regulatory Changes and Compliance

Legislative, regulatory, or voluntary actions, or violations thereof, could increase the Company's future health, safety, environmental, and other compliance costs and legal costs or have an adverse impact on the Company's ability to operate in foreign countries.

Eastman, its facilities, and its businesses are subject to complex health, safety, and environmental laws, regulations, and related voluntary actions, both in the U.S. and internationally, which require and will continue to require significant expenditures to remain in compliance with such laws, regulations, and voluntary actions. The Company's manufacturing activities, both inside and outside of the U.S., are subject to regulation by various federal, state, local, and foreign laws, regulations, rules, and government agencies concerning, among other things, air emissions, discharges to land and water, and the generation, handling, treatment, and disposal of hazardous waste and other materials. Actual or alleged violations of environmental, health, or safety laws and regulations could result in restrictions or prohibitions on manufacturing operations as well as substantial damages,

penalties, fines, civil, or criminal sanctions and remediation costs. Eastman has incurred, and will continue to incur, significant costs and capital expenditures to comply with these laws and regulations, which may adversely impact its business and financial results. Future developments and more stringent environmental regulations may require the Company to make significant expenditures for environmental protection equipment, compliance, and remediation.

The Company's accruals for such costs and associated liabilities are subject to changes in estimates on which the accruals are based. For example, any amount accrued for environmental matters reflects the Company's assumptions about remediation requirements at the contaminated site, the nature of the remedy, the outcome of discussions with regulatory agencies and other potentially responsible parties at multi-party sites, and the number of and financial viability of other potentially responsible parties. Changes in the estimates on which the accruals are based, unanticipated government enforcement action, or changes in health, safety, environmental, chemical control regulations and actions, and testing requirements could result in higher costs.

The global nature of Eastman's business could subject the Company to risks of violations, or allegations, associated with the U.S. Foreign Corrupt Practices Act (the "FCPA") and similar foreign anti-bribery and anti-corruption laws. These anti-bribery laws and regulations generally prohibit companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or keeping business. Further, the accounting provisions of the FCPA require the maintenance of accurate books and records of all company transactions. Alleged or actual violations of these laws could subject the Company to substantial civil and/or criminal fines and penalties, which could have a material adverse effect on Eastman's business, reputation, operating results, and financial condition. Further, the Company is required to comply with U.S. or foreign government regulations on trade sanctions and embargoes. A violation thereof could subject the Company to regulatory enforcement actions, including a loss of export privileges and significant civil and criminal penalties and fines.

Financial, regulatory, physical and transition risks associated with climate change could materially adversely affect the Company's business, financial condition, and results of operations.

Extreme weather events linked to climate change, including hurricanes and other storms, flooding, extreme heat and drought, create physical risks to Eastman's manufacturing operations, as well as those of its key suppliers, which could result in operating disruptions and additional costs. While the Company's sustainability and "circular economy" innovation initiatives are sources of competitive strength (see "Business - Corporate Overview - Business Strategy - Circular Economy and Sustainability" in Part I, Item 1 of this Annual Report), future changes in legislation and regulation and related voluntary actions associated with physical impacts of climate change may increase the likelihood that the Company's manufacturing facilities will in the future be impacted by carbon requirements, regulation of greenhouse gas emissions, and energy policy. In addition, such changes may require additional capital expenditures, increase costs or limit the supply of raw materials and energy choices, and result in other direct and indirect compliance or other costs. Such changes could also result in decreased demand for products related to carbon-based energy sources or increased demand for goods that result in lower emissions than competing products. See "Business - Eastman Chemical Company General Information - Compliance with Environmental and Other Government Regulations" in Part I, Item 1 of this Annual Report.

Changes in tax laws, regulations or treaties or adverse determinations by taxing or other governmental authorities could increase the Company's tax liabilities or otherwise affect its business, financial condition or results of operations.

The multinational nature of Eastman's business subjects it to taxation in the United States and other foreign jurisdictions. Changes to income tax laws and regulations or in the interpretation of such laws in any of the jurisdictions in which it operates, including new legislation, such as the One Big Beautiful Bill Act, or the unfavorable resolution of tax matters could significantly increase the Company's effective tax rate and adversely impact its financial condition or results of operations. Eastman could also be affected by, among other things, changes in the mix of earnings in countries with differing statutory tax rates, expirations of tax holidays, changes in the valuation of deferred tax assets and liabilities, and changes in liabilities for uncertain tax positions. In addition, the U.S. and foreign countries may impose additional taxes or otherwise tax Eastman's income. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Estimates - Income Taxes" in Part II, Item 7 of this Annual Report. For example, the Organization for Economic Co-operation and Development ("OECD") has introduced a framework to implement a global minimum tax. Several jurisdictions in which Eastman operates have enacted laws effective January 1, 2024, consistent with the OECD's framework. Details around the global minimum tax in most jurisdictions remain uncertain. The Company has so far experienced a modest increase in tax obligations in jurisdictions it conducts business, a large portion of which is expected to be temporary due to the OECD's January 5, 2026 "side by side" arrangement. Eastman will continue to monitor and evaluate impacts.

The Company's insurance may not fully cover all potential exposures.

Eastman maintains property, casualty, business interruption, and other insurance, but coverage limits may not be sufficient to cover all risks associated with the hazards of its business. As a result of market conditions, premiums and deductibles for certain insurance policies can increase substantially and, in some instances, certain insurance policies may become unavailable or available only for reduced amounts of coverage. In addition, from time to time, various types of insurance for specialty chemical companies have not been available on commercially acceptable terms or, in some cases, have not been available at all. For some risks, the Company may elect not to obtain insurance but instead self-insure. Losses and liabilities from uninsured or underinsured events and delay in the payment of insurance proceeds could have a material adverse effect on Eastman's business, financial condition, and results of operations.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

Cybersecurity is an integral part of the Company's overall risk management program. The Company takes a comprehensive approach to cybersecurity, involving key stakeholders in oversight and decision-making processes.

The Company utilizes a risk-based, multi-layered information security strategy based on the US NIST and ISO 27001 to assess, identify, and manage risks from cybersecurity threats. This approach includes: (i) dedicated security operations center monitoring; (ii) network-based and host-based protections; (iii) a Privacy Council focused on privacy regulation adherence; (iv) privileged access management controls; (v) annual and ongoing information security training for all employees and targeted tabletop and other exercises; (vi) encryption of data, backup, recovery, and testing; (vii) regular internal and external audits against information security best practices; and (viii) benchmarking using external third parties. The Company employs these, and other measures, to protect its information assets and operations from internal and external cyber threats while ensuring business resiliency. It also aims to protect employee, customer and supplier information from unauthorized access or attack, as well as secure the Company's networks, systems, devices, products, and services.

The Company maintains cybersecurity policies, standards, and procedures, which include cyber incident response plans. These policies and procedures are continually refined to adapt to changes in regulations, identify potential and emerging security risks, and develop mitigation strategies and protocols for those risks. Regular exercises, tests, incident simulations, and system assessments are conducted to discover and address potential vulnerabilities, and improve decision-making, prioritization, monitoring, and reporting. The Company also engages external parties, such as consultants, independent assessors, computer security firms, and risk management and governance experts, to enhance its cybersecurity oversight and mitigate third-party risks.

To date the Company has not experienced a cybersecurity incident that has materially affected its business strategy, results of operations, or financial condition. The Company maintains processes to assess the materiality of cybersecurity incidents, and where material, the Company will disclose such incidents via Form 8-K. See "Risk Factors - Risks Related to the Company's Business and Strategy" in Part I, Item 1A of this Annual Report.

Governance

The Board of Directors provides oversight of the Company's cybersecurity program. The Audit Committee, which consists of non-employee independent directors, receives updates from the Chief Information Officer ("CIO") or the Chief Information Security Officer ("CISO") on cybersecurity performance and recent industry trends at least quarterly. In addition to regular cybersecurity briefings from the Audit Committee, the Board also receives periodic, but at least annual, updates from management regarding cybersecurity, including prompt notice of cybersecurity threats or incidents that could materially impact the Company. The Board is informed about risk profile status, adversary assessments, training initiatives, cybersecurity projects, emerging global policies and regulations, cybersecurity technologies and best practices, cyber readiness, third-party assessments, mitigation efforts, and response plans.

The Company has a dedicated CIO and CISO who are supported by a team of cybersecurity professionals (the "Cybersecurity Team") that are responsible for leading the company-wide cybersecurity program and risk mitigation efforts. The CIO, CISO, and Cybersecurity Team work across all organizations within the Company to protect the Company and its employees, customers and suppliers against cybersecurity risks. The CIO and CISO, with over 35 and 25 years of experience, respectively, have cybersecurity expertise, coupled with experience in IT strategy, operational management, incident response, and business continuity maintenance.

The Company also has a cross-functional Cybersecurity Incident Response Team consisting of senior-level management. This team is responsible for cybersecurity incident oversight and meets as needed, depending on the nature of an incident. The Company's internal audit team also provides independent assurance on the overall operations of the Company's cybersecurity program. The Company ensures that all employees, including part-time and temporary employees, undergo cybersecurity training and compliance programs at least annually.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Certain information about Eastman's executive officers is provided below:

Mark J. Costa, age 59, is Chair of the Eastman Chemical Company Board of Directors and Chief Executive Officer. Mr. Costa joined the Company in June 2006 as Chief Marketing Officer and leader of corporate strategy and business development; was appointed Executive Vice President, Specialty Plastics and Performance Polymers Head and Chief Marketing Officer in August 2008; was appointed Executive Vice President, Specialty Products and Chief Marketing Officer in May 2009; and became President and a member of the Board of Directors in May 2013. Prior to joining Eastman, Mr. Costa was a senior partner with Monitor Group, a global management consulting firm. He joined Monitor in 1988, and his experience included corporate and business unit strategies, asset portfolio strategies, innovation and marketing, and channel strategies across a wide range of industries. Mr. Costa was appointed Chief Executive Officer in January 2014 and named Board Chair effective July 2014. Mr. Costa also serves on the Board of Directors of International Flavors & Fragrances Inc.

William T. McLain, Jr., age 53, is Executive Vice President and Chief Financial Officer. Mr. McLain joined Eastman in 2000 and has served in high-level finance and accounting roles throughout the organization in the United States, Asia, and Europe. In 2011, Mr. McLain served as Director, Asia Pacific Finance, and in 2013 was appointed to International Controller. In 2014, Mr. McLain was appointed Corporate Controller until 2016 when he became Vice President of Finance. Prior to Eastman, Mr. McLain worked for the public accounting firm PricewaterhouseCoopers LLP. Mr. McLain was appointed to his current position effective February 2020.

Stephen G. Crawford, age 61, is Executive Vice President, Chief Technology and Sustainability Officer, leading the technology and sustainability organizations. Mr. Crawford joined Eastman in 1984 and held leadership positions of increasing responsibility in both the manufacturing and technology organizations. From 2007 until January 2014 he served as Vice President of Global R&D in the AM and AFP segments. He was appointed Senior Vice President and Chief Technology Officer effective January 2014, Senior Vice President, Chief Technology and Sustainability Officer effective October 2019, and Executive Vice President, Manufacturing and Chief Sustainability Officer effective October 2022, and Executive Vice President, Methanolysis Operations and Worldwide Engineering & Construction Transformation effective January 2025. Mr. Crawford was appointed to his current position in November 2025.

Brad A. Lich, age 58, is Executive Vice President and Chief Commercial Officer, with responsibility for the AM segment, including the circular platform, as well as leadership of marketing, sales, supply chain, corporate strategy, and regional leadership. Mr. Lich joined Eastman in 2001 as Director of Global Product Management and Marketing for the Coatings business. Other positions of increasing responsibility followed, including General Manager of Emerging Markets of the former Coatings, Adhesives, Specialty Polymers, and Inks ("CASPI") segment. In 2006, Mr. Lich became Vice President of Global Marketing with direct responsibility for company-wide global marketing functions. In 2008, Mr. Lich was appointed Vice President and General Manager of the former CASPI segment, and in 2012 was appointed Vice President and General Manager of the AFP segment. In January 2014, Mr. Lich was appointed Executive Vice President, with responsibility for the AFP and AM segments and the marketing, sales, and pricing organizations. In March 2016, Mr. Lich assumed executive responsibility for outside-U.S. regional business leadership. Mr. Lich was appointed to his current position effective July 2016.

Travis Smith, age 52, is Executive Vice President, Additives & Functional Products, Manufacturing, WWE&C and HSE with responsibility for the global manufacturing and Worldwide Engineering and Construction ("WWE&C") in addition to leadership of the AFP segment and Health, Safety and Environment ("HSE"). Mr. Smith joined the Company in December 1992 as a chemical engineer and has held various positions of increasing responsibility within manufacturing, the chemicals business, corporate innovation, specialty plastics, and advance materials during his career at Eastman. Mr. Smith assumed the position of Vice President and General Manager, Performance Films in July 2012 and for both Performance Films and Advance Interlayers in April 2018, and was appointed Senior Vice President with responsibility for the AFP segment effective October 2022. Mr. Smith was appointed to his current position effective January 2025.

Iké Adeyemi, age 48, is Senior Vice President, Chief Legal Officer and Corporate Secretary. Ms. Adeyemi has leadership responsibility for Eastman's legal organization, which includes corporate governance, commercial law, litigation management and intellectual property, as well as responsibility for product stewardship and regulatory affairs, global business conduct, global trade compliance, and global public affairs. Before joining Eastman, Ms. Adeyemi served as vice president, corporate secretary, and associate general counsel of The Clorox Company. Prior to that, Ms. Adeyemi's work experience includes serving as the head of legal, corporate/M&A at BHP Billiton, and working at the law firms of Skadden, Arps, Slate, Meagher & Flom in the U.S. and White & Case LLP in London. Ms. Adeyemi was appointed to her current position effective September 2024.

Michelle H. Caveness, age 52, is Senior Vice President and Chief Manufacturing Officer overseeing global manufacturing and operations support. Ms. Caveness joined Eastman in 1996 and has held leadership roles of increasing responsibility in engineering, technology and manufacturing as well as on cross-functional business teams. Prior to her current role, she was vice president, Tennessee operations site leader and global operations support, leading one of the largest manufacturing sites in the United States and associated sites across the globe. Ms. Caveness was appointed to her current position effective January 2025.

Adrian J. Holt, age 56, is Senior Vice President and Chief Human Resources Officer. Mr. Holt is responsible for human resources strategy and services worldwide, which includes employee engagement, total rewards, learning and leadership development, and global talent acquisition and management. Mr. Holt joined Eastman in 2016 as Vice President, Global Talent Acquisition and HR Client Support, Americas and EMEA. Prior to Eastman, Mr. Holt served as Chief Human Resources Officer for WireCo World Group and as Vice President of Corporate Human Resources for BASF North America. Mr. Holt was appointed to his current position effective May 2023.

Julie A. McAlindon, age 58, is Senior Vice President, Regions and Chief Supply Chain Officer. Ms. McAlindon has responsibility for overseeing global supply chain, sourcing and procurement, and regional leadership outside of North America. Ms. McAlindon also leads the transformation of Eastman, building the capabilities and culture required to support Eastman's strategy. Prior to this role, Ms. McAlindon was Chief Procurement Officer and Vice President, Transformation. Ms. McAlindon joined Eastman in 2016. Before joining Eastman, Ms. McAlindon was with Avient Corporation as senior vice president, designed structures and solutions; and vice president of marketing. Prior to that, Ms. McAlindon's work experience includes a variety of leadership positions with Dow Inc. Ms. McAlindon was appointed to her current position effective June 2021.

Michelle R. Stewart, age 54, is Vice President, Chief Accounting Officer and Corporate Controller. Since joining Eastman in 1995, Ms. Stewart has served in a number of positions with increasing responsibility in the finance organization. Prior to joining Eastman, Ms. Stewart worked for the public accounting firm KPMG Peat Marwick. Ms. Stewart was appointed to her current position effective October 2021.

ITEM 2. PROPERTIES

At December 31, 2025, Eastman owned or operated 36 manufacturing facilities and had equity interests in four manufacturing joint ventures in a total of 12 countries. Utilization of these sites may vary with product mix and economic, seasonal, and other business conditions; however, none of the principal plants are substantially idle. The Company's plants, including approved expansions, generally have sufficient capacity for existing needs and expected near-term growth. These plants are generally well maintained, in good operating condition, and suitable and adequate for their use. Unless otherwise indicated, all properties are owned. Corporate headquarters are in Kingsport, Tennessee. The Company has major business offices in Shanghai, China; Rotterdam, the Netherlands; Singapore; and Zug, Switzerland.

The locations and general character of the Company's manufacturing facilities are:

Location	Segment using manufacturing location			
	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Fibers
USA				
Alvin, Texas ⁽¹⁾		x		
Anniston, Alabama		x		
Axton, Virginia	x			
Chestertown, Maryland		x	x	
Columbia, South Carolina ⁽¹⁾	x			
Fieldale, Virginia	x			
Kingsport, Tennessee	x	x	x	x
Linden, New Jersey		x		
Longview, Texas	x	x	x	
Martinsville, Virginia	x			
Pace, Florida ⁽²⁾		x		
Springfield, Massachusetts	x			
St. Gabriel, Louisiana		x		
Sun Prairie, Wisconsin	x			
Texas City, Texas ⁽¹⁾			x	
Watertown, New York				x
Europe				
Antwerp, Belgium ⁽¹⁾	x			
Ghent, Belgium ⁽³⁾	x	x	x	
Kohtla-Järve, Estonia		x	x	
Oulu, Finland ⁽²⁾		x	x	
Dresden, Germany	x			
Leuna, Germany		x		
Marl, Germany ⁽²⁾		x		
Avila, Spain		x		
Newport, Wales	x	x		

⁽¹⁾ Eastman maintains an operating agreement with a third party that operates Eastman's manufacturing assets at the site.

⁽²⁾ Eastman leases from a third party and operates the site.

⁽³⁾ Eastman has more than one manufacturing facility at this location.

Location	Segment using manufacturing location			
	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Fibers
Asia Pacific				
Dalian, China	x			
Nanjing, China		x		
Suzhou, China ⁽¹⁾⁽²⁾⁽³⁾	x	x		
Wuhan, China ⁽⁴⁾			x	
Zibo, China ⁽⁵⁾		x	x	
Ulsan, Korea ⁽⁶⁾				x
Kuantan, Malaysia ⁽¹⁾	x			
Latin America				
Mauá, Brazil			x	
Santo Toribio, Mexico	x			

⁽¹⁾ Eastman leases from a third party and operates the site.

⁽²⁾ Eastman has more than one manufacturing facility at this location.

⁽³⁾ Eastman holds a 60 percent share of Solutia Therminol Co., Ltd. Suzhou in the Additives & Functional Products segment.

⁽⁴⁾ Eastman holds a 51 percent share of Eastman Specialties Wuhan Youji Chemical Co., Ltd.

⁽⁵⁾ Eastman holds a 51 percent share of Qilu Eastman Specialty Chemical, Ltd.

⁽⁶⁾ Eastman holds an 80 percent share of Eastman Fibers Korea Limited.

Eastman has 50 percent or less ownership in joint ventures that have manufacturing facilities at the following locations:

Location	Segment using manufacturing location			
	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Fibers
USA				
Kingsport, Tennessee			x	
Asia Pacific				
Hefei, China				x
Ruian, China				x
Shenzhen, China	x			

Eastman has distribution facilities at all of its plant sites. In addition, the Company owns or leases approximately 200 stand-alone distribution facilities in approximately 30 countries. The Company also maintains technical service centers around the world.

A summary of properties, classified by type, is included in Note 4, "Properties and Accumulated Depreciation", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

ITEM 3. LEGAL PROCEEDINGS

General

From time to time, Eastman and its operations are parties to, or targets of, lawsuits, claims, investigations, and proceedings, including product liability, personal injury, asbestos, patent and intellectual property, commercial, contract, environmental, antitrust, health and safety, and employment matters, which are handled and defended in the ordinary course of business. While the Company is unable to predict the outcome of these matters, it does not believe, based upon currently available facts, that the ultimate resolution of any such pending matters will have a material adverse effect on its overall financial condition, results of operations, or cash flows. Consistent with the requirements of Regulation S-K, Item 103, the Company's threshold for disclosing any environmental legal proceeding involving a governmental authority is potential monetary sanctions that management believes will meet or exceed \$1 million.

Solutia Legacy Torts Claims Litigation

Pursuant to an Amended and Restated Settlement Agreement effective February 28, 2008 between Solutia Inc. ("Solutia") and Monsanto Company ("Monsanto") in connection with Solutia's emergence from Chapter 11 bankruptcy proceedings (the "Monsanto Settlement Agreement"), Monsanto is responsible for the defense and indemnification of Solutia against any Legacy Tort Claims (as defined in the Monsanto Settlement Agreement) and Solutia has agreed to retain responsibility for certain tort claims, if any, that may arise from Solutia's conduct after its spinoff from Pharmacia Corporation (f/k/a Monsanto), which occurred on September 1, 1997. Solutia, which became a wholly-owned subsidiary of Eastman upon Eastman's acquisition of Solutia in July 2012, has been named as a defendant in several such proceedings, and has submitted the matters to Monsanto, which was acquired by Bayer AG in June 2018, as Legacy Tort Claims. To the extent these matters are not within the meaning of Legacy Tort Claims, Solutia could potentially be liable thereunder. In connection with the completion of its acquisition of Solutia, Eastman guaranteed the obligations of Solutia and Eastman was added as an indemnified party under the Monsanto Settlement Agreement.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II**ITEM 5. MARKET FOR REGISTRANT'S COMMON STOCK, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

- (a) Eastman's common stock is traded on the New York Stock Exchange (the "NYSE") under the symbol "EMN".

As of December 31, 2025, there were 114,097,314 shares of Eastman's common stock issued and outstanding, which shares were held by 9,520 stockholders of record. These shares include 50,798 shares held by the Company's charitable foundation.

See "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters - Securities Authorized for Issuance Under Equity Compensation Plans" in Part III, Item 12 of this Annual Report for the information required by Item 201(d) of Regulation S-K.

- (b) Not applicable.
- (c) Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

In December 2021, the Company's Board of Directors authorized the repurchase of up to \$2.5 billion of the Company's outstanding common stock at such times, in such amounts, and on such terms, as determined by management to be in the best interest of the Company and its stockholders (the "2021 authorization"). As of December 31, 2025, a total of 13,032,926 shares have been repurchased under the 2021 authorization for \$1.2 billion. Both dividends and share repurchases are key strategies employed by the Company to return value to its stockholders.

During 2025, the Company repurchased 1,420,768 shares of common stock for \$100 million.

For additional information, see Note 15, "Stockholders' Equity", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

ITEM 6. RESERVED

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is based upon the consolidated financial statements of Eastman Chemical Company ("Eastman" or the "Company"), which have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and should be read in conjunction with the Company's consolidated financial statements and related notes, included in Part II, Item 8 of this Annual Report on Form 10-K (this "Annual Report"). All references to earnings per share ("EPS") contained in this report are to diluted EPS unless otherwise noted. EBIT is the GAAP measure earnings before interest and taxes. For a discussion of the year ended December 31, 2024, compared to the year ended December 31, 2023, please read "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of Eastman's [Annual Report on Form 10-K](#) for the year ended December 31, 2024.

CRITICAL ACCOUNTING ESTIMATES

In preparing the consolidated financial statements in conformity with GAAP, management must make decisions which impact the reported amounts and the related disclosures. Such decisions include the selection of the appropriate accounting principles to be applied and assumptions on which to base estimates and judgments that affect the reported amounts of assets, liabilities, sales revenue and expenses, fair value of disposal groups, and related disclosure of contingent assets and liabilities. On an ongoing basis, Eastman evaluates its estimates, including those related to impairment of long-lived assets, environmental costs, pension and other postretirement benefits, and income taxes. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Management believes the critical accounting estimates described below are the most important to the fair presentation of the Company's financial condition and results. These estimates require management's most significant judgments in the preparation of the Company's consolidated financial statements.

Impairment of Long-Lived Assets*Definite-lived Assets*

Properties and equipment and definite-lived intangible assets to be held and used by Eastman are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The review of properties and equipment and the review of definite-lived intangible assets is performed at the asset group level, which is the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. If the carrying amount is not considered to be recoverable, an analysis of potential impairment is triggered. An impairment is recognized for the excess of the carrying amount of the asset over the estimated fair value. The Company's assumptions to estimate cash flows in the evaluation of impairment related to long-lived assets are subject to change and impairments may be required in the future resulting in a charge to earnings.

Goodwill

Goodwill is an asset determined as the residual of the purchase price over the fair value of identified assets and liabilities acquired in a business combination. Eastman conducts testing of goodwill for impairment annually in the fourth quarter or more frequently when events and circumstances indicate an impairment may have occurred. The testing of goodwill is performed at the "reporting unit" level which the Company has determined to be its "components". Components are defined as an operating segment or one level below an operating segment, and in order to be a reporting unit, the component must 1) be a "business" as defined by applicable accounting standards (an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs, or other economic benefits directly to the investors or other owners, members, or participants); 2) have discrete financial information available; and 3) be reviewed regularly by Company operating segment management. The Company aggregates certain components into reporting units based on economic similarities.

An impairment is recognized when the reporting unit's estimated fair value is less than its carrying value. The Company elected to perform a qualitative impairment assessment of goodwill in 2025. The qualitative assessment identified three reporting units where a quantitative assessment was needed to confirm that goodwill was not impaired. For those reporting units, the Company used an income approach, specifically a discounted cash flow model, in testing the carrying value of goodwill for each reporting unit for impairment. Key assumptions and estimates used in the Company's 2025 goodwill impairment testing included projections of revenues and EBIT determined using the Company's annual multi-year strategic plan, the estimated weighted average cost of capital ("WACC"), and projected long-term growth rates. The Company believes these assumptions are consistent with those a hypothetical market participant would use given circumstances that were present at the time the estimates were made. However, actual results and amounts may be significantly different from the Company's estimates. In addition, the use of different estimates or assumptions could result in materially different estimated fair values of reporting units. The WACC is calculated incorporating weighted average returns on debt and equity from market participants. Therefore, changes in the market, which are beyond the control of the Company, may have an impact on future estimates of fair value.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The Company had \$3.7 billion of goodwill as of December 31, 2025. As a result of the goodwill impairment testing performed during fourth quarter 2025, fair values were determined to significantly exceed the carrying values for each reporting unit tested with the exception of performance films (part of the Advanced Materials operating segment as described in Part I, Item 1, "Business", of this Annual Report). Two of the most critical assumptions used in the calculation of the fair value of the performance films reporting unit are the target market long-term growth rate and the WACC. The Company performed a sensitivity analysis of both of those assumptions, assuming a 50 basis point decrease in the expected long-term growth rate or a 50 basis point increase in the WACC, and both scenarios independently yielded an estimated fair value for the performance films reporting unit above the carrying value. As of December 31, 2025, goodwill allocated to the performance films reporting unit was \$812 million. Declines in market conditions or forecasted revenue and EBIT could result in a future impairment of goodwill.

Indefinite-lived Intangible Assets

Indefinite-lived intangible assets, consisting primarily of tradenames, are tested for potential impairment by comparing the estimated fair value to the carrying amount. The Company elected to perform a quantitative impairment assessment of indefinite-lived intangible assets in fourth quarter 2025. The qualitative assessment did not identify indicators of impairment, and it was determined that it is more likely than not the fair value of indefinite-lived intangible assets was greater than their carrying value. When a quantitative impairment assessment is performed, the Company uses an income approach, specifically the relief from royalty method, to test indefinite-lived intangible assets for potential impairment. The estimated fair value of tradenames is determined based on projections of revenue and an assumed royalty rate savings, discounted by the calculated market participant WACC plus a risk premium. The Company had \$351 million in indefinite-lived intangible assets at December 31, 2025. There were no impairments of the Company's indefinite-lived intangible assets as a result of the tests performed during fourth quarter 2025. Declines in market conditions or forecasted revenue could result in a future impairment of indefinite-lived intangible assets.

The Company will continue to monitor both goodwill and indefinite-lived intangible assets for any indication of events which might require additional testing before the next annual impairment test and could result in material impairment charges.

For additional information related to impairment of long-lived assets, see Note 1, "Significant Accounting Policies", Note 4, "Properties and Accumulated Depreciation", Note 5, "Goodwill and Other Intangible Assets", and Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Environmental Costs

Eastman recognizes environmental remediation costs when it is probable that the Company has incurred a liability at a contaminated site and the amount can be reasonably estimated. When a single amount cannot be reasonably estimated but the cost can be estimated within a range, the Company recognizes the minimum undiscounted amount. This undiscounted amount reflects liabilities expected to be paid within approximately 30 years and the Company's assumptions about remediation requirements at the contaminated site, the nature of the remedy, the outcome of discussions with regulatory agencies and other potentially responsible parties at multi-party sites, and the number and financial viability of other potentially responsible parties. Changes in the estimates on which the accruals are based, unanticipated government enforcement action, or changes in health, safety, environmental, and chemical control regulations and testing requirements could result in higher or lower costs. Estimated future environmental expenditures for undiscounted remediation costs ranged from \$285 million to \$509 million with a best estimate or minimum of \$285 million at December 31, 2025. The best estimate or minimum estimated future environmental expenditures are considered to be probable and reasonably estimable and include the amounts recognized at December 31, 2025.

For additional information, see Note 13, "Environmental Matters and Asset Retirement Obligations", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
Pension and Other Postretirement Benefits

Eastman maintains defined benefit pension and other postretirement benefit plans that provide eligible employees with retirement benefits. The estimated amounts of the costs and obligations related to these benefits primarily reflect the Company's assumptions related to discount rates and expected return on plan assets. For the Company's U.S. and non-U.S. defined benefit pension plans, the Company assumed weighted average discount rates of 5.26 percent and 4.81 percent, respectively, and weighted average expected returns on plan assets of 7.50 percent and 5.13 percent, respectively, at December 31, 2025. The Company assumed a weighted average discount rate of 5.13 percent for its other postretirement benefit plans at December 31, 2025. The estimated cost of providing plan benefits also depends on demographic assumptions including retirements, mortality, turnover, and plan participation.

The projected benefit obligation as of December 31, 2025 and expense for 2026 are affected by year-end 2025 assumptions. The following table illustrates the sensitivity to changes in the Company's long-term assumptions in the assumed discount rate and expected return on plan assets for all pension and other postretirement benefit plans. The sensitivities below are specific to the time periods noted. They also may not be additive, so the impact of changing multiple factors simultaneously cannot be calculated by combining the individual sensitivities shown.

Change in Assumption	Impact on 2026 Pre-tax Benefits Expense (Excludes mark-to-market impact) for Pension Plans	Impact on December 31, 2025 Projected Benefit Obligation for Pension Plans		Impact on 2026 Pre-tax Benefits Expense (Excludes mark-to-market impact) for Other Postretirement Benefit Plans	Impact on December 31, 2025 Benefit Obligation for Other Postretirement Benefit Plans
		U.S.	Non-U.S.		
25 basis point decrease in discount rate	\$-2 Million	\$+26 Million	\$+20 Million	<-\$0.5 Million	\$+4 Million
25 basis point increase in discount rate	\$+1 Million	\$-26 Million	\$-18 Million	<+\$0.5 Million	\$-4 Million
25 basis point decrease in expected return on plan assets	\$+5 Million	No Impact	No Impact	<+\$0.5 Million	No Impact
25 basis point increase in expected return on plan assets	\$-5 Million	No Impact	No Impact	<-\$0.5 Million	No Impact

The assumed discount rate and expected return on plan assets used to calculate the Company's pension and other postretirement benefit obligations are established each December 31. The assumed discount rate is based upon a portfolio of high-grade corporate bonds, which are used to develop a yield curve. This yield curve is applied to the expected cash flows of the pension and other postretirement benefit obligations. Because future health care benefits under the U.S. benefit plan have been fixed at a certain contribution amount, changes in the health care cost trend assumptions do not have a material impact on results of operations. The expected return on plan assets is based upon prior performance and the long-term expected returns in the markets in which the plans invest their funds, primarily in U.S. and non-U.S. fixed income securities, U.S. and non-U.S. public equity securities, private equity, and real estate. Moreover, the expected return on plan assets is a long-term assumption and on average is expected to approximate the actual return on plan assets. Actual returns will be subject to year-to-year variances and could vary materially from assumptions.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The Company calculates service and interest cost components of net periodic benefit costs for its significant defined benefit pension and other postretirement benefit plans by applying the specific spot rates along the yield curve to the plans' projected cash flows. This cost approach does not affect the measurement of the total benefit obligation or the annual net periodic benefit cost or credit of the plans because the change in the service and interest costs will be offset in the mark-to-market ("MTM") actuarial gain or loss. The MTM gain or loss, as described in the next paragraph, is typically recognized in the fourth quarter of each year or in any other quarters in which an interim remeasurement is triggered.

The Company uses fair value accounting for plan assets. If actual experience differs from actuarial assumptions, primarily discount rates and long-term assumptions for asset returns which were used in determining the current year expense, the difference is recognized as part of the MTM net gain or loss in fourth quarter each year, and any other quarter in which an interim remeasurement is triggered. See the calculation of the MTM pension and other post-retirement benefits (gain) loss table below in "NON-GAAP FINANCIAL MEASURES - Non-GAAP Financial Measures - Non-Core and Unusual Items Excluded from Earnings".

While changes in obligations do not correspond directly to cash funding requirements, it is an indication of the amount the Company will be required to contribute to the plans in future years. The amount and timing of such cash contributions is dependent upon interest rates, actual returns on plan assets, retirements, attrition rates of employees, and other factors.

For further information regarding pension and other postretirement benefit obligations, see Note 11, "Retirement Plans", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Income Taxes

Amounts of deferred tax assets and liabilities on Eastman's Consolidated Statements of Financial Position are based on temporary differences between the financial reporting and tax bases of assets and liabilities, applying enacted tax rates expected to be in effect for the year in which the differences are expected to reverse. The ability to realize deferred tax assets is evaluated through the forecasting of taxable income, using historical and projected future operating results, the reversal of existing temporary differences, and the availability of tax planning opportunities. Valuation allowances are recognized to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. In the event that the actual outcome of future tax consequences differs from management estimates and assumptions, the resulting change to the provision for income taxes could have a material impact on the consolidated results of operations and statements of financial position. As of December 31, 2025, valuation allowances of \$731 million have been provided against certain deferred tax assets.

The calculation of income tax liabilities involves uncertainties in the application of complex tax laws and regulations, which are subject to legal interpretation and management judgment. Eastman's income tax returns are regularly examined by federal, state and foreign tax authorities, and those audits may result in proposed adjustments which could result in additional income tax liabilities and income tax expense. Income tax expense could be materially impacted to the extent the Company prevails in a tax position, when the statute of limitations expires for a tax position for which there is an established liability for unrecognized tax benefits, or to the extent payments are required in excess of the established liability for unrecognized tax benefits.

For further information, see Note 8, "Income Taxes", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

NON-GAAP FINANCIAL MEASURES

Non-GAAP financial measures, and the accompanying reconciliations of the non-GAAP financial measures to the most comparable GAAP measures, are presented below in this section and in "Overview", "Results of Operations", "Summary by Operating Segment", and "Liquidity and Other Financial Information - Cash Flows" in this MD&A.

Management discloses non-GAAP financial measures, and the related reconciliations to the most comparable GAAP financial measures, because it believes investors use these metrics in evaluating longer term period-over-period performance, and to allow investors to better understand and evaluate the information used by management to assess the Company's and its operating segments' performances, make resource allocation decisions, and evaluate organizational and individual performances in determining certain performance-based compensation. Non-GAAP financial measures do not have definitions under GAAP, and may be defined differently by, and not be comparable to, similarly titled measures used by other companies. As a result, management cautions investors not to place undue reliance on any non-GAAP financial measure, but to consider such measures alongside the most directly comparable GAAP financial measure.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS****Company Use of Non-GAAP Financial Measures*****Non-Core Items and any Unusual or Non-Recurring Items Excluded from Non-GAAP Earnings***

In addition to evaluating Eastman's financial condition, results of operations, liquidity, and cash flows as reported in accordance with GAAP, management evaluates Company and operating segment performance, and makes resource allocation and performance evaluation decisions, excluding the effect of transactions, costs, and losses or gains that do not directly result from Eastman's normal, or "core", business and operations, or are otherwise of an unusual or non-recurring nature.

Non-core, unusual, or non-recurring items include transactions, costs, and losses or gains relating to, among other things, cost reductions, growth and profitability improvement initiatives, changes in businesses and assets, and other events outside of the Company's core business operations, and have included asset impairments, restructuring, and other charges and gains; costs of and related to acquisitions; gains and losses from and costs related to dispositions, closures, or shutdowns of businesses or assets; financing transaction costs; environmental and other costs related to previously divested businesses, non-operational sites and product lines, and discontinued programs; mark-to-market losses or gains for pension and other postretirement benefit plans; the impact from significant tax law changes; and unusual or non-recurring income tax reserves or adjustments.

Because non-core, unusual, or non-recurring transactions, costs, and losses or gains may materially affect the Company's, or any particular operating segment's, financial condition or results in a specific period in which they are recognized, management believes it is appropriate to evaluate the financial measures prepared and calculated in accordance with both GAAP and the related non-GAAP financial measures excluding the effect on the Company's results of these non-core, unusual, or non-recurring items. In addition to using such measures to evaluate results in a specific period, management evaluates such non-GAAP measures, and believes that investors may also evaluate such measures, because such measures may provide more complete and consistent comparisons of the Company's, and its segments', operational performance on a period-over-period historical basis and, as a result, provide a better indication of expected future trends.

Non-GAAP Debt Measure

Eastman from time to time evaluates and discloses to investors and securities and credit analysts the non-GAAP debt measure "net debt", which management defines as total borrowings less cash and cash equivalents. Management believes this metric is useful to investors and securities and credit analysts to provide them with information similar to that used by management in evaluating the Company's overall financial position, liquidity, and leverage and because management believes investors, securities analysts, credit analysts and rating agencies, and lenders often use a similar measure to assess and compare companies' relative financial position and liquidity.

Non-GAAP Measures in this Annual Report

The following non-core items are excluded by management in its evaluation of certain earnings results in this Annual Report:

- Asset impairments, restructuring, and other charges, net;
- Cost of sales impact from restructuring activities;
- Mark-to-market pension and other postretirement benefit plans gains and losses resulting from the changes in discount rates and other actuarial assumptions and the difference between actual and expected returns on plan assets during the period; and
- Environmental and other costs from previously divested businesses, non-operational sites and product lines, and discontinued programs.

The following unusual items are excluded by management in its evaluation of certain earnings results in this Annual Report:

- Income tax related items.

As described above, the alternative non-GAAP measure of debt, "net debt", is also presented in this Annual Report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
Non-GAAP Financial Measures - Non-Core and Unusual Items Excluded from Earnings

(Dollars in millions)	<u>2025</u>	<u>2024</u>
Non-core items impacting EBIT:		
Cost of sales impact from restructuring activities	\$ 2	\$ 7
Asset impairments, restructuring, and other charges, net	96	51
Mark-to-market pension and other postretirement benefits (gain) loss, net	(6)	(54)
Environmental and other costs	62	16
Total non-core items impacting EBIT	<u>154</u>	<u>20</u>
Less: Items impacting provision for income taxes:		
Tax effect for non-core items	34	1
Income tax related items	(33)	(7)
Total items impacting provision for income taxes	<u>1</u>	<u>(6)</u>
Total items impacting net earnings attributable to Eastman	<u>\$ 153</u>	<u>\$ 26</u>

Below is the calculation of the "Other components of post-employment (benefit) cost, net" that are not included in the above non-core item "mark-to-market pension and other postretirement benefits loss (gain), net" and that are included in the non-GAAP results.

(Dollars in millions)	<u>2025</u>	<u>2024</u>
Other components of post-employment (benefit) cost, net	\$ (25)	\$ (72)
Service cost	26	30
Net periodic benefit (credit) cost	1	(42)
Less: Mark-to-market pension and other postretirement benefits (gain) loss, net	(6)	(54)
Components of post-employment (benefit) cost, net included in non-GAAP earnings measures	<u>\$ 7</u>	<u>\$ 12</u>

Below is the calculation of the MTM pension and other post-retirement benefits (gain) loss disclosed above.

(Dollars in millions)	<u>2025</u>		<u>2024</u>	
Actual return and percentage of return on assets	\$ 166	8 %	\$ 81	4 %
Less: expected return on assets	125	6 %	128	6 %
Mark-to-market gain (loss) on assets	41		(47)	
Actuarial (loss) gain ⁽¹⁾	(35)		101	
Total mark-to-market (loss) gain	<u>\$ 6</u>		<u>\$ 54</u>	
Global weighted-average assumed discount rate for year ended December 31:	5.12 %		5.33 %	

⁽¹⁾ Actuarial (loss) gain resulted primarily from the change in discount rates from the prior year and changes in other actuarial assumptions.

For more detail about MTM pension and other postretirement benefit plans net gains and losses, including actual and expected return on plan assets and the components of the net gain or loss, see "Critical Accounting Estimates - Pension and Other Postretirement Benefits" above, and Note 11, "Retirement Plans", "Summary of Changes - Actuarial (gain) loss, Actual return on plan assets, and Reserve for third party contributions", and "Summary of Benefit Costs and Other Amounts Recognized in Other Comprehensive Income - Mark-to-market pension and other postretirement benefits (gain) loss, net" to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

This MD&A includes the effect of the foregoing on the following GAAP financial measures:

- Gross profit,
- Other components of post-employment (benefit) cost, net,
- Other (income) charges, net,
- EBIT,
- Provision for income taxes,
- Net earnings attributable to Eastman,
- Diluted EPS, and
- Total borrowings.

Other Non-GAAP Financial Measures*Adjusted Tax Rate and Provision for Income Taxes*

In interim periods, Eastman discloses non-GAAP earnings with an adjusted effective tax rate and a resulting adjusted provision for income taxes using the Company's forecasted tax rate for the full year as of the end of the interim period. The adjusted effective tax rate and resulting adjusted provision for income taxes are equal to the Company's projected full year effective tax rate and provision for income taxes on earnings excluding non-core, unusual, or non-recurring items for completed periods. The adjusted effective tax rate and resulting adjusted provision for income taxes may fluctuate during the year for changes in events and circumstances that change the Company's forecasted annual effective tax rate and resulting provision for income taxes excluding non-core, unusual, or non-recurring items. Management discloses this adjusted effective tax rate, and the related reconciliation to the GAAP effective tax rate, to provide investors more complete and consistent comparisons of the Company's operational performance on a period-over-period interim basis and on the same basis as management evaluates quarterly financial results to provide a better indication of expected full year results.

Alternative Non-GAAP Cash Flow Measures

In addition to the non-GAAP measures presented in this Annual Report and other periodic reports, management may occasionally evaluate and disclose to investors and securities analysts the non-GAAP measure cash provided by or used in operating activities excluding certain non-core, unusual, or non-recurring sources or uses of cash or including cash from or used by activities that are managed as part of core business operations ("adjusted cash provided by or used in operating activities") when analyzing, among other things, business performance, liquidity and financial position, and performance-based compensation. Management has used this non-GAAP measure in conjunction with the GAAP measure cash provided by or used in operating activities because it believes it is an appropriate metric to evaluate the cash flows from Eastman's core operations that are available for organic and inorganic growth initiatives and because it allows for a more consistent period-over-period presentation of such amounts. In its evaluation, management generally excludes the impact of certain non-core and unusual activities and decisions of management that it does not consider core, ongoing components of operations and the decisions to undertake or not to undertake such activities may be made irrespective of the cash generated from operations, and generally includes cash from or used in activities that are managed as operating activities and in business operating decisions. Management has disclosed this non-GAAP measure and the related reconciliation to investors, securities analysts, credit analysts and rating agencies, and lenders to allow them to better understand and evaluate the information used by management in its decision-making processes and because management believes investors and securities analysts use similar measures to assess Company performance, liquidity, and financial position over multiple periods and to compare these with other companies.

From time to time, Eastman may evaluate and disclose to investors and securities analysts an alternative non-GAAP measure of "free cash flow", which management defines as net cash provided by or used in operating activities less the amount of net capital expenditures (typically the GAAP measure additions to properties and equipment, net of government incentives). In addition, Eastman may disclose to investors and securities analysts an alternative non-GAAP measure of "free cash flow yield", which management defines as annual free cash flow divided by the Company's market capitalization, and "free cash flow conversion", which management defines as annual free cash flow divided by adjusted net income. Management believes these metrics can be useful to investors and securities analysts in comparing cash flow generation with that of peer and other companies.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS***Alternative Non-GAAP Earnings Measures*

From time to time, Eastman may also disclose to investors and securities analysts the non-GAAP earnings measures "Adjusted EBIT Margin", "Adjusted EBITDA", "Adjusted EBITDA Margin", "Return on Invested Capital" (or "ROIC"), and "Adjusted ROIC". Management defines Adjusted EBIT Margin as the GAAP measure EBIT adjusted to exclude the same non-core, unusual, or non-recurring items as are excluded from the Company's other non-GAAP earnings measures for the same periods divided by the GAAP measure sales revenue in the Company's Consolidated Statement of Earnings, Comprehensive Income and Retained Earnings for the same periods. Adjusted EBITDA is EBITDA (net earnings before interest, taxes, depreciation and amortization) adjusted to exclude the same non-core, unusual, or non-recurring items as are excluded from the Company's other non-GAAP earnings measures for the same periods. Adjusted EBITDA Margin is Adjusted EBITDA divided by the GAAP measure sales revenue in the Company's Consolidated Statement of Earnings, Comprehensive Income and Retained Earnings for the same periods. Management defines ROIC as net earnings plus interest expense after tax divided by average total borrowings plus average stockholders' equity for the periods presented, each derived from the GAAP measures in the Company's financial statements for the periods presented. Adjusted ROIC is ROIC adjusted to exclude from net earnings the same non-core, unusual, or non-recurring items as are excluded from the Company's other non-GAAP earnings measures for the same periods. Management believes that Adjusted EBIT Margin, Adjusted EBITDA, Adjusted EBITDA Margin, ROIC, and Adjusted ROIC are useful as supplemental measures in evaluating the performance of and returns from Eastman's operating businesses, and from time to time uses such measures in internal performance calculations. Further, management understands that investors and securities analysts often use similar measures of Adjusted EBIT Margin, Adjusted EBITDA, Adjusted EBITDA Margin, ROIC, and Adjusted ROIC to compare the results, returns, and value of the Company with those of peer and other companies.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
OVERVIEW

Eastman's products and operations are managed and reported in four operating segments: Advanced Materials ("AM"), Additives & Functional Products ("AFP"), Chemical Intermediates ("CI"), and Fibers. Eastman uses an innovation-driven growth model which consists of leveraging world class scalable technology platforms, delivering differentiated application development capabilities, and relentlessly engaging the market. The Company's world class technology platforms, scale advantage, and sustainability macro trends form the foundation of the Company's research and development ("R&D") and innovation initiatives. Molecular recycling technologies continue to be an area of investment focus for the Company and extends the level of differentiation afforded by our world class technology platforms. Eastman began operating the world's largest polyester molecular recycling facility in 2024. Differentiated application development converts market complexity into opportunities for growth and accelerates innovation by enabling a deeper understanding of the value of Eastman's products and how they perform within customers' and end-user products. Key areas of application development include thermoplastic conversion, functional films, coatings formulations, textiles, and personal and home care formulations. The Company engages the market by working directly with customers and downstream users, targeting attractive markets, and leveraging disruptive macro trends. Management believes that these elements of the Company's innovation-driven growth model, combined with disciplined portfolio management and balanced capital deployment, will result in consistent, sustainable earnings growth and strong cash flow from operations.

Sales, EBIT, and EBIT excluding non-core items were as follows:

(Dollars in millions)	2025	2024
Sales	\$ 8,752	\$ 9,382
Earnings before interest and taxes	776	1,278
Earnings before interest and taxes excluding non-core items	930	1,298

Sales revenue decreased in 2025 compared to 2024 due to lower sales volume primarily driven by acetate tow customer inventory destocking and industry capacity share adjustments as well as end-market weakness in most consumer discretionary end markets. EBIT excluding non-core items decreased in 2025 compared to 2024 primarily due to lower sales volume, lower selling prices and higher raw material and energy costs, and lower asset utilization. These factors were partially offset by cost reduction initiatives, lower manufacturing costs, and lower variable compensation costs.

Further discussion of sales revenue and EBIT changes is presented in "Results of Operations" and "Summary by Operating Segment" in this MD&A.

Net earnings and EPS and adjusted net earnings and EPS were as follows:

(Dollars in millions, except diluted EPS)	2025		2024	
	\$	EPS	\$	EPS
Net earnings attributable to Eastman	\$ 474	\$ 4.10	\$ 905	\$ 7.67
Total non-core and unusual items, net of tax	153	1.32	26	0.22
Net earnings attributable to Eastman excluding non-core and unusual items	\$ 627	\$ 5.42	\$ 931	\$ 7.89

The Company generated \$970 million and \$1.3 billion of cash from operating activities in 2025 and 2024, respectively.

RESULTS OF OPERATIONS

Eastman's results of operations as presented in the Company's consolidated financial statements in Part II, Item 8 of this Annual Report are summarized and analyzed below.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
Sales

(Dollars in millions)	<u>2025</u>	<u>2024</u>	<u>Change</u>
Sales	\$ 8,752	\$ 9,382	(7)%
Volume / product mix effect			(6)%
Price effect			(1)%
Exchange rate effect			— %

Sales revenue decreased in 2025 compared to 2024 due to decreases across all operating segments except the AFP segment. Further discussion by operating segments is presented in "Summary of Operating Segment" in this MD&A.

Gross Profit

(Dollars in millions)	<u>2025</u>	<u>2024</u>	<u>Change</u>
Gross profit	\$ 1,844	\$ 2,290	(19)%
Costs of sales impact from restructuring activities	2	7	
Gross profit excluding non-core items	<u>\$ 1,846</u>	<u>\$ 2,297</u>	(20)%

Gross profit in 2025 included inventory adjustments related to the decommissioning of certain assets at performance films facilities in North America. Gross profit in 2024 included inventory adjustments related to the closure of a solvent-based resins production line at an advanced interlayers facility in North America.

Excluding these non-core items, gross profit decreased in 2025 compared to 2024 due to lower sales volume and higher raw material and energy costs and lower selling prices. Further discussion of sales revenue and EBIT changes is presented in "Summary by Operating Segment" in this MD&A.

Selling, General and Administrative Expenses

(Dollars in millions)	<u>2025</u>	<u>2024</u>	<u>Change</u>
Selling, general and administrative expenses	\$ 658	\$ 736	(11)%

Selling, general and administrative ("SG&A") expense decreased in 2025 compared to 2024 primarily as a result of cost reduction initiatives and lower variable compensation costs.

Research and Development Expenses

(Dollars in millions)	<u>2025</u>	<u>2024</u>	<u>Change</u>
Research and development expenses	\$ 255	\$ 250	2 %

R&D expenses slightly increased in 2025 compared to 2024 primarily due to strategic investment in innovation.

Asset Impairments, Restructuring, and Other Charges, Net

(Dollars in millions)	<u>2025</u>	<u>2024</u>
Asset impairments	\$ 33	\$ 5
Severance charges	39	25
Restructuring and other charges	24	21
Total	<u>\$ 96</u>	<u>\$ 51</u>

For detailed information regarding asset impairments, restructuring, and other charges, net see Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
Other Components of Post-employment (Benefit) Cost, Net

(Dollars in millions)	2025	2024	Change
Other components of post-employment (benefit) cost, net	\$ (25)	\$ (72)	(65)%
Mark-to-market pension and other postretirement benefit gain (loss), net	6	54	
Other components of post-employment (benefit) cost, net excluding non-core item	<u>\$ (19)</u>	<u>\$ (18)</u>	6 %

For more information regarding "Other components of post-employment (benefit) cost, net" see Note 1, "Significant Accounting Policies", and Note 11, "Retirement Plans", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Other (Income) Charges, Net

(Dollars in millions)	2025	2024
Foreign exchange transaction losses (gains), net	\$ 9	\$ 11
(Income) loss from equity investments and other investment (gains) losses, net	1	—
Environmental and other costs	62	16
Other, net	12	20
Other (income) charges, net	<u>\$ 84</u>	<u>\$ 47</u>
Environmental and other costs	(62)	(16)
Other (income) charges, net excluding non-core items	<u>\$ 22</u>	<u>\$ 31</u>

Other (income) charges, net in 2025 and 2024 included environmental and other costs related to previously divested businesses, non-operational sites and product lines, and discontinued programs. Excluding these non-core items, Other (income) charges, net decreased in 2025 compared to 2024 primarily due to lower factoring fees and foreign exchange transaction losses. For more information regarding components of foreign exchange transaction losses, see Note 10, "Derivative and Non-Derivative Financial Instruments", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Earnings Before Interest and Taxes

(Dollars in millions)	2025	2024	Change
EBIT	\$ 776	\$ 1,278	(39)%
Cost of sales impact from restructuring activities	2	7	
Asset impairments, restructuring, and other charges, net	96	51	
Mark-to-market pension and other postretirement benefit (gain) loss, net	(6)	(54)	
Environmental and other costs	62	16	
EBIT excluding non-core items	<u>\$ 930</u>	<u>\$ 1,298</u>	(28)%

For more information regarding items that impact EBIT, see "Overview", and items described above in "Results of Operations".

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
Net Interest Expense

(Dollars in millions)	2025		2024		Change
Gross interest expense	\$	234	\$	233	— %
Less: Capitalized interest		15		17	
Interest Expense		219		216	
Less: Interest income		11		16	
Net interest expense	\$	208	\$	200	4 %

Net interest expense increased in 2025 compared to 2024 primarily as a result of lower interest income and lower capital expenditures.

Provision for Income Taxes

(Dollars in millions)	2025		2024			
	\$	%	\$	%		
Provision for income taxes and effective tax rate	\$	93	16 %	\$	170	16 %
Tax provision for non-core items ⁽¹⁾		34		1		
Income tax related items ⁽²⁾		(33)		(7)		
Adjusted provision for income taxes and effective tax rate	\$	94	13 %	\$	164	15 %

- ⁽¹⁾ Provision for income taxes for non-core items is calculated using the tax rate for the jurisdiction where the gains are taxable and the expenses are deductible.
- ⁽²⁾ Full year 2025 includes a benefit from releasing reserves related to prior tax law changes and charges related to the enactment of the One Big Beautiful Bill Act (the "Act") and unusual macroeconomic conditions impacting certain deferred tax assets in the U.S. Full year 2024 includes tax expense associated with a previously divested business.

Provision for income taxes and effective tax rate in 2025 and 2024 included the tax effect of non-core items and other income tax related items. Excluding these items, adjusted provision for income taxes decreased in 2025 compared to 2024 primarily as a result of changes in unrecognized tax benefits and the tax effect of decreased adjusted earnings, partially offset by foreign tax effects due to the Company's mix of earnings and effects of cross border tax laws, net of credits.

For more information, see Note 8, "Income Taxes", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Net Earnings Attributable to Eastman and Diluted Earnings per Share

(Dollars in millions, except per share amounts)	2025		2024					
	\$	EPS	\$	EPS				
Net earnings and diluted earnings per share attributable to Eastman	\$	474	\$	4.10	\$	905	\$	7.67
Non-core items, net of tax: ⁽¹⁾								
Cost of sales impact from restructuring activities		1		0.01		5		0.04
Asset impairments, restructuring, and other charges, net		75		0.65		41		0.36
Mark-to-market pension and other postretirement benefit (gain) loss, net		(3)		(0.03)		(40)		(0.34)
Environmental and other costs		47		0.41		13		0.10
Unusual items:								
Income tax related items		33		0.28		7		0.06
Adjusted net earnings and diluted earnings per share attributable to Eastman	\$	627	\$	5.42	\$	931	\$	7.89

- ⁽¹⁾ The provision for income taxes for non-core items is calculated using the tax rate for the jurisdiction where the gains are taxable and the expenses are deductible.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
SUMMARY BY OPERATING SEGMENT

Eastman's products and operations are managed and reported in four operating segments: Advanced Materials ("AM"), Additives & Functional Products ("AFP"), Chemical Intermediates ("CI"), and Fibers. For additional financial and product information for each operating segment, see "Business - Business Segments" in Part I, Item 1 of this Annual Report and Note 20, "Segment and Regional Sales Information", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Advanced Materials Segment

(Dollars in millions)	2025	2024	Change	
			\$	%
Sales	\$ 2,880	\$ 3,050	\$ (170)	(6)%
Volume / product mix effect			(137)	(4)%
Price effect			(36)	(2)%
Exchange rate effect			3	—%
Earnings before interest and taxes	\$ 319	\$ 442	\$ (123)	(28)%
Cost of sales impact from restructuring activities	2	4	(2)	
Asset impairments, restructuring, and other charges, net	28	18	10	
Earnings before interest and taxes excluding non-core items	349	464	(115)	(25)%

Sales revenue decreased in 2025 compared to 2024 primarily due to lower sales volume in the advanced interlayers and performance films product lines. Lower sales volume in the advanced interlayers product line was driven by weakness in the building and construction end market. Lower sales volume in the performance films product line was driven by weak consumer discretionary spending in the automotive end-market. Sales volume in the specialty plastics product line was relatively flat as growth from innovation offset a weak consumer durables end-market and impacts from tariff uncertainty.

EBIT in 2025 included inventory adjustments and asset impairments, restructuring, and other charges, net related to the decommissioning of certain assets at performance films facilities in North America and certain terminated capital projects within the performance films product line. EBIT in 2024 included inventory adjustments, and asset impairments, restructuring, and other charges, net related to the closure of a solvent-based resins production line. For more information regarding asset impairments, restructuring, and other charges, net, see Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Excluding these non-core items, EBIT decreased in 2025 compared to 2024 due to \$116 million lower sales volume and \$9 million higher raw material and energy costs and lower selling prices. This was partially offset by cost reduction initiatives and lower SG&A expenses.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
Additives & Functional Products Segment

(Dollars in millions)	2025	2024	Change	
			\$	%
Sales	\$ 2,880	\$ 2,862	\$ 18	1 %
Volume / product mix effect			(82)	(3)%
Price effect			82	3 %
Exchange rate effect			18	1 %
Earnings before interest and taxes	\$ 512	\$ 487	\$ 25	5 %
Cost of sales impact from restructuring activities	—	3	(3)	
Asset impairments, restructuring, and other charges, net	4	—	4	
Earnings before interest and taxes excluding non-core items	516	490	26	5 %

Sales revenue remained relatively unchanged in 2025 compared to 2024 primarily due to higher selling prices offset by lower sales volume. Higher selling prices were driven by cost-pass-through contracts. Lower sales volume in the building and construction and automotive end-markets were partially offset by growth in the water treatment, medical and pharma, and electronics end-markets.

EBIT in 2025 included asset impairments, restructuring, and other charges, net related to the closure of a heat-transfer fluids production line at a specialty fluids and energy facility in North America. EBIT in 2024 included inventory adjustments related to the closure of a solvent-based resins production line. For more information see Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Excluding these non-core items, EBIT increased in 2025 compared to 2024 due to lower SG&A expenses and lower operating costs, partially offset by \$19 million lower sales volume.

Chemical Intermediates Segment

(Dollars in millions)	2025	2024	Change	
			\$	%
Sales	\$ 1,925	\$ 2,134	\$ (209)	(10)%
Volume / product mix effect			(110)	(5)%
Price effect			(103)	(5)%
Exchange rate effect			4	— %
Earnings (loss) before interest and taxes	\$ (60)	\$ 101	\$ (161)	(159)%
Asset impairments and restructuring, and other charges, net	9	—	9	
Environmental and other costs	13	—	13	
Earnings (loss) before interest and taxes excluding non-core items	(38)	101	(139)	(138)%

Sales revenue decreased in 2025 compared to 2024 due to lower sales volume, primarily in the building and construction and durables end markets, and lower selling prices primarily due to competitive pressure in Asia.

EBIT in 2025 included asset impairments, restructuring, and other charges, net related to the termination of certain capital projects and other costs related to the discontinuation of licensing programs in the Asia Pacific region. For more information see Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Excluding these non-core items, EBIT decreased in 2025 compared to 2024 primarily due to \$121 million lower selling prices and higher raw material and energy costs and \$27 million lower sales volume, partially offset by lower SG&A expenses.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
Fibers Segment

(Dollars in millions)

	2025	2024	Change	
			\$	%
Sales	\$ 1,050	\$ 1,318	\$ (268)	(20)%
Volume / product mix effect			(256)	(19)%
Price effect			(10)	(1)%
Exchange rate effect			(2)	—%
Earnings before interest and taxes	\$ 283	\$ 454	\$ (171)	(38)%
Asset impairments, restructuring, and other charges, net	2	—	2	
Earnings before interest and taxes excluding non-core item	285	454	(169)	(37)%

Sales revenue decreased in 2025 compared to 2024 primarily due to lower sales volume in the acetate tow product line attributed to customer inventory destocking and industry capacity share adjustments, and lower textiles sales volume into Europe and Asia due to impacts of tariffs on demand.

EBIT in 2025 included asset impairments, restructuring, and other charges, net due to a loss on sale related to the 2022 closure of an acetate yarn manufacturing facility in Europe. For more information see Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Excluding this non-core item, EBIT decreased in 2025 compared to 2024 primarily due to \$129 million lower sales volume and \$51 million higher raw material and energy costs and lower selling prices. These higher costs were partially offset by lower SG&A expenses.

Other

(Dollars in millions)

	2025	2024
Sales	\$ 17	\$ 18
Loss before interest and taxes		
Growth initiatives and businesses not allocated to operating segments	\$ (178)	\$ (208)
Asset impairments, restructuring, and other charges, net	(53)	(33)
Pension and other postretirement benefit plans income (expense), net not allocated to operating segments	14	62
Other income (charges), net not allocated to operating segments	(61)	(27)
Loss before interest and taxes	\$ (278)	\$ (206)
Asset impairments, restructuring, and other charges, net	53	33
Mark-to-market pension and other postretirement benefits (gain) loss, net	(6)	(54)
Environmental and other costs	49	16
Loss before interest and taxes excluding non-core items	(182)	(211)

Sales and costs related to growth initiatives, including the cellulosic biopolymer and circular economy platforms, R&D costs, certain components of pension and other postretirement benefits, and other expenses and income not identifiable to an operating segment are included in "Other".

Loss before interest and taxes in 2025 and 2024 included severance charges related to corporate cost reduction initiatives; environmental and other costs related to previously divested businesses, non-operational sites and product lines, discontinued programs, and profitability improvement initiatives. For more information regarding Non-GAAP items, see "Non-GAAP Financial Measures" in this MD&A. For more information regarding asset impairments, restructuring, and other charges, net, see Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**
SALES BY CUSTOMER LOCATION

(Dollars in millions)	Sales Revenue			
			Change	
	2025	2024	\$	%
United States and Canada	\$ 3,818	\$ 3,937	\$ (119)	(3)%
Europe, Middle East, and Africa	2,304	2,571	(267)	(10)%
Asia Pacific	2,137	2,363	(226)	(10)%
Latin America	493	511	(18)	(4)%
Total	\$ 8,752	\$ 9,382	\$ (630)	(7)%

Sales revenue decreased 7 percent in 2025 compared to 2024. Lower sales revenue was due to lower sales volume and unfavorable product mix across all regions and operating segments, as well as lower selling prices in the Asia Pacific region.

See Note 20, "Segment and Regional Sales Information", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report for segment sales revenues by customer location.

LIQUIDITY AND OTHER FINANCIAL INFORMATION
Cash Flows

The Company had cash and cash equivalents as follows:

(Dollars in millions)	December 31,	
	2025	2024
Cash and cash equivalents	\$ 566	\$ 837

Cash flows from operations, cash and cash equivalents, and other sources of liquidity are expected to be available and sufficient to meet known short and long-term cash requirements. However, the Company's cash flows from operations can be affected by numerous factors including risks associated with global operations, raw material availability and cost, demand for and pricing of Eastman's products, capacity utilization, and other factors described under "Risk Factors" in Part I, Item 1A of this Annual Report. Management believes maintaining a financial profile that supports a solid investment grade credit rating is important to its long-term strategy and financial flexibility.

(Dollars in millions)	For years ended December 31,	
	2025	2024
Net cash provided by (used in):		
Operating activities	\$ 970	\$ 1,287
Investing activities	(462)	(534)
Financing activities	(797)	(454)
Effect of exchange rate changes on cash and cash equivalents	18	(10)
Net change in cash and cash equivalents	(271)	289
Cash and cash equivalents at beginning of period	837	548
Cash and cash equivalents at end of period	\$ 566	\$ 837

Cash provided by operating activities decreased \$317 million primarily due to lower net earnings and higher variable compensation payout partially offset by lower working capital driven by inventory consumption in 2025 compared to build in 2024.

Cash used in investing activities decreased \$72 million due to lower capital expenditure primarily for methanolysis plastic-to-plastic molecular recycling manufacturing facilities.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Cash used in financing activities increased \$343 million primarily due to lower proceeds from borrowings partially offset by lower repayment of borrowings and lower stock repurchases. For additional information, see "Liquidity and Other Financial Information - Debt and Other Commitments" in this MD&A.

Working Capital Management

Eastman applies a proactive and disciplined approach to working capital management to optimize cash flow and to enable a full range of capital allocation options in support of the Company's strategy. Eastman expects to continue utilizing the programs described below to support operating cash flow consistent with the Company's past practices.

The Company engages in off-balance sheet, uncommitted accounts receivable factoring programs as a routine part of its ordinary business operations. Through these programs, entire invoices may be sold to third-party financial institutions, the vast majority of which are without recourse. Under these agreements, the Company sells the invoices at face value, less a transaction fee, which substantially equals the carrying value and fair value with no gain or loss recognized, and no credit loss exposure is retained. Available capacity under these programs, which the Company uses as a routine source of working capital funding, is dependent on the level of accounts receivable eligible to be sold and the financial institutions' willingness to purchase such receivables. The total amounts sold in both 2025 and 2024 were \$2.7 billion. Based on the original terms of receivables sold for certain programs and actual outstanding balance of receivables under servicing agreements, the Company estimates that \$346 million and \$385 million of these receivables would have been outstanding as of December 31, 2025 and 2024, respectively, had they not been sold under these factoring programs.

Eastman works with suppliers to optimize payment terms and conditions on accounts payable to enhance timing of working capital and cash flows. The Company has a voluntary supplier finance program to provide suppliers with the opportunity to sell receivables due from Eastman to a participating financial institution. The Company also maintains a structured payables program that utilizes a payables processing arrangement with a financial institution to support the processing and settlement of freight and logistics invoices. See Note 1, "Significant Accounting Policies", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report for additional information regarding both programs.

Debt and Other Commitments

Eastman has debt and other commitments for debt securities, credit facilities, interest payable, purchase obligations, operating leases, and other liabilities. A summary of the Company's debt and other commitment obligations as of December 31, 2025 for each of the next five years and beyond is included in Note 12, "Leases and Other Commitments", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

At December 31, 2025, Eastman's borrowings totaled \$4.8 billion with various maturities. Estimated future payments of debt securities assumes the repayment of principal upon stated maturity, and actual amounts and the timing of such payments may differ materially due to repayment or other changes in the terms of such debt prior to maturity. See Note 9, "Borrowings", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report, for more information regarding total borrowings and related activity.

Amounts in other liabilities represent the current estimated cash payments required to be made by the Company primarily for pension and other postretirement benefits, accrued compensation benefits, environmental loss contingency estimates, uncertain tax liabilities, and commodity and foreign exchange hedging in the periods indicated. Due to uncertainties in the timing of the effective settlement of tax positions with taxing authorities, management is unable to determine the timing of payments related to uncertain tax liabilities and these amounts are included in the "2031 and beyond" line item.

The amount and timing of pension and other postretirement benefit payments included in other liabilities is dependent upon interest rates, health care cost trends, actual returns on plan assets, retirement and attrition rates of employees, continuation or modification of the benefit plans, and other factors. Such factors can significantly impact the amount and timing of any future contributions by the Company. Excess contributions are periodically made by management in order to keep the plans' funded status above 80 percent under the funding provisions of the Pension Protection Act to avoid partial benefit restrictions on accelerated forms of payment. The Company's U.S. defined benefit pension plans are not currently under any benefit restrictions. See Note 11, "Retirement Plans", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report, for more information regarding pension and other postretirement benefit obligations.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The resolution of uncertainties related to environmental matters included in other liabilities may have a material adverse effect on the Company's consolidated results of operations in the period recognized, however, because of the availability of legal defenses, the Company's preliminary assessment of actions that may be required, and, if applicable, the expected sharing of costs, management does not believe that the Company's liability for these environmental matters, individually or in the aggregate, will be material to the Company's consolidated financial position, results of operations, or cash flows. See "Environmental Costs" in Note 1, "Significant Accounting Policies", and Note 13, "Environmental Matters and Asset Retirement Obligations", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report for more information regarding outstanding environmental matters and asset retirement obligations.

Credit Facility, Term Loans, and Commercial Paper Borrowings

The Company has access to a \$1.50 billion revolving credit agreement (the "Credit Facility") in which borrowings under the Credit Facility are subject to interest at varying spreads above quoted market rates and a commitment fee is paid on the total unused commitment. In December 2025, the Credit Facility was amended to remove the sustainability-linked pricing terms from the agreement. In February 2026, the Credit Facility was amended and restated to extend the maturity to February 2031 and to temporarily adjust the maximum leverage ratio covenant through the fiscal quarter ending June 30, 2027 in the event of further macroeconomic uncertainty impacting operating results. All other material terms of the Credit Facility remains unchanged. The Credit Facility provides available liquidity for general corporate purposes, and supports commercial paper borrowings. At December 31, 2025, the Company had no outstanding borrowings under the Credit Facility and no commercial paper borrowings.

In 2025, the Company repaid \$100 million of the remaining \$250 million five-year term loan (the "2027 Term Loan"). There were no extinguishment costs associated with the partial repayment of the 2027 Term Loan. The outstanding balance on the 2027 Term Loan was \$150 million at December 31, 2025 and \$250 million at December 31, 2024, with variable interest rates of 5.14% and 5.58%, respectively. The 2027 Term Loan is subject to interest at a spread above quoted market rates.

The Credit Facility and the 2027 Term Loan contain customary covenants, including requirements to maintain certain financial ratios, that determine the events of default, amounts available, and terms of borrowings. The Company was in compliance with all applicable covenants at December 31, 2025. The total amount of available borrowings under the Credit Facility was \$1.50 billion as of December 31, 2025. For additional information regarding financial covenants under the Credit Facility, see Section 5.03 of the Credit Facility filed as [Exhibit 10.01](#) to the Company's 2025 Annual Report on Form 10-K.

See Note 9, "Borrowings", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

Net Debt

(Dollars in millions)	December 31, 2025	December 31, 2024
Total borrowings	\$ 4,787	\$ 5,017
Less: Cash and cash equivalents	566	837
Net debt ⁽¹⁾	\$ 4,221	\$ 4,180

⁽¹⁾ Includes non-cash increase of \$68 million in 2025 and non-cash decrease of \$32 million in 2024 resulting from foreign currency exchange rates.

Capital Expenditures

Capital expenditures were \$546 million and \$599 million in 2025 and 2024, respectively. Capital expenditures in 2025 were primarily for the methanolysis plastic-to-plastic molecular recycling manufacturing facilities, other targeted growth initiatives, and site modernization projects.

The Company expects that 2026 capital spending will be approximately \$400 million, primarily for maintenance capital and limited growth capital for projects already in progress.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The Company had capital expenditures related to environmental protection and improvement of approximately \$80 million and \$70 million in 2025 and 2024, respectively. The Company does not currently expect near term environmental capital expenditures arising from requirements of environmental laws and regulations to materially impact the Company's planned level of annual capital expenditures for environmental control facilities.

Dividends and Stock Repurchases

In December 2021, the Company's Board of Directors authorized the repurchase of up to \$2.5 billion of the Company's outstanding common stock at such times, in such amounts, and on such terms, as determined by management to be in the best interest of the Company and its stockholders (the "2021 authorization"). As of December 31, 2025, a total of 13,032,926 shares have been repurchased under the 2021 authorization for \$1.2 billion.

During 2025, the Company repurchased 1,420,768 shares of common stock for \$100 million. During 2024, the Company repurchased 3,001,409 shares of common stock for \$300 million.

The Board of Directors has declared a cash dividend of \$0.84 per share during the first quarter of 2026, payable on April 8, 2026 to stockholders of record on March 13, 2026. Both dividends and share repurchases are key strategies employed by the Company to return value to its stockholders.

INFLATION

In recent years, Eastman has experienced significant volatility attributed to inflation, deflation, and other factors. The cost of raw materials is generally based on market prices, although derivative instruments are utilized, as appropriate, to mitigate short-term market price fluctuations. Management expects the volatility of raw material and energy prices and costs to continue and the Company will continue to pursue pricing and hedging strategies and ongoing cost control initiatives to offset the effects. For additional information, see "Risk Factors" in Part I, Item 1A, "Summary by Operating Segments" in this MD&A, and Note 10, "Derivative and Non-Derivative Financial Instruments", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

RECENTLY ISSUED ACCOUNTING STANDARDS

For information regarding the impact of recently issued accounting standards, see Note 1, "Significant Accounting Policies", to the Company's consolidated financial statements in Part II, Item 8 of this Annual Report.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Eastman has exposure to various market risks principally due to changes in foreign currency exchange rates, the pricing of various commodities, and interest rates. In an effort to manage these risks, the Company employs various strategies, including pricing, inventory management, and hedging. The Company enters into derivative contracts which are governed by policies, procedures, and internal processes set forth by its Board of Directors.

The Company determines its exposures to market risk by utilizing sensitivity analyses, which measure the potential losses in fair value resulting from one or more selected hypothetical changes in foreign currency exchange rates, commodity prices, or interest rates.

Foreign Currency Risk

Due to a portion of the Company's operating cash flows and borrowings being denominated in foreign currencies, the Company is exposed to market risk from changes in foreign currency exchange rates. The Company continually evaluates its foreign currency exposure based on current market conditions and the locations in which the Company conducts business. The Company manages most foreign currency exposures on a consolidated basis, which allows the Company to net certain exposures and take advantage of natural offsets. To mitigate foreign currency risk, from time to time, the Company enters into derivative instruments to hedge the cash flows related to certain sales and purchase transactions expected within a rolling three year period and denominated in foreign currencies, and enters into forward exchange contracts to hedge certain firm commitments denominated in foreign currencies. The gains and losses on these contracts offset changes in the value of related exposures. Additionally, the Company, from time to time, enters into non-derivative and derivative instruments to hedge the foreign currency exposure of the net investment in certain foreign operations. The foreign currency change in the designated investment values of the foreign subsidiaries will generally be offset by a foreign currency change in the carrying value of the euro-denominated borrowings. It is the Company's policy to enter into foreign currency derivative and non-derivative instruments only to the extent considered necessary to meet its objectives as stated above. The Company does not enter into foreign currency derivative financial instruments for speculative purposes.

At December 31, 2025, the market risk associated with certain cash flows under these derivative transactions assuming a 10 percent adverse move in the U.S. dollar relative to these foreign currencies was \$41 million, with an additional \$4 million exposure for each additional one percentage point adverse change in those foreign currency rates. Since the Company utilizes currency-sensitive derivative instruments for hedging anticipated foreign currency transactions, a loss in fair value from those instruments is generally offset by an increase in the value of the underlying anticipated transactions.

At December 31, 2025, a 10 percent fluctuation in the euro and Japanese yen currency rates would have had an impact of \$259 million and \$5 million, respectively, on the designated net investment values in the foreign subsidiaries. As a result of the designation of the euro-denominated borrowings and designated cross-currency interest rate swaps as hedges of the net investments, foreign currency translation gains and losses on the borrowings and designated cross-currency interest rate swaps are recorded as a component of the "Change in cumulative translation adjustment" within "Other comprehensive income (loss), net of tax" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings in Part II, Item 8 of this Annual Report. Therefore, a foreign currency change in the designated investment values of the foreign subsidiaries will generally be offset by a foreign currency change in the carrying value of the euro-denominated borrowings or the foreign currency change in the designated cross-currency interest rate swaps.

Commodity Risk

The Company is exposed to fluctuations in market prices for certain of its raw materials and energy, as well as contract sales of certain commodity products. To mitigate short-term fluctuations in market prices for certain commodities, principally propane, ethane, natural gas, paraxylene, ethylene, and benzene, as well as selling prices for ethylene, the Company enters into derivative transactions, from time to time, to hedge the cash flows related to certain sales and purchase transactions expected within a rolling three year period. At December 31, 2025, the market risk associated with these derivative contracts, assuming an instantaneous parallel shift in the underlying commodity price of 10 percent and no corresponding change in the selling price of finished goods, was \$4 million, with an additional \$400 thousand of exposure at December 31, 2025 for each one percentage point move in closing price thereafter.

Interest Rate Risk

Eastman is exposed to interest rate risk primarily as a result of its borrowing and investing activities, which include long-term borrowings used to maintain liquidity and to fund its business operations and capital requirements. The nature and amount of the Company's long-term and short-term debt may vary from time to time as a result of business requirements, market conditions, and other factors. The Company manages global interest rate exposure as part of regular operational and financing strategies. The Company had \$150 million variable interest rate borrowings at December 31, 2025. Eastman may also enter into interest rate swaps, collars, or similar instruments with the objective of reducing interest rate volatility relating to the Company's borrowing costs. As of December 31, 2025, the Company did not have outstanding interest rate swaps.

For purposes of calculating the market risks associated with interest-rate-sensitive instruments, the Company uses a hypothetical 10 percent increase in interest rates. The corresponding market risk was \$1 million as of December 31, 2025.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Eastman Chemical Company

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated statements of financial position of Eastman Chemical Company and its subsidiaries (the "Company") as of December 31, 2025 and 2024, and the related consolidated statements of earnings, comprehensive income, and retained earnings and of cash flows for each of the three years in the period ended December 31, 2025, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Annual Goodwill Impairment Assessment for a Certain Reporting Unit in the Advanced Materials Segment

As described in Notes 1 and 5 to the consolidated financial statements, the Company's goodwill balance was \$3,665 million as of December 31, 2025, and the goodwill associated with the Advanced Materials segment was \$1,337 million of which a majority relates to a certain reporting unit in this segment. Management conducts testing of goodwill for impairment annually in the fourth quarter or more frequently when events and circumstances indicate an impairment may have occurred. The Company may use a qualitative analysis or a quantitative analysis in testing the carrying value of goodwill of each reporting unit for impairment. When the quantitative analysis is used, the Company uses an income approach, specifically a discounted cash flow model. As disclosed by management, key assumptions and estimates used in the Company's goodwill impairment testing included projections of revenues and earnings before interest and taxes (EBIT), the estimated weighted average cost of capital (WACC) and a projected long-term growth rate.

The principal considerations for our determination that performing procedures relating to the annual goodwill impairment assessment for a certain reporting unit in the Advanced Materials segment is a critical audit matter are (i) the significant judgment by management when developing the fair value estimate of the reporting unit; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to projections of revenue and EBIT, the estimated WACC, and the projected long-term growth rate; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill impairment assessment, including controls over the valuation of a certain reporting unit in the Advanced Materials segment. These procedures also included, among others (i) testing management's process for developing the fair value estimate for a certain reporting unit in the Advanced Materials segment; (ii) evaluating the appropriateness of the discounted cash flow model used by management; (iii) testing the completeness and accuracy of underlying data used in the discounted cash flow model; and (iv) evaluating the reasonableness of the significant assumptions used by management related to projections of revenue and EBIT, the estimated WACC, and the projected long-term growth rate. Evaluating management's assumptions related to projections of revenue and EBIT and the projected long-term growth rate involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the reporting unit; (ii) the consistency with external market and industry data; and (iii) whether the assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of the discounted cash flow model and (ii) the reasonableness of the estimated WACC assumption.

/s/ PricewaterhouseCoopers LLP
Charlotte, North Carolina
February 13, 2026

We have served as the Company's auditor since 1993.

**CONSOLIDATED STATEMENTS OF EARNINGS,
COMPREHENSIVE INCOME AND RETAINED EARNINGS**

For years ended December 31,

(Dollars in millions, except per share amounts)	2025	2024	2023
Sales	\$ 8,752	\$ 9,382	\$ 9,210
Cost of sales	6,908	7,092	7,149
Gross profit	1,844	2,290	2,061
Selling, general and administrative expenses	658	736	727
Research and development expenses	255	250	239
Asset impairments, restructuring, and other charges, net	96	51	37
Other components of post-employment (benefit) cost, net	(25)	(72)	41
Other (income) charges, net	84	47	38
Gain on divested business	—	—	(323)
Earnings before interest and taxes	776	1,278	1,302
Net interest expense	208	200	215
Earnings before income taxes	568	1,078	1,087
Provision for income taxes	93	170	191
Net earnings	475	908	896
Less: Net earnings attributable to noncontrolling interest	1	3	2
Net earnings attributable to Eastman	\$ 474	\$ 905	\$ 894
Basic earnings per share attributable to Eastman	\$ 4.14	\$ 7.75	\$ 7.54
Diluted earnings per share attributable to Eastman	\$ 4.10	\$ 7.67	\$ 7.49
Comprehensive Income			
Net earnings including noncontrolling interest	\$ 475	\$ 908	\$ 896
Other comprehensive income (loss), net of tax:			
Change in cumulative translation adjustment	34	(20)	(67)
Defined benefit pension and other postretirement benefit plans:			
Prior service credit arising during the period	157	—	—
Amortization of unrecognized prior service credits included in net periodic costs	(8)	(8)	(21)
Derivatives and hedging:			
Unrealized gain (loss) during period	(44)	18	(27)
Reclassification adjustment for (gains) losses included in net income, net	15	15	1
Total other comprehensive income (loss), net of tax	154	5	(114)
Comprehensive income including noncontrolling interest	629	913	782
Less: Comprehensive income attributable to noncontrolling interest	1	3	2
Comprehensive income attributable to Eastman	\$ 628	\$ 910	\$ 780
Retained Earnings			
Retained earnings at beginning of period	\$ 10,013	\$ 9,490	\$ 8,973
Net earnings attributable to Eastman	474	905	894
Cash dividends declared	(382)	(382)	(377)
Retained earnings at end of period	\$ 10,105	\$ 10,013	\$ 9,490

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Dollars in millions, except per share amounts)	December 31, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 566	\$ 837
Trade receivables, net of allowance for credit losses	737	791
Miscellaneous receivables	262	381
Inventories	1,980	1,988
Other current assets	100	104
Total current assets	3,645	4,101
Properties		
Properties and equipment at cost	14,507	13,985
Less: Accumulated depreciation	8,776	8,370
Net properties	5,731	5,615
Goodwill	3,665	3,632
Intangible assets, net of accumulated amortization	970	1,032
Other noncurrent assets	848	833
Total assets	\$ 14,859	\$ 15,213
Liabilities and Stockholders' Equity		
Current liabilities		
Payables and other current liabilities	\$ 2,066	\$ 2,258
Borrowings due within one year	586	450
Total current liabilities	2,652	2,708
Long-term borrowings	4,201	4,567
Deferred income tax liabilities	669	533
Post-employment obligations	409	630
Other long-term liabilities	891	923
Total liabilities	8,822	9,361
Commitments and contingencies (Note 12)		
Stockholders' equity		
Common stock (\$0.01 par value per share – 350,000,000 shares authorized; shares issued – 223,938,047 and 223,588,347 on December 31, 2025 and 2024, respectively)	2	2
Additional paid-in capital	2,500	2,463
Retained earnings	10,105	10,013
Accumulated other comprehensive loss	(160)	(314)
	12,447	12,164
Less: Treasury stock at cost (109,891,531 and 108,470,763 shares on December 31, 2025 and 2024, respectively)	6,486	6,385
Total Eastman stockholders' equity	5,961	5,779
Noncontrolling interest	76	73
Total equity	6,037	5,852
Total liabilities and stockholders' equity	\$ 14,859	\$ 15,213

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For years ended December 31,

(Dollars in millions)	2025	2024	2023
Operating activities			
Net earnings	\$ 475	\$ 908	\$ 896
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	513	509	498
Mark-to-market pension and other postretirement benefit plans (gain) loss, net	(6)	(54)	53
Asset impairment charges	33	5	—
Gain on sale of assets	—	—	(15)
Gain on divested businesses	—	—	(323)
Provision for (benefit from) deferred income taxes	141	(52)	(102)
Changes in operating assets and liabilities, net of effect of acquisitions and divestitures:			
(Increase) decrease in trade receivables	61	28	126
(Increase) decrease in inventories	24	(344)	201
Increase (decrease) in trade payables	(76)	188	(190)
Pension and other postretirement contributions (in excess of) less than expenses	(60)	(51)	(66)
Variable compensation payments (in excess of) less than expenses	(22)	99	142
Other items, net	(113)	51	154
Net cash provided by operating activities	970	1,287	1,374
Investing activities			
Additions to properties and equipment	(546)	(599)	(828)
Government incentives	21	9	—
Proceeds from sale of businesses	38	38	456
Acquisitions, net of cash acquired	—	—	(77)
Other items, net	25	18	17
Net cash used in investing activities	(462)	(534)	(432)
Financing activities			
Net increase (decrease) in commercial paper and other borrowings	—	—	(326)
Proceeds from borrowings	246	1,237	796
Repayment of borrowings	(550)	(1,039)	(808)
Dividends paid to stockholders	(381)	(379)	(376)
Treasury stock purchases	(100)	(300)	(150)
Other items, net	(12)	27	(24)
Net cash used in financing activities	(797)	(454)	(888)
Effect of exchange rate changes on cash and cash equivalents	18	(10)	1
Net change in cash and cash equivalents	(271)	289	55
Cash and cash equivalents at beginning of period	837	548	493
Cash and cash equivalents at end of period	\$ 566	\$ 837	\$ 548

The accompanying notes are an integral part of these consolidated financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The consolidated financial statements of Eastman Chemical Company ("Eastman" or the "Company") and subsidiaries are prepared in conformity with accounting principles generally accepted ("GAAP") in the United States and of necessity include some amounts that are based upon management estimates and judgments. Future actual results could differ from such current estimates and judgments. The consolidated financial statements include assets, liabilities, sales revenue, and expenses of all majority-owned subsidiaries and joint ventures in which a controlling interest is maintained. Eastman accounts for other joint ventures and investments in minority-owned companies where it exercises significant influence on the equity basis. Intercompany transactions and balances are eliminated in consolidation. Certain prior period data has been reclassified in the consolidated financial statements and accompanying footnotes to conform to current period presentation.

Recently Adopted Accounting Standards

Accounting Standards Update ("ASU") 2023-05 Business Combination - Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement: On January 1, 2025, Eastman adopted this update, which requires that a joint venture must initially measure all contributions received upon its formation at fair value, largely consistent with Topic 805, *Business Combinations*. The guidance is intended to reduce diversity in practice and provide users of joint venture financial statements with more decision-useful information. This ASU is applied prospectively for all newly formed joint venture entities with a formation date on or after January 1, 2025. The adoption did not have a material impact on the Company's financial statements and related disclosures.

ASU 2023-09 Income Taxes (Topic 740): Improvements to Income Tax Disclosures: On January 1, 2025, Eastman adopted this update on a prospective basis, which modifies annual income tax disclosure requirements. The updated guidance mandates entities to provide more detailed information including specific categories in the income tax rate reconciliation, and the breakdown of income or loss from continuing operations before income tax expense or benefit, for both domestic and foreign. Additionally, entities must disclose income tax expense or benefit from continuing operations, categorized by federal, state, and foreign taxes. The guidance further requires disclosure of income tax payments to various jurisdictions. The adoption did not have a material impact on the financial statements. See Note 8, "Income Taxes" for related disclosures.

Accounting Standards Issued But Not Adopted as of December 31, 2025

ASU 2024-03 Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses: The Financial Accounting Standards Board ("FASB") issued this update in November 2024, which requires public companies to provide additional disclosure of certain income statement expense line items. This guidance is intended to improve transparency around the nature of expenses and their impact on financial performance. The ASU is effective for fiscal periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027. Early adoption is permitted. Management is currently evaluating the impact of the changes required by the new standard on the Company's financial statements and related disclosures.

ASU 2025-05 Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets: The FASB issued this update in July 2025 to address the application of Topic 326 to current accounts receivable and current contract assets arising from transactions accounted for under Topic 606, *Revenue from Contracts with Customers*. The amendments provide a practical expedient permitting entities, when estimating expected credit losses for those balances, to assume that current conditions at the balance sheet date do not change over the remaining life of the asset. The ASU is effective for fiscal periods beginning after December 15, 2025, including interim periods within those years, with early adoption permitted. The Company expects to elect the practical expedient upon adoption. Management does not expect the changes under the new standard will have a material impact on the Company's financial statements and related disclosures.

ASU 2025-06 Intangibles Goodwill and Other Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software: The FASB issued this update in September 2025, which removes prescriptive development stages and establishes a probable-to-complete recognition threshold under which capitalization of software development costs begins when management has authorized and committed to funding the project and it is probable the project will be completed and used as intended. The ASU is effective for fiscal periods beginning after December 15, 2027, including interim periods within those years, with early adoption permitted. Management is currently evaluating the impact of the changes under the new standard on the Company's financial statements and related disclosures.

ASU 2025-10 Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities: The FASB issued this update in December 2025, which establishes authoritative guidance on the accounting for government grants, including grants related to an asset and grants related to income. The amendments, largely aligned with International Accounting Standards 20, IAS 20, Accounting for Government Grants and Disclosure of Government Assistance ("IAS 20"), require that a government grant not be recognized until it is probable the Company will comply with the conditions attached to the grant and that the grant will be received. The amendments further codify specific recognition approaches for asset-related grants and for income-related grants, with presentation as income or deducted from the related expense. The ASU is effective for fiscal periods beginning after December 15, 2028, including interim periods within those years, with early adoption permitted. Management is currently evaluating the impact of the changes under the new standard on the Company's financial statements and related disclosures.

Revenue Recognition

Eastman recognizes revenue when performance obligations of the sale are satisfied. Eastman sells to customers through master sales agreements or standalone purchase orders. The majority of the Company's terms of sale have a single performance obligation to transfer products. Accordingly, the Company recognizes revenue when control has been transferred to the customer, generally at the time of shipment of products.

Eastman accounts for shipping and handling as activities to fulfill the promise to transfer the good and does not allocate revenue to those activities. All related shipping and handling costs are recognized at the time of shipment. Amounts collected for sales or other similar taxes are presented net of the related tax expense rather than presenting them as additional revenue. The incremental cost of obtaining a sales contract is recognized as a selling expense when incurred given the potential amortization period for such an asset is one year or less. The possible existence of a significant financing component within a sales contract is ignored when the time between cash collection and performance is less than one year. Finally, the Company does not disclose any unfulfilled obligations as customer purchase order commitments have an original expected duration of one year or less and no consideration from customers is excluded from the transaction price.

The timing of Eastman's customer billings does not always match the timing of revenue recognition. When the Company is entitled to bill a customer in advance of the recognition of revenue, a contract liability is recognized. When the Company is not entitled to bill a customer until a period after the related recognition of revenue, a contract asset is recognized. Contract assets represent the Company's right to consideration for the exchange of goods under a contract but which are not yet billable to a customer for consignment inventory or pursuant to certain shipping terms. Contract liabilities were \$4 million and \$15 million as of December 31, 2025 and 2024, respectively, and are included as a part of "Payables and other current liabilities" and "Other long-term liabilities" in the Consolidated Statements of Financial Position. Contract assets were \$66 million and \$92 million as of December 31, 2025 and 2024, respectively, and are included as a component of "Miscellaneous receivables" in the Consolidated Statements of Financial Position.

For additional information, see Note 20, "Segment and Regional Sales Information".

Pension and Other Postretirement Benefits

Eastman maintains defined benefit pension and other postretirement benefits plans that provide eligible employees with retirement benefits. The estimated amounts of the costs and obligations related to these benefits reflect the Company's assumptions related to discount rates, expected return on plan assets, rate of compensation increase or decrease for employees, and health care cost trends. The estimated cost of providing plan benefits also depends on demographic assumptions including retirements, mortality, turnover, and plan participation.

Eastman's pension and other postretirement benefit plans costs consist of two elements: 1) ongoing costs recognized quarterly, which are comprised of service and interest costs, expected returns on plan assets, and amortization of prior service credits; and 2) mark-to-market ("MTM") gains and losses recognized annually, in the fourth quarter of each year, primarily resulting from changes in actuarial assumptions for discount rates and the differences between actual and expected returns on plan assets. Any interim remeasurements triggered by a curtailment, settlement, or significant plan changes are recognized in the quarter in which such remeasurement event occurs.

For additional information, see Note 11, "Retirement Plans".

Environmental Costs

Eastman recognizes environmental remediation costs when it is probable that the Company has incurred a liability at a contaminated site and the amount can be reasonably estimated. When a single amount cannot be reasonably estimated but the cost can be estimated within a range, the Company recognizes the minimum undiscounted amount. This undiscounted amount reflects liabilities expected to be paid within approximately 30 years and the Company's assumptions about remediation requirements at the contaminated site, the nature of the remedy, the outcome of discussions with regulatory agencies and other potentially responsible parties at multi-party sites, and the number and financial viability of other potentially responsible parties. Changes in the estimates on which the accruals are based, unanticipated government enforcement action, or changes in health, safety, environmental, and chemical control regulations and testing requirements could result in higher or lower costs.

The Company also establishes reserves for closure and post-closure costs associated with the environmental and other assets it maintains. Environmental assets include but are not limited to waste management units, such as landfills, water treatment facilities, and surface impoundments. When these types of assets are constructed or installed, a loss contingency reserve is established for the anticipated future costs associated with the retirement or closure of the asset based on its expected life and the applicable regulatory closure requirements. The Company recognizes the asset retirement obligations in the period in which they are incurred if a reasonable estimate of fair value can be made. The asset retirement obligations are discounted to expected present value and subsequently adjusted for changes in fair value. These future estimated costs are charged to earnings over the estimated useful life of the assets. If the Company changes its estimate of the environmental asset retirement obligation costs or its estimate of the useful lives of these assets, earnings will be impacted in the period the estimate is changed. The associated estimated asset retirement costs are capitalized as part of the carrying value of the long-lived assets and depreciated over their useful life and charged to "Cost of sales" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings.

Environmental costs are capitalized if they extend the life of the related property, increase its capacity, or mitigate the possibility of future contamination. The cost of operating and maintaining environmental control facilities is charged to "Cost of sales" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings, as incurred.

For additional information see Note 13, "Environmental Matters and Asset Retirement Obligations".

Share-Based Compensation

Eastman recognizes compensation expense in "Selling, general and administrative expense" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings for stock options and other share-based compensation awards based upon the grant-date fair value over the substantive vesting period.

For additional information, see Note 18, "Share-Based Compensation Plans and Awards".

Restructuring of Operations

Eastman records restructuring charges for costs incurred in connection with consolidation of operations, exited business or product lines, or shutdowns of specific sites that are expected to be substantially completed within twelve months. These restructuring charges are recorded as incurred, and are associated with site closures, legal and environmental matters, demolition, contract terminations, or other costs and charges directly related to the restructuring. The Company records severance charges for employee separations when the separation is probable and reasonably estimable. In the event employees are required to perform future service, the Company records severance charges ratably over the remaining service period of those employees.

For additional information, see Note 16, "Asset Impairments, Restructuring, and Other Charges, Net".

Income Taxes

The provision for income taxes has been determined using the asset and liability approach of accounting for income taxes. Under this approach, deferred taxes represent the future tax consequences expected to occur when the reported amounts of assets and liabilities are recovered or paid. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the year. Deferred taxes result from differences between the financial and tax bases of Eastman's assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. The recoverability of the Company's deferred tax assets are evaluated each quarter by assessing the likelihood of future profitability and available tax planning strategies that could be implemented to realize the Company's net deferred tax assets. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Provision has been made for income taxes on unremitted earnings of subsidiaries and affiliates, except for subsidiaries in which earnings are deemed to be indefinitely reinvested. The calculation of income tax liabilities involves uncertainties in the application of complex tax laws and regulations, which are subject to legal interpretation and management judgment. Eastman's income tax returns are regularly examined by federal, state and foreign tax authorities, and those audits may result in proposed adjustments. The Company has evaluated these potential issues under the more-likely-than-not standard of the accounting literature. A tax position is recognized if it meets this standard and is measured at the largest amount of benefit that has a greater than 50 percent likelihood of being realized. Such judgments and estimates may change based on audit settlements, court cases and interpretation of tax laws and regulations. The Company accrues interest related to unrecognized income tax positions, which is included as a component of the income tax provision on the balance sheet. The accrued interest related to unrecognized income tax positions and taxes resulting from the global intangible low-tax income are recorded as a component of the income tax provision.

For additional information, see Note 8, "Income Taxes".

Cash and Cash Equivalents

Cash and cash equivalents include cash, time deposits, and readily marketable securities with original maturities of three months or less.

Fair Value Measurements

Eastman records recurring and non-recurring financial assets and liabilities as well as all non-financial assets and liabilities subject to fair value measurement at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. These fair value principles prioritize valuation inputs across three broad levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument. Level 3 inputs are unobservable inputs based on the Company's assumptions used to measure assets and liabilities at fair value. An asset or liability's classification within the various levels is determined based on the lowest level input that is significant to the fair value measurement.

Accounts Receivable and Allowance for Credit Losses

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. Eastman maintains allowances for estimated credit losses, which are developed at a market, country, and region level based on risk of collection as well as current and forecasted economic conditions. The Company calculates the allowance based on an assessment of the risk when the accounts receivable is recognized. Write-offs are recorded at the time a customer receivable is deemed uncollectible. Allowance for credit losses were \$14 million and \$15 million as of December 31, 2025 and 2024, respectively. The Company does not enter into receivables of a long-term nature, also known as financing receivables, in the normal course of business.

Inventories

Inventories measured by the last-in, first-out ("LIFO") method are valued at the lower of cost or market and inventories measured by the first-in, first-out ("FIFO") method are valued at the lower of cost or net realizable value. Eastman determines the cost of most raw materials, work in process, and finished goods inventories in the United States and Switzerland by the LIFO method. The cost of all other inventories is determined by the average cost method, which approximates the FIFO method. The Company writes-down its inventories equal to the difference between the carrying value of inventory and the estimated market value or net realizable value based upon assumptions about future demand and market conditions.

For additional information, see Note 3, "Inventories".

Properties

Eastman records properties at cost. Maintenance and repairs are charged to earnings; replacements and betterments are capitalized. When Eastman retires or otherwise disposes of assets, it removes the cost of such assets and related accumulated depreciation from the accounts. The Company records any profit or loss on retirement or other disposition in "Cost of sales" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings. Asset impairments are reflected as increases in accumulated depreciation for properties that have been placed in service. In instances when an asset has not been placed in service and is impaired, the associated costs are removed from the appropriate property accounts.

For additional information, see Note 4, "Properties and Accumulated Depreciation" and Note 16, "Asset Impairments, Restructuring, and Other Charges, Net".

Depreciation and Amortization

Depreciation expense is calculated based on historical cost and the estimated useful lives of the assets, generally using the straight-line method. Estimated useful lives for buildings and building equipment generally range from 20 to 50 years. Estimated useful lives generally ranging from 3 to 33 years are applied to machinery and equipment in the following categories: computer software (3 to 5 years); office furniture and fixtures and computer equipment (5 to 10 years); vehicles, railcars, and general machinery and equipment (5 to 20 years); and manufacturing-related improvements (20 to 33 years). Accelerated depreciation is reported when the estimated useful life is shortened and continues to be reported in "Cost of sales" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings.

For additional information, see Note 4, "Properties and Accumulated Depreciation".

Amortization expense for definite-lived intangible assets is generally determined using a straight-line method over the estimated useful life of the asset. Amortization expense is reported in "Cost of sales" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings.

For additional information, see Note 5, "Goodwill and Other Intangible Assets".

Impairment of Long-Lived Assets***Definite-lived Assets***

Properties and equipment and definite-lived intangible assets to be held and used by Eastman are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The review of properties and equipment and the review of definite-lived intangible assets is performed at the asset group level, which is the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. If the carrying amount is not considered to be recoverable, an analysis of fair value is triggered. An impairment is recognized for the excess of the carrying amount of the asset over the estimated fair value.

Goodwill

Goodwill is an asset determined as the residual of the purchase price over the fair value of identified assets and liabilities acquired in a business combination. Eastman conducts testing of goodwill for impairment annually in the fourth quarter or more frequently when events and circumstances indicate an impairment may have occurred. The testing of goodwill is performed at the "reporting unit" level which the Company has determined to be its "components". Components are defined as an operating segment or one level below an operating segment, and in order to be a reporting unit, the component must (1) be a "business" as defined by applicable accounting standards (an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs, or other economic benefits directly to the investors or other owners, members, or participants); (2) have discrete financial information available; and (3) be reviewed regularly by Company operating segment management. The Company aggregates certain components into reporting units based on economic similarities. An impairment is recognized when the reporting unit's estimated fair value is less than its carrying value. The Company may use a qualitative analysis or a quantitative analysis in testing the carrying value of goodwill of each reporting unit for impairment. When the quantitative analysis is used, the Company uses an income approach, specifically a discounted cash flow model.

Indefinite-lived Intangible Assets

Eastman conducts testing of indefinite-lived intangible assets annually in the fourth quarter or more frequently when events and circumstances indicate an impairment may have occurred. The carrying value of an indefinite-lived intangible asset is considered to be impaired when the fair value, estimated by appraisal or based on discounted future cash flows of certain related products, is less than the respective carrying value.

Indefinite-lived intangible assets, consisting primarily of various tradenames, are tested for potential impairment by comparing the estimated fair value to the carrying amount. The Company may use a qualitative analysis or a quantitative analysis in testing the carrying value of indefinite-lived intangible assets for impairment. When the quantitative analysis is used, the Company uses an income approach, specifically the relief from royalty method. The estimated fair value of tradenames is determined based on an assumed royalty rate savings, discounted by the calculated market participant estimated weighted average cost of capital ("WACC") plus a risk premium.

For additional information, see Note 5, "Goodwill and Other Intangible Assets".

Leases

There are two types of leases: financing and operating. Both types of leases have associated right-to-use assets and lease liabilities that are valued at the net present value of the lease payments and recognized on the Consolidated Statements of Financial Position. The discount rate used in the measurement of a right-to-use asset and lease liability is the rate implicit in the lease whenever that rate is readily determinable. If the rate implicit in the lease is not readily determinable, the collateralized incremental borrowing rate is used. The Company elected the accounting policy not to apply the recognition and measurement requirements to short-term leases with a term of 12 months or less and do not include a bargain purchase option. Residual guarantee payments that become probable and estimable are recognized as rent expense over the remaining life of the applicable lease.

For lease accounting policies, see Note 12, "Leases and Other Commitments".

Investments

The consolidated financial statements include the accounts of Eastman and all its subsidiaries and entities or joint ventures in which a controlling interest is maintained. The Company includes its share of earnings and losses of such investments in "Net earnings attributable to Eastman" and "Comprehensive income attributable to Eastman" located in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings and in "Total equity" located in the Consolidated Statements of Financial Position.

Investments in affiliates over which the Company has significant influence but not a controlling interest are accounted for under the equity method of accounting. These investments are included in "Other noncurrent assets" in the Consolidated Statements of Financial Position. The Company includes its share of earnings and losses of such investments in "Other (income) charges, net" located in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings.

For additional information, see Note 6, "Equity Investments".

Derivative and Non-Derivative Financial Instruments

Eastman uses derivative and non-derivative instruments to manage its exposure to market risks, such as changes in foreign currency exchange rates, commodity prices, and interest rates. The Company does not enter into derivative transactions for speculative purposes.

The Company's derivative instruments are recognized as either assets or liabilities on the Consolidated Statements of Financial Position and measured at fair value. Hedge accounting will be discontinued prospectively for all hedges that no longer qualify for hedge accounting treatment.

For additional information, see Note 10, "Derivative and Non-Derivative Financial Instruments".

Litigation and Contingent Liabilities

From time to time, Eastman and its operations are parties to or targets of lawsuits, claims, investigations and proceedings, including product liability, personal injury, asbestos, patent and intellectual property, commercial, contract, environmental, antitrust, health and safety, and employment matters, which are handled and defended in the ordinary course of business. The Company accrues a contingent loss liability for such matters when it is probable that a liability has been incurred and the amount can be reasonably estimated. When a single amount cannot be reasonably estimated but the cost can be estimated within a range, the Company accrues the minimum amount. The Company expenses legal costs, including those expected to be incurred in connection with a loss contingency, as incurred.

For additional information, see Note 14, "Legal Matters".

Working Capital Management and Off-Balance Sheet Arrangements

The Company engages in off-balance sheet, uncommitted accounts receivable factoring programs as a routine part of its ordinary business operations. Through these programs, entire invoices may be sold to third-party financial institutions, the vast majority of which are without recourse. Under these agreements, the Company sells the invoices at face value, less a transaction fee, which substantially equals the carrying value and fair value with no gain or loss recognized, and no credit loss exposure is retained. Available capacity under these programs, which the Company uses as a routine source of working capital funding, is dependent on the level of accounts receivable eligible to be sold and the financial institutions' willingness to purchase such receivables. In addition, certain programs also require that the Company continue to service, administer, and collect the sold accounts receivable at market rates. The total amount of receivables sold in 2025 and 2024 were \$2.7 billion and \$2.7 billion, respectively.

The Company works with suppliers to optimize payment terms and conditions on accounts payable to enhance the timing of working capital and cash flows. As part of its supplier financing programs, suppliers may voluntarily sell receivables due from Eastman to a participating financial institution. Eastman's responsibility is limited to making payments on the terms originally negotiated with suppliers, and the range of payment terms Eastman negotiates with suppliers is consistent regardless of whether a supplier participates in the program. Either Eastman or a participating financial institution may terminate a supplier finance program upon 90 days' notice. Within these programs, the Company maintains a structured payables program that utilizes a payables processing arrangement with a financial institution to support the processing and settlement of freight and logistics invoices, whereby the financial institution remits payments to certain freight service providers based on invoices approved by the Company, and the Company reimburses the financial institution. There are no fees for participation in these programs; however, the Company pays fixed per-transaction fees for the invoice processing and payment services for the structured payables program.

Confirmed obligations in these programs of \$110 million and \$56 million at December 31, 2025 and 2024, respectively, are included in "Payables and other current liabilities" on the Consolidated Statements of Financial Position. The following table presents a rollforward of obligations confirmed as valid through these programs for the year ended December 31, 2025:

(Dollars in millions)	Confirmed obligations
Confirmed obligations outstanding at December 31, 2023	\$ 69
Invoices confirmed during 2024	418
Confirmed invoices paid during 2024	(431)
Confirmed obligations outstanding at December 31, 2024	56
Invoices confirmed during 2025	424
Confirmed invoices paid during 2025	(370)
Confirmed obligations outstanding at December 31, 2025	\$ 110

Government Grants

In the absence of explicit GAAP guidance on contributions received from government agencies, the Company applied by analogy the recognition and measurement guidance under IAS 20. The Company recognizes grants once it is probable that both of the following conditions will be met: (1) the Company is eligible to receive the grant, and (2) the Company is able to comply with the relevant conditions of the grant. Government grants whose primary condition is the purchase, construction, or acquisition of a long-lived asset are considered asset-based grants and are recognized as a reduction to such asset's cost basis, which reduces future depreciation expense. Proceeds received from asset-based grants are presented as cash inflows from investing activities on the Consolidated Statements of Cash Flows.

In 2024, the Company entered into a Cooperative Agreement ("the DOE grant") with the United States Department of Energy's ("DOE") Office of Clean Energy Demonstrations ("OCED") whereby certain costs incurred by the Company are reimbursed by the DOE. During the year ended December 31, 2024, pursuant to the DOE grant, the Company requested \$11 million in reimbursements from the DOE, of which \$9 million was received by the Company during 2024. The funds received reduced the carrying amount of certain fixed assets associated with the Company's Polyethylene Terephthalate Recycling Decarbonization Project in Longview, Texas (the "Project"), which were included in properties and equipment at December 31, 2024. The reduced carrying amount of the impacted assets is recognized in profit or loss over the life of the depreciable assets through reduced depreciation expense.

On May 29, 2025, the DOE terminated an award related to the Project. The Company continues to record reimbursements for amounts incurred prior to the date of the award termination and for which the Company is contractually entitled to under an assistance agreement with the DOE. The Company requested \$21 million in reimbursements related to activity prior to the date of the award termination and has received \$21 million in reimbursements from the DOE during the year. While waiting for a decision on reinstatement of the award, the Company is actively evaluating the impact of the termination on the project's scope, timeline, and carrying values of associated assets. The Company has prepared a settlement proposal in the event reinstatement is not obtained.

2. DIVESTITURES

Texas City Divestiture

On December 1, 2023, the Company completed the sale of its Texas City operations, which was reported in the Chemical Intermediates ("CI") segment ("Texas City Operations"). The sale excluded the plasticizer operations. The Company provided certain transition and post-closing services on agreed terms that were completed in 2024. The business was not reported as a discontinued operation because the sale did not have a major effect on the Company's operations and financial results.

The total consideration, after post-closing adjustments, was \$498 million. The divestiture resulted in a \$323 million gain.

The major classes of divested assets and liabilities as of the date of the divestiture were as follows:

(Dollars in millions)

Assets divested

Trade receivables, net of allowance for doubtful accounts	\$	12
Inventories		7
Other assets		17
Properties, net of accumulated depreciation		103
Goodwill		67
Intangible assets, net of accumulated amortization		3
Assets divested		<u>209</u>
Liabilities divested		
Payables and other current liabilities		10
Other liabilities		24
Liabilities divested		<u>34</u>
Disposal group, net	\$	<u><u>175</u></u>

3. INVENTORIES

(Dollars in millions)

	December 31,	
	2025	2024
Finished goods	\$ 1,361	\$ 1,321
Work in process	300	305
Raw materials and supplies	657	737
Total inventories at FIFO or average cost	<u>2,318</u>	<u>2,363</u>
Less: LIFO reserve	338	375
Total inventories	<u><u>\$ 1,980</u></u>	<u><u>\$ 1,988</u></u>

Inventories valued on the LIFO method were approximately 55 percent and 50 percent of total inventories at both December 31, 2025 and 2024, respectively. In 2025, an immaterial decrement was recognized due to inventory reduction actions, resulting in an increase to "Cost of sales" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings and a decrease to "Inventories" in the Consolidated Statements of Financial Position.

4. PROPERTIES AND ACCUMULATED DEPRECIATION

(Dollars in millions)

	December 31,	
	2025	2024
Properties		
Land	\$ 111	\$ 111
Buildings	1,573	1,531
Machinery and equipment	12,022	11,566
Construction in progress	801	777
Properties and equipment at cost	<u>\$ 14,507</u>	<u>\$ 13,985</u>
Less: Accumulated depreciation	8,776	8,370
Net properties	<u><u>\$ 5,731</u></u>	<u><u>\$ 5,615</u></u>

Depreciation expense was \$425 million, \$419 million, and \$405 million for 2025, 2024, and 2023, respectively.

Cumulative construction-period interest of \$134 million and \$117 million, reduced by accumulated depreciation of \$57 million and \$51 million, is included in net properties at December 31, 2025 and 2024, respectively.

Eastman capitalized \$15 million, \$17 million, and \$18 million of interest in 2025, 2024, and 2023, respectively.

5. GOODWILL AND OTHER INTANGIBLE ASSETS

Below is a summary of the change in goodwill during 2025 and 2024.

(Dollars in millions)	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Other	Total
Balance at December 31, 2023	\$ 1,330	\$ 2,182	\$ 124	\$ 10	\$ 3,646
Acquisition ⁽¹⁾	4	—	—	—	4
Currency translation and other adjustments	(3)	(10)	(5)	—	(18)
Balance at December 31, 2024	\$ 1,331	\$ 2,172	\$ 119	\$ 10	\$ 3,632
Currency translation and other adjustments	6	19	8	—	33
Balance at December 31, 2025	\$ 1,337	\$ 2,191	\$ 127	\$ 10	\$ 3,665

⁽¹⁾ Measurement period adjustments related to prior year acquisition.

The reported balance of goodwill included accumulated impairment losses of \$106 million, \$12 million, and \$14 million in the Additives & Functional Products ("AFP") segment, Chemical Intermediates ("CI") segment, and other segments, respectively, at both December 31, 2025 and 2024.

The carrying amounts of intangible assets follow:

(Dollars in millions)	Estimated Useful Life in Years	December 31, 2025			December 31, 2024		
		Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Amortizable intangible assets:							
Customer relationships	10 - 25	\$ 1,125	\$ 691	\$ 434	\$ 1,141	\$ 649	\$ 492
Technology	10 - 20	529	399	130	519	378	141
Other	16 - 37	95	40	55	86	36	50
Indefinite-lived intangible assets:							
Tradenames		351	—	351	349	—	349
Total identified intangible assets		\$ 2,100	\$ 1,130	\$ 970	\$ 2,095	\$ 1,063	\$ 1,032

Amortization expense of definite-lived intangible assets was \$79 million, \$82 million, and \$86 million for 2025, 2024, and 2023, respectively. Estimated amortization expense for future periods is \$78 million in 2026, \$71 million in 2027, \$67 million in 2028, \$62 million in 2029, and \$59 million in 2030.

6. EQUITY INVESTMENTS

Eastman owns a 50 percent or less interest in joint ventures which are accounted for under the equity method. As of December 31, 2025 and 2024, the Company owns a 50 percent interest for the manufacture of compounded cellulose diacetate ("CDA") in Shenzhen, China. CDA is a bio-derived material, which is used in various injection molded applications, including but not limited to ophthalmic frames, tool handles, and other end-use products. The Company also owns a 45 percent interest in a joint venture with China National Tobacco Corporation that manufactures acetate tow in Hefei, China. These equity investments also include a 40 percent interest in a joint venture facility in Kingsport, Tennessee that manufactures acetylated wood. At December 31, 2025 and 2024, the Company's total equity investments were \$110 million and \$114 million, respectively, included in "Other noncurrent assets" in the Consolidated Statements of Financial Position.

7. PAYABLES AND OTHER CURRENT LIABILITIES

	December 31,	
	2025	2024
(Dollars in millions)		
Trade creditors	\$ 1,211	\$ 1,309
Accrued payrolls, vacation, and variable-incentive compensation	171	231
Accrued taxes	232	290
Other	452	428
Total payables and other current liabilities	<u>\$ 2,066</u>	<u>\$ 2,258</u>

The "Other" above consists primarily of accruals for dividends payable to shareholders, post-employment obligations, interest payable, the current portion of operating lease liabilities, hedging liabilities, and miscellaneous accruals.

8. INCOME TAXES

Components of earnings before income taxes and the provision for U.S. and other income taxes from operations follow:

	For years ended December 31,		
	2025	2024	2023
(Dollars in millions)			
Earnings before income taxes			
United States	\$ (24)	\$ 147	\$ 357
Outside the United States	592	931	730
Total	<u>\$ 568</u>	<u>\$ 1,078</u>	<u>\$ 1,087</u>
Provision for income taxes			
United States Federal			
Current	\$ (146)	\$ 36	\$ 133
Deferred	77	(80)	(39)
Outside the United States			
Current	113	176	153
Deferred	8	41	(35)
State			
Current	(15)	10	7
Deferred	56	(13)	(28)
Total	<u>\$ 93</u>	<u>\$ 170</u>	<u>\$ 191</u>

The following represents the deferred tax (benefit) charge recorded as a component of "Accumulated other comprehensive income (loss)" ("AOCI") in the Consolidated Statements of Financial Position:

	For years ended December 31,		
	2025	2024	2023
(Dollars in millions)			
Cumulative translation adjustment	\$ (43)	\$ 19	\$ 11
Defined benefit pension and other postretirement benefit plans	48	(3)	(6)
Derivatives and hedging	(10)	11	(9)
Total	<u>\$ (5)</u>	<u>\$ 27</u>	<u>\$ (4)</u>

Total income tax expense (benefit) included in the consolidated financial statements was composed of the following:

(Dollars in millions)	For years ended December 31,		
	2025	2024	2023
Earnings before income taxes	\$ 93	\$ 170	\$ 191
Other comprehensive income	(5)	27	(4)
Total	\$ 88	\$ 197	\$ 187

Differences between the provision for income taxes and income taxes computed using the U.S. Federal statutory income tax rate follow:

(Dollars in millions)	For years ended December 31,			
	2025	2024	2023	
	\$	%		
Amount computed using the statutory rate	\$ 119	21%	\$ 226	\$ 228
State and local tax effects, net of federal benefit ⁽¹⁾	62	11%	(21)	(26)
Foreign tax effects			(31)	(78)
Barbados				
Effects of rates different than statutory	(6)	(1)%		
Other	3	—%		
Belgium				
Effects of rates different than statutory	3	—%		
Income subject to cross border tax	(12)	(2)%		
Other	5	1%		
Luxembourg				
Effects of rates different than statutory	7	1%		
Changes in valuation allowance	8	1%		
Foreign currency	11	2%		
Interest	14	2%		
OECD Pillar Two taxes	22	4%		
Other	3	—%		
Netherlands				
Interest	23	4%		
Other	(3)	—%		
Singapore				
Changes in valuation allowance	(12)	(2)%		
Other	(2)	—%		
Switzerland				
Effects of rates different than statutory	(45)	(8)%		
Other	9	2%		
Other Foreign Jurisdictions	6	1%		
Effects of cross border tax laws, net of credits			(5)	22
Net controlled foreign corporation tested income	15	3%		
Subpart F income	17	3%		
Foreign entities checked into the U.S.	(10)	(2)%		
Tax credits	(39)	(7)%	(64)	(81)
Changes in valuation allowances	32	6%		
Nontaxable or nondeductible items				
Interest	7	1%		
Changes in unrecognized tax benefits	(141)	(25)%	40	105
Divestitures	—	—%	7	14
Other	(3)	—%	18	7
Provision for income taxes	\$ 93		\$ 170	\$ 191
Effective income tax rate		16 %	16 %	18 %

⁽¹⁾ Tennessee makes up the majority of the state tax effect.

The 2025 provision for income taxes includes decreases related to changes in unrecognized tax benefits and tax credits, offset by an increase related to foreign tax effects due to the Company's mix of earnings.

The 2024 provision for income taxes includes decreases related to tax credits and foreign tax effects due to the Company's mix of earnings, offset by increases related to changes in unrecognized tax benefits.

The 2023 provision for income taxes includes decreases related to tax credits and foreign tax effects due to the Company's mix of earnings, offset by an increase related to changes in unrecognized tax benefits.

The significant components of deferred tax assets and liabilities follow:

(Dollars in millions)	December 31,	
	2025	2024
Deferred tax assets		
Post-employment obligations	\$ 67	\$ 132
Net operating loss carryforwards	650	657
Tax credit carryforwards	360	313
Environmental contingencies	75	68
Capitalized research and development expenses	386	421
Other	224	198
Total deferred tax assets	1,762	1,789
Less: Valuation allowance	731	686
Deferred tax assets less valuation allowance	\$ 1,031	\$ 1,103
Deferred tax liabilities		
Property, plant, and equipment	\$ (1,008)	\$ (961)
Intangible assets	(240)	(251)
Deferred gain	(166)	(166)
Other	(155)	(149)
Total deferred tax liabilities	\$ (1,569)	\$ (1,527)
Net deferred tax liabilities	\$ (538)	\$ (424)
As recorded in the Consolidated Statements of Financial Position:		
Other noncurrent assets	\$ 131	\$ 109
Deferred income tax liabilities	(669)	(533)
Net deferred tax liabilities	\$ (538)	\$ (424)

At December 31, 2025, foreign net operating loss carryforwards totaled \$2.5 billion. Of this amount, \$800 million will expire in 1 to 20 years and \$1.7 billion of the carryforwards have no expiration date. A valuation allowance of approximately \$524 million has been provided against foreign net operating loss carryforwards and other foreign deferred income tax balances.

At December 31, 2025, there were no federal net operating loss carryforwards available to offset future taxable income. At December 31, 2025, foreign tax credit carryforwards of approximately \$136 million were available to reduce possible future U.S. income taxes, which expire from 2029 to 2036. A partial valuation allowance of \$135 million has been established for foreign tax credit carryforwards as of December 31, 2025.

At December 31, 2025, a partial valuation allowance of \$47 million has been provided against state tax credits that the Company may not be able to utilize. A partial valuation allowance of \$23 million has been established for the Solutia, Inc. ("Solutia") state net operating loss carryforwards.

Valuation allowances will be retained until there is sufficient positive evidence to conclude that it is more likely than not that the deferred tax assets will be realized, or the related statute expires.

All foreign earnings, with the exception of short-term liquid assets on certain foreign subsidiaries, including basis differences, continue to be considered indefinitely reinvested. The Company has not determined the deferred tax liability associated with these unremitted earnings and basis differences, as such determination is not practicable.

Amounts due to and from tax authorities as recorded in the Consolidated Statements of Financial Position:

(Dollars in millions)	December 31,	
	2025	2024
Miscellaneous receivables	\$ 68	\$ 73
Payables and other current liabilities	\$ 190	\$ 229
Other long-term liabilities	162	302
Total income taxes payable	\$ 352	\$ 531

Cash paid (net of refunds) for income taxes:

(Dollars in millions)	December 31,
	2025
United States	\$ 23
Outside the United States	131
States	5
Total income taxes paid (net of refunds)	\$ 159

Cash paid (net of refunds) for income taxes:

(Dollars in millions)	December 31,
	2025
Barbados	\$ 11
Belgium	20
China	16
Mexico	10
Malaysia	16
Netherlands	25
Singapore	9
United States	23
All other	29
Total income taxes paid (net of refunds)	\$ 159

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

(Dollars in millions)	2025	2024	2023
	Balance at January 1	\$ 321	\$ 320
Adjustments based on tax positions related to current year	13	27	33
Adjustments based on tax positions related to prior years	(123)	3	68
Lapse of statute of limitations	(15)	(6)	(9)
Settlements	(13)	(23)	(7)
Balance at December 31 ⁽¹⁾	\$ 183	\$ 321	\$ 320

⁽¹⁾ All of the unrecognized tax benefits as of December 31, 2025, would, if recognized, impact the Company's effective tax rate.

A reconciliation of the beginning and ending amounts of accrued interest related to unrecognized tax positions is as follows:

(Dollars in millions)	2025	2024	2023
Balance at January 1	\$ 55	\$ 39	\$ 22
Expense for interest, net of tax	10	18	17
Income for interest, net of tax	(39)	(2)	—
Balance at December 31	<u>\$ 26</u>	<u>\$ 55</u>	<u>\$ 39</u>

Accrued penalties related to unrecognized tax positions were immaterial as of December 31, 2025, 2024, and 2023.

Eastman files federal income tax returns in the U.S. and income tax returns in various state and foreign jurisdictions. The Company is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2017. With few exceptions, Eastman is no longer subject to foreign, state, and local income tax examinations by tax authorities for years before 2015. Solutia and related subsidiaries are no longer subject to state and local income tax examinations for years before 2002.

9. BORROWINGS

	December 31,	
	2025	2024
(Dollars in millions)		
Borrowings consisted of:		
3.80% notes due March 2025	\$ —	\$ 450
1.875% notes due November 2026 ⁽¹⁾	586	518
7.60% debentures due February 2027	196	196
4.5% notes due December 2028	497	496
5.0% notes due August 2029	743	495
5.75% notes due March 2033 ⁽²⁾	496	496
5.625% notes due February 2034	744	743
4.8% notes due September 2042	495	495
4.65% notes due October 2044	880	878
2027 Term Loan	150	250
Total borrowings	4,787	5,017
Less: Borrowings due within one year	586	450
Long-term borrowings	\$ 4,201	\$ 4,567

- (1) The carrying value of the euro-denominated 1.875% notes due November 2026 fluctuates with changes in the euro to U.S. dollar exchange rate. The carrying value of these euro-denominated borrowings have been designated as non-derivative net investment hedges of a portion of the Company's net investments in euro functional-currency denominated subsidiaries to offset foreign currency fluctuations.
- (2) Net proceeds from the bond issuance have been used to finance or refinance existing and future eligible green investment initiatives which contribute to Eastman's environmental sustainability strategy (a green bond).

In 2025, the Company issued an additional \$250 million aggregate principal amount of the 5.0% notes due August 2029 in a registered public offering (the "2029 Notes"), which was originally issued in August 2024, resulting in an aggregate principal amount of \$750 million. The net proceeds from the 2025 issuance were \$246 million. In 2025, the Company also repaid the \$450 million 3.80% notes due March 2025. There were no debt extinguishment costs associated with the repayment of this debt. All proceeds from the issued notes and the redemption of the 3.80% notes are reported under financing activities on the Consolidated Statements of Cash Flows.

Credit Facility, Term Loans, and Commercial Paper Borrowings

The Company has access to a \$1.50 billion revolving credit agreement (the "Credit Facility"), in which borrowings under the Credit Facility are subject to interest at varying spreads above quoted market rates and a commitment fee is paid on the total unused commitment. The Credit Facility provides available liquidity for general corporate purposes and supports commercial paper borrowings. Commercial paper borrowings are classified as short-term. In December 2025, the Credit Facility was amended to remove the sustainability-linked pricing terms from the agreement. In February 2026, the Credit Facility was amended to extend the maturity to February 2031 and to temporarily adjust the maximum leverage ratio covenant through the fiscal quarter ending June 30, 2027 in the event of further macroeconomic uncertainty impacting operating results. All other material terms of the Credit Facility remain unchanged. At December 31, 2025 and 2024, the Company had no outstanding borrowings under the Credit Facility and no commercial paper borrowings.

In 2025, the Company repaid \$100 million of the remaining \$250 million five-year term loan (the "2027 Term Loan"). There were no extinguishment costs associated with the partial repayment of the 2027 Term Loan. The outstanding balance on the 2027 Term Loan was \$150 million at December 31, 2025 and \$250 million at December 31, 2024, with variable interest rates of 5.14% and 5.58%, respectively. The 2027 Term Loan is subject to interest at a spread above quoted market rates.

The Credit Facility and the 2027 Term Loan contain customary covenants, including requirements to maintain certain financial ratios, that determine the events of default, amounts available, and terms of borrowings. The Company was in compliance with all applicable covenants at both December 31, 2025 and 2024.

Fair Value of Borrowings

Eastman has classified its total borrowings at December 31, 2025 and 2024 under the fair value hierarchy as defined in the accounting policies in Note 1, "Significant Accounting Policies". The fair value for fixed-rate debt securities is based on quoted market prices for the same or similar debt instruments and is classified as Level 2. The fair value for the Company's other borrowings under the Term Loan equals the carrying value and is classified as Level 2. At December 31, 2025 and 2024, the fair value of total borrowings was \$4.7 billion and \$4.9 billion, respectively. The Company had no borrowings classified as Level 1 or Level 3 as of December 31, 2025 and 2024.

10. DERIVATIVE AND NON-DERIVATIVE FINANCIAL INSTRUMENTS**Overview of Hedging Programs**

Eastman is exposed to market risks, such as changes in foreign currency exchange rates, commodity prices, and interest rates. To mitigate these market risks and their effects on the cash flows of the underlying transactions and investments in foreign subsidiaries, the Company uses various derivative and non-derivative financial instruments, when appropriate, in accordance with the Company's hedging strategy and policies. Designation is performed on a specific exposure basis to support hedge accounting. The Company does not enter into derivative transactions for speculative purposes.

Cash Flow Hedges

Cash flow hedges are derivative instruments designated as and used to hedge the exposure to variability in expected future cash flows that are attributable to a particular risk. The derivative instruments that are designated and qualify as a cash flow hedge are reported on the balance sheet at fair value and the changes in fair value of these hedging instruments are offset in part or in whole by corresponding changes in the anticipated cash flows of the underlying exposures being hedged. The change in the hedge instrument is reported as a component of AOCI located in the Consolidated Statements of Financial Position and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Cash flows from cash flow hedges are classified as operating activities in the Consolidated Statements of Cash Flows.

Foreign Currency Exchange Rate Hedging

Eastman manufactures and sells its products in a number of countries throughout the world and, as a result, is exposed to changes in foreign currency exchange rates. To manage the volatility relating to these exposures, the Company nets the exposures on a consolidated basis to take advantage of natural offsets. To manage the remaining exposure, the Company enters into currency option and forward cash flow hedges to hedge probable anticipated, but not yet committed, export sales and purchase transactions expected within a rolling three year period and denominated in foreign currencies (principally the euro). Additionally, the Company, from time to time, enters into forward exchange contracts to hedge certain firm commitments denominated in foreign currencies.

In 2024, the Company de-designated and monetized certain forward cash flow hedges. The resulting unrealized gain of \$13 million was recorded in AOCI and was primarily recognized in earnings in 2025 as the underlying forecasted transactions impacted earnings.

Commodity Hedging

Certain raw material and energy sources used by Eastman, as well as sales of certain commodity products by the Company, are subject to price volatility caused by weather, supply and demand conditions, economic variables, and other unpredictable factors. This volatility is primarily related to the market pricing of benzene, ethane, ethylene, natural gas, paraxylene, and propane. In order to mitigate expected fluctuations in market prices, from time to time, the Company enters into option and forward contracts and designates these contracts as cash flow hedges. The Company currently hedges commodity price risks using derivative financial instrument transactions within a rolling three year period. The Company weights its hedge portfolio more heavily in the first year with declining coverage over the remaining periods.

Interest Rate Hedging

Eastman's policy is to manage interest expense using a mix of fixed and variable rate debt. To manage interest rate risk effectively, the Company, from time to time, enters into cash flow interest rate derivative instruments, primarily forward starting swaps and treasury locks, to hedge the Company's exposure to movements in interest rates prior to anticipated debt offerings. These instruments are designated as cash flow hedges.

Fair Value Hedges

Fair value hedges are defined as derivative or non-derivative instruments designated as and used to hedge the exposure to changes in the fair value of an asset or a liability or an identified portion thereof that is attributable to a particular risk. The derivative instruments that are designated and qualify as fair value hedges are reported as "Short-term borrowings" or "Long-term borrowings" on the Consolidated Statements of Financial Position at fair value and the changes in fair value of these hedging instruments are offset in part or in whole by corresponding changes in the anticipated fair value of the underlying exposures being hedged. The net of the change in the hedge instrument and item being hedged for qualifying fair value hedges is recognized in earnings in the same period or periods during which the hedged transaction affects earnings. Cash flows from fair value hedges are classified as operating activities in the Consolidated Statements of Cash Flows.

Interest Rate Hedging

Eastman's policy is to manage interest expense using a mix of fixed and variable rate debt. To manage the Company's mix of fixed and variable rate debt effectively, from time to time, the Company enters into interest rate swaps in which the Company agrees to exchange the difference between fixed and variable interest amounts calculated by reference to an agreed upon notional principal amount. These swaps are designated as hedges of the fair value of the underlying debt obligations and the interest rate differential is reflected as an adjustment to interest expense over the life of the swaps.

In 2024, the Company settled \$75 million notional amount designated as an interest rate swap on the 3.80% notes due March 2025, resulting in an immaterial cash loss which is included as part of operating activities in the Consolidated Statements of Cash Flows.

Net Investment Hedges

Net investment hedges are defined as derivative or non-derivative instruments designated as and used to hedge the foreign currency exposure of the net investment in certain foreign operations. The net of the change in the hedge instrument and item being hedged for qualifying net investment hedges is reported as a component of the "Cumulative Translation Adjustment" ("CTA") within AOCI located in the Consolidated Statements of Financial Position. Cash flows from the CTA component are classified as operating activities in the Consolidated Statements of Cash Flows. Recognition in earnings of amounts previously recognized in CTA is limited to circumstances such as complete or substantially complete liquidation of the net investment in the hedged foreign operation. In the event of a complete or substantially complete liquidation of the net investment, cash flows from net investment hedges are classified as investing activities in the Consolidated Statements of Cash Flows.

For derivative cross-currency interest rate swap net investment hedges, gains and losses representing hedge components excluded from the assessment of effectiveness are recognized in CTA within AOCI and recognized in earnings through the periodic swap interest accruals. The cross-currency interest rate swaps designated as net investment hedges are included as part of "Other long-term liabilities", "Other noncurrent assets", "Payables and other current liabilities", or "Other current assets" on the Consolidated Statements of Financial Position. Cash flows from excluded components are classified as operating activities in the Consolidated Statements of Cash Flows.

Eastman enters into fixed-to-fixed cross-currency swaps and designates these swaps to hedge a portion of its net investment in a non-U.S. dollar functional currency denominated subsidiary against foreign currency fluctuations. These contracts involve the exchange of fixed U.S. dollars with fixed foreign currency interest payments periodically over the life of the contracts and an exchange of the notional amounts at maturity.

In 2025, the Company entered into fixed-to-fixed cross-currency swaps of \$50 million (¥7.9 billion) maturing December 2028, \$50 million (€48 million) maturing December 2028, \$250 million (€226 million) maturing August 2029, and \$250 million (€226 million) maturing February 2034.

Additionally, in 2025, Eastman voluntarily terminated and reentered into fixed-to-fixed cross-currency swaps of \$245 million (€229 million terminated; €236 million reentered) maturing December 2028, and \$300 million (€282 million terminated; €290 million reentered) maturing March 2033. The Company also voluntarily terminated fixed-to-fixed cross-currency swaps of \$50 million (¥7.4 billion) maturing March 2025, and \$375 million (€351 million) maturing March 2025. The termination of cross-currency swaps in 2025 resulted in a \$2 million loss recognized in CTA. The related cash flows were classified as investing activities in the Consolidated Statements of Cash Flows.

In 2024, Eastman entered into fixed-to-fixed cross-currency swaps of \$50 million (€46 million) maturing December 2028, \$200 million (€184 million) maturing September 2029, and \$250 million (€230 million) maturing February 2034. Also in 2024, in conjunction with the repayment of the 7.25% debentures due January 2024, the Company terminated fixed-to-fixed cross-currency swaps of \$190 million (€165 million) maturing January 2024. The termination of the cross-currency swap resulted in a \$9 million gain recognized in CTA. Additionally, in conjunction with the partial repayment of the 3.80% notes due March 2025, the Company terminated a fixed-to-fixed cross-currency swap of \$120 million (€104 million) maturing in March 2025. The termination of this cross-currency swap resulted in a \$7 million gain recognized in CTA. The related cash flows were classified as investing activities in the Consolidated Statements of Cash Flows.

In 2023, Eastman entered into fixed-to-fixed cross-currency swaps of \$300 million (€283 million) maturing March 2033, \$50 million (¥6.7 billion) maturing March 2025, \$375 million (€340 million) maturing March 2025, and \$125 million (€113 million) maturing December 2028. Additionally, Eastman voluntarily terminated and reentered into fixed-to-fixed cross-currency swaps of \$375 million (€340 million terminated; €351 million reentered) maturing March 2025, \$305 million (€265 million terminated; €285 million reentered) maturing December 2028, and \$50 million (¥6.7 billion terminated; ¥7.4 billion reentered) maturing March 2025. The termination of cross-currency swaps in 2023 resulted in a \$34 million gain recognized in CTA. The related cash flows were classified as investing activities in the Consolidated Statements of Cash Flows.

Summary of Financial Position and Financial Performance of Hedging Instruments

The following table presents the notional amounts outstanding at December 31, 2025 and 2024 associated with Eastman's hedging programs.

<i>Notional Outstanding</i>	December 31, 2025	December 31, 2024
Derivatives designated as cash flow hedges:		
Foreign Exchange Forward and Option Contracts (in millions)		
EUR/USD (in EUR)	€357	€428
Commodity Forward and Collar Contracts		
Energy (in million british thermal units)	9	10
Derivatives designated as net investment hedges:		
Cross-currency interest rate swaps (in millions)		
EUR/USD (in EUR)	€1,707	€1,543
JPY/USD (in JPY)	¥7,885	¥7,385
Non-derivatives designated as net investment hedges:		
Foreign Currency Net Investment Hedges (in millions)		
EUR/USD (in EUR)	€499	€499

Fair Value Measurements

For additional information on fair value measurement, see Note 1, "Significant Accounting Policies".

All the Company's derivative assets and liabilities are currently classified as Level 2. Level 2 fair value is based on estimates using standard pricing models. These standard pricing models use inputs that are derived from, or corroborated by, observable market data such as interest rate yield curves and currency spot and forward rates. The fair value of commodity contracts is derived using forward curves supplied by an industry recognized and unrelated third party. In addition, on an ongoing basis, the Company compares a subset of its valuations against valuations received from the counterparties to validate the accuracy of its standard pricing models. The Company had no derivatives classified as Level 1 or Level 3 as of December 31, 2025 or December 31, 2024. Counterparties to these derivative contracts are highly rated financial institutions which the Company believes carry minimal risk of nonperformance, and the Company diversifies its positions among such counterparties to reduce its exposure to counterparty risk and credit losses. The Company monitors the creditworthiness of its counterparties on an ongoing basis. The Company did not realize a credit loss related to these counterparties during the years ended December 31, 2025 or 2024.

All the Company's derivative contracts are subject to master netting arrangements, or similar agreements, which provide for the option to settle contracts on a net basis when they settle on the same day and in the same currency. In addition, these arrangements provide for a net settlement of all contracts with a given counterparty in the event that the arrangement is terminated due to the occurrence of default or a termination event. The Company does not have any cash collateral due under such agreements.

The Company presents derivative contracts on a gross basis within the Consolidated Statements of Financial Position. The following table presents the financial assets and liabilities valued on a recurring and gross basis and includes where the financial assets and liabilities are located within the Consolidated Statements of Financial Position as of December 31, 2025 and 2024.

The Financial Position and Fair Value Measurements of Hedging Instruments on a Gross Basis

(Dollars in millions)

Derivative Type	Statements of Financial Position Location	December 31, 2025 Level 2	December 31, 2024 Level 2
Derivatives designated as cash flow hedges:			
Foreign exchange contracts	Other current assets	\$ 1	\$ 6
Foreign exchange contracts	Other noncurrent assets	—	3
Derivatives designated as net investment hedges:			
Cross-currency interest rate swaps	Other current assets	—	19
Cross-currency interest rate swaps	Other noncurrent assets	1	69
Total Derivative Assets		\$ 2	\$ 97
Derivatives designated as cash flow hedges:			
Commodity contracts	Payables and other current liabilities	\$ 7	\$ 4
Foreign exchange contracts	Payables and other current liabilities	19	—
Foreign exchange contracts	Other long-term liabilities	2	—
Derivatives designated as net investment hedges:			
Cross-currency interest rate swaps	Payables and other current liabilities	—	4
Cross-currency interest rate swaps	Other long-term liabilities	136	54
Total Derivative Liabilities		\$ 164	\$ 62
Total Net Derivative Assets (Liabilities)		\$ (162)	\$ 35

In addition to the fair value associated with derivative instruments designated as cash flow hedges and net investment hedges noted in the table above, the Company had a carrying value of \$586 million and \$518 million associated with non-derivative instruments designated as foreign currency net investment hedges as of December 31, 2025 and 2024, respectively. The designated foreign currency-denominated borrowings are included as part of "Borrowings due within one year" and "Long-term borrowings" within the Consolidated Statements of Financial Position.

The following table presents the effect of the Company's hedging instruments on Other comprehensive income (loss), net of tax ("OCI") and financial performance for the twelve months ended December 31, 2025, 2024, and 2023:

(Dollars in millions)	Change in amount of after tax gain/(loss) recognized in OCI on Derivatives			Pre-tax amount of gain/(loss) reclassified from AOCI into income		
	December 31,			December 31,		
	2025	2024	2023	2025	2024	2023
Hedging Relationships						
Derivatives in cash flow hedging relationships:						
Commodity contracts	\$ (2)	\$ 11	\$ (14)	\$ (5)	\$ (25)	\$ (10)
Foreign exchange contracts	(30)	20	(14)	(11)	8	12
Forward starting interest rate and treasury lock swap contracts	3	2	2	(4)	(3)	(3)
Non-derivatives in net investment hedging relationships (pre-tax):						
Net investment hedges	(67)	33	(30)	—	—	—
Derivatives in net investment hedging relationships (pre-tax):						
Cross-currency interest rate swaps	(239)	107	(32)	—	—	—
Cross-currency interest rate swaps excluded component	73	(26)	(42)	—	—	—

The following table presents the effect of fair value and cash flow hedge accounting on the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings for 2025, 2024, and 2023.

Location and Amount of Gain or (Loss) Recognized in Earnings on Fair Value and Cash Flow Hedging Relationships

(Dollars in millions)	Twelve Months								
	2025			2024			2023		
	Sales	Cost of Sales	Net interest expense	Sales	Cost of Sales	Net interest expense	Sales	Cost of Sales	Net interest expense
Total amounts of income and expense line items presented in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings in which the effects of fair value or cash flow hedges are recognized									
	\$ 8,752	\$ 6,908	\$ 208	\$ 9,382	\$ 7,092	\$ 200	\$ 9,210	\$ 7,149	\$ 215

The effects of fair value and cash flow hedging:

Gain or (loss) on fair value hedging relationships:									
Interest contracts (fixed-for-floating interest rate swaps):									
Hedged items			—			4			3
Derivatives designated as hedging instruments			—			(4)			(3)
Gain or (loss) on cash flow hedging relationships:									
Interest contracts (forward starting interest rate and treasury lock swap contracts):									
Amount reclassified from AOCI into earnings			(4)			(3)			(3)
Commodity Contracts:									
Amount reclassified from AOCI into earnings			(5)			(25)			(10)
Foreign Exchange Contracts:									
Amount reclassified from AOCI into earnings	(11)			8			12		

The Company enters into foreign exchange derivatives denominated in multiple currencies which are transacted and settled in the same quarter. These derivatives are not designated as hedges due to the short-term nature and the gains or losses on these derivatives are marked-to-market in the line item "Other (income) charges, net" of the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings. The Company recognized a net gain of \$11 million in 2025, a net gain of \$1 million in 2024, and net loss of \$5 million in 2023 on these derivatives.

Pre-tax monetized positions and MTM gains and losses from raw materials and energy, currency, and certain interest rate hedges that were included in AOCI included losses of \$119 million at December 31, 2025 and gains of \$154 million at December 31, 2024. The change in AOCI in 2025 compared to 2024 is primarily a result of an increase in foreign currency exchange rates, particularly the euro. If realized, approximately \$26 million in pre-tax losses will be reclassified into earnings during the next 12 months, including foreign exchange contracts prospectively dedesignated and monetized in 2024.

11. RETIREMENT PLANS

As described below, Eastman offers various postretirement benefits to its employees.

Defined Contribution Plans

Eastman sponsors a defined contribution employee stock ownership plan (the "ESOP"), which is a component of the Eastman Investment Plan and Employee Stock Ownership Plan ("EIP/ESOP"), under Section 401(a) of the Internal Revenue Code. Eastman made a contribution in February 2026 to the EIP/ESOP for substantially all U.S. employees equal to 5 percent of their eligible compensation for the 2025 plan year. Employees may allocate contributions to other investment funds within the EIP from the ESOP at any time without restrictions. Allocated shares in the ESOP totaled 1,813,962; 1,865,375; and 1,899,512 shares as of December 31, 2025, 2024, and 2023, respectively. Dividends on shares held by the EIP/ESOP are charged to retained earnings. All shares held by the EIP/ESOP are treated as outstanding in computing earnings per share ("EPS").

In 2006, the Company amended its EIP/ESOP to provide a Company match of 50 percent of the first 7 percent of an employee's compensation contributed to the plan for employees who are hired on or after January 1, 2007. Employees who are hired on or after January 1, 2007, are also eligible for the contribution to the ESOP as described above.

Charges for domestic contributions to the EIP/ESOP were \$83 million, \$81 million, and \$79 million for 2025, 2024, and 2023, respectively.

Defined Benefit Pension Plans and Other Postretirement Benefit Plans***Pension Plans***

Eastman maintains defined benefit pension plans that provide eligible employees with retirement benefits.

Effective January 1, 2000, the Company's Eastman Retirement Assistance Plan, a U.S. defined benefit pension plan, was amended. Employees' accrued pension benefits earned prior to January 1, 2000 are calculated based on previous plan provisions using the employee's age, years of service, and final average compensation as defined in the plans. The amended plan uses a pension equity formula to calculate an employee's retirement benefits from January 1, 2000 forward. Benefits payable will be the combined pre-2000 and post-1999 benefits. Employees hired on or after January 1, 2007 are not eligible to participate in Eastman's U.S. defined benefit pension plans.

Benefits are paid to employees from trust funds. Contributions to the trust funds are made as permitted by laws and regulations. The pension trust funds do not directly own any of the Company's common stock.

Pension coverage for employees of Eastman's non-U.S. operations is provided, to the extent deemed appropriate, through separate plans. The Company systematically provides for obligations under such plans by depositing funds with trustees, under insurance policies, or by book reserves.

Other Postretirement Benefit Plans

Under its other postretirement benefit plans in the U.S., Eastman provides life insurance for eligible retirees hired prior to January 1, 2007. Company funding is also provided for eligible Medicare retirees hired prior to January 1, 2007 with a health reimbursement arrangement. Certain of the Company's non-U.S. operations have supplemental health benefit plans for retirees, the cost of which is not significant to the Company.

Below is a summary balance sheet of the change in benefit obligation and plan assets during 2025 and 2024, the funded status of the plans and amounts recognized in the Consolidated Statements of Financial Position.

Summary of Changes

	Pension Plans				Postretirement Benefit Plans	
	2025		2024		2025	2024
	U.S.	Non-U.S.	U.S.	Non-U.S.		
(Dollars in millions)						
Change in projected benefit obligation:						
Benefit obligation, beginning of year	\$ 1,385	\$ 592	\$ 1,468	\$ 661	\$ 446	\$ 480
Service cost	19	7	21	9	—	—
Interest cost	71	26	73	24	20	24
Actuarial loss (gain)	47	(43)	(29)	(55)	31	(17)
Plan amendments and other	—	—	—	—	(208)	—
Plan participants' contributions	—	1	—	1	1	2
Effect of currency exchange	—	61	—	(25)	—	—
Benefits paid	(162)	(25)	(148)	(23)	(43)	(43)
Benefit obligation, end of year	<u>\$ 1,360</u>	<u>\$ 619</u>	<u>\$ 1,385</u>	<u>\$ 592</u>	<u>\$ 247</u>	<u>\$ 446</u>
Change in plan assets:						
Fair value of plan assets, beginning of year	\$ 1,266	\$ 624	\$ 1,348	\$ 639	\$ 101	\$ 104
Actual return on plan assets	166	(8)	62	16	13	3
Effect of currency exchange	—	65	—	(26)	—	—
Company contributions	5	17	4	17	36	35
Reserve for third party contributions	—	—	—	—	(5)	—
Plan participants' contributions	—	1	—	1	1	2
Benefits paid	(162)	(25)	(148)	(23)	(43)	(43)
Fair value of plan assets, end of year	<u>\$ 1,275</u>	<u>\$ 674</u>	<u>\$ 1,266</u>	<u>\$ 624</u>	<u>\$ 103</u>	<u>\$ 101</u>
Funded status at end of year	<u>\$ (85)</u>	<u>\$ 55</u>	<u>\$ (119)</u>	<u>\$ 32</u>	<u>\$ (144)</u>	<u>\$ (345)</u>
Amounts recognized in the Consolidated Statements of Financial Position consist of:						
Other noncurrent assets	\$ —	\$ 81	\$ —	\$ 58	\$ 63	\$ 57
Current liabilities	(2)	—	(4)	—	(26)	(36)
Post-employment obligations	(83)	(26)	(115)	(26)	(181)	(366)
Net amount recognized, end of year	<u>\$ (85)</u>	<u>\$ 55</u>	<u>\$ (119)</u>	<u>\$ 32</u>	<u>\$ (144)</u>	<u>\$ (345)</u>
Accumulated benefit obligation	<u>\$ 1,295</u>	<u>\$ 594</u>	<u>\$ 1,324</u>	<u>\$ 569</u>		
Amounts recognized in accumulated other comprehensive income consist of:						
Prior service (credit) cost	<u>\$ —</u>	<u>\$ (4)</u>	<u>\$ —</u>	<u>\$ (5)</u>	<u>\$ (198)</u>	<u>\$ —</u>

Actuarial losses in the projected benefit obligations for 2025 were primarily due to lower discount rates. Actuarial gains in the projected benefit obligations for 2024 were primarily due to higher discount rates.

In fourth quarter 2025, the Company amended a U.S. other postretirement benefit plan which triggered a remeasurement of the plan's obligations. The remeasurement resulted in a reduction to the accumulated postretirement benefit obligation of \$208 million, which will be amortized primarily over 5 years as a prior service credit from AOCI.

Information for pension plans with projected benefit obligations in excess of plan assets:

(Dollars in millions)	2025		2024	
	U.S.	Non-U.S.	U.S.	Non-U.S.
Projected benefit obligation	\$ 1,360	\$ 85	\$ 1,385	\$ 79
Fair value of plan assets	1,275	59	1,266	53

Information for pension plans with accumulated benefit obligations in excess of plan assets:

(Dollars in millions)	2025		2024	
	U.S.	Non-U.S.	U.S.	Non-U.S.
Accumulated benefit obligation	\$ 32	\$ 38	\$ 1,324	\$ 55
Fair value of plan assets	—	23	1,266	40

Postretirement benefit plans with accumulated benefit obligations in excess of plan assets are \$207 million and \$402 million at December 31, 2025 and 2024, respectively. The plans have no assets.

Summary of Benefit Costs and Other Amounts Recognized in Other Comprehensive Income

(Dollars in millions)	Pension Plans						Postretirement Benefit Plans		
	2025		2024		2023		2025	2024	2023
	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.			
Components of net periodic benefit (credit) cost:									
Service cost	\$ 19	\$ 7	\$ 21	\$ 9	\$ 23	\$ 7	\$ —	\$ —	\$ —
Interest cost	71	26	73	24	77	26	20	24	26
Expected return on plan assets	(89)	(31)	(95)	(28)	(88)	(22)	(5)	(5)	(4)
Amortization of:									
Prior service (credit) cost	—	(1)	—	(1)	—	—	(10)	(10)	(27)
Mark-to-market pension and other postretirement benefits loss (gain), net	(30)	(4)	4	(43)	49	18	28	(15)	(14)
Net periodic benefit (credit) cost	\$ (29)	\$ (3)	\$ 3	\$ (39)	\$ 61	\$ 29	\$ 33	\$ (6)	\$ (19)
Other changes in plan assets and benefit obligations recognized in other comprehensive income:									
Current year prior service credit (cost)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 208	\$ —	\$ —
Amortization of:									
Prior service (credit) cost	—	(1)	—	(1)	—	—	(10)	(10)	(27)
Total	\$ —	\$ (1)	\$ —	\$ (1)	\$ —	\$ —	\$ 198	\$ (10)	\$ (27)

Plan Assumptions

The assumptions used to develop the projected benefit obligation for Eastman's significant U.S. and non-U.S. defined benefit pension plans and U.S. postretirement benefit plans are provided in the following tables.

	Pension Plans						Postretirement Benefit Plans		
	2025		2024		2023		2025	2024	2023
	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.			
Weighted-average assumptions used to determine benefit obligations for years ended December 31:									
Discount rate	5.26 %	4.81 %	5.64 %	4.40 %	5.22 %	3.83 %	5.13 %	5.60 %	5.21 %
Interest crediting rate	5.43 %	N/A	5.44 %	N/A	5.46 %	N/A	N/A	N/A	N/A
Rate of compensation increase	3.00 %	3.04 %	3.00 %	3.04 %	3.00 %	3.04 %	N/A	N/A	N/A
Health care cost trend									
Initial							6.50 %	6.25 %	6.50 %
Decreasing to ultimate trend of							5.00 %	5.00 %	5.00 %
in year							2032	2030	2030

	U.S.		Non-U.S.		U.S.		Non-U.S.		U.S.		Non-U.S.	
	2025		2024		2023							
	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.
Weighted-average assumptions used to determine net periodic cost for years ended December 31:												
Discount rate	5.64 %	4.40 %	5.22 %	3.83 %	5.58 %	4.27 %	5.60 %	5.21 %	5.55 %			
Discount rate for service cost	5.64 %	3.70 %	5.22 %	3.38 %	5.59 %	3.95 %	N/A	N/A	N/A			
Discount rate for interest cost	5.35 %	4.40 %	5.15 %	3.83 %	5.46 %	4.27 %	5.25 %	5.16 %	5.43 %			
Expected return on assets	7.50 %	4.90 %	7.50 %	4.74 %	6.62 %	3.86 %	4.50 %	4.50 %	3.50 %			
Rate of compensation increase	3.00 %	3.04 %	3.00 %	3.04 %	3.00 %	3.04 %	N/A	N/A	N/A			
Interest crediting rate	5.44 %	N/A	5.46 %	N/A	5.48 %	N/A	N/A	N/A	N/A			
Health care cost trend												
Initial							6.25 %	6.50 %	6.00 %			
Decreasing to ultimate trend of							5.00 %	5.00 %	5.00 %			
in year							2030	2030	2030			

The Company calculates service and interest cost components of net periodic benefit costs for its significant defined benefit pension and other postretirement benefit plans by applying the specific spot rates along the yield curve to the plans' projected cash flows.

The fair value of plan assets for the U.S. pension plans at both December 31, 2025 and 2024 was \$1.3 billion, while the fair value of plan assets at December 31, 2025 and 2024 for non-U.S. pension plans was \$674 million and \$624 million, respectively. At both December 31, 2025 and 2024, the expected weighted-average long-term rate of return on U.S. pension plans assets was 7.50 percent. The expected weighted-average long-term rate of return on non-U.S. pension plan assets was 5.13 percent and 5.01 percent at December 31, 2025 and 2024, respectively.

Plan Assets

The following tables reflect the fair value of the defined benefit pension plans assets.

(Dollars in millions)

Description	Fair Value Measurements at December 31, 2025							
	Total Fair Value		Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)		Significant Unobservable Inputs (Level 3)	
	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.
Pension Assets:								
Cash and Cash Equivalents ⁽¹⁾	\$ 29	\$ 65	\$ 29	\$ 65	\$ —	\$ —	\$ —	\$ —
Public Equity - United States ⁽²⁾	6	—	6	—	—	—	—	—
Other Investments ⁽³⁾	—	54	—	—	—	—	—	54
Total Assets at Fair Value	\$ 35	\$ 119	\$ 35	\$ 65	\$ —	\$ —	\$ —	\$ 54
Investments Measured at Net Asset Value ⁽⁴⁾	1,240	555						
Total Assets	\$ 1,275	\$ 674						

(Dollars in millions)

Description	Fair Value Measurements at December 31, 2024							
	Total Fair Value		Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)		Significant Unobservable Inputs (Level 3)	
	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.
Pension Assets:								
Cash and Cash Equivalents ⁽¹⁾	\$ 18	\$ 40	\$ 18	\$ 40	\$ —	\$ —	\$ —	\$ —
Public Equity - United States ⁽²⁾	6	—	6	—	—	—	—	—
Other Investments ⁽³⁾	—	49	—	—	—	—	—	49
Total Assets at Fair Value	\$ 24	\$ 89	\$ 24	\$ 40	\$ —	\$ —	\$ —	\$ 49
Investments Measured at Net Asset Value ⁽⁴⁾	1,242	535						
Total Assets	\$ 1,266	\$ 624						

⁽¹⁾ Cash and Cash Equivalents: Funds generally invested in actively managed collective trust funds or interest bearing accounts.

⁽²⁾ Public Equity - United States: Common stock equity securities which are primarily valued using a market approach based on the quoted market prices.

⁽³⁾ Other Investments: Primarily consist of insurance contracts which are generally valued using a crediting rate that approximates market returns and investments in underlying securities whose market values are unobservable and determined using pricing models, discounted cash flow methodologies, or similar techniques.

⁽⁴⁾ Investments Measured at Net Asset Value: The underlying debt, public equity, and public real asset investments in this category are generally held in common trust funds, which are either actively or passively managed investment vehicles, that are valued at the net asset value per unit/share multiplied by the number of units/shares held as of the measurement date. The other alternative investments in this category are valued under the practical expedient method which is based on the most recently reported net asset value provided by the management of each private investment fund, adjusted as appropriate, for any lag between the date of the financial reports and the measurement date.

The following tables reflect the fair value of the postretirement benefit plan assets. The postretirement benefit plan is for the voluntary employees' beneficiary association ("VEBA") trust the Company assumed as part of the Solutia acquisition.

(Dollars in millions)

		Fair Value Measurements at December 31, 2025			
Description	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Postretirement Benefit Plan Assets:					
Cash and Cash Equivalents ⁽¹⁾	\$ 1	\$ 1	\$ —	\$ —	\$ —
Debt ⁽²⁾ :					
Fixed Income (U.S.)	65	\$ —	\$ 65	\$ —	\$ —
Fixed Income (Non-U.S.)	22	—	22	—	—
Total	\$ 88	\$ 1	\$ 87	\$ —	\$ —

(Dollars in millions)

		Fair Value Measurements at December 31, 2024			
Description	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Postretirement Benefit Plan Assets:					
Debt ⁽²⁾ :					
Fixed Income (U.S.)	\$ 64	\$ —	\$ 64	\$ —	\$ —
Fixed Income (Non-U.S.)	22	—	22	—	—
Total	\$ 86	\$ —	\$ 86	\$ —	\$ —

- ⁽¹⁾ Cash and Cash Equivalents: Funds generally invested in actively managed collective trust funds or interest bearing accounts.
- ⁽²⁾ Debt: The fixed income securities are primarily valued upon a market approach, using matrix pricing and considering a security's relationship to other securities for which quoted prices in an active market may be available, or an income approach, converting future cash flows to a single present value amount. Inputs used in developing fair value estimates include reported trades, broker quotes, benchmark yields, and base spreads.

The Company valued assets with unobservable inputs (Level 3), primarily insurance contracts, using a crediting rate that approximates market returns and investments in underlying securities whose market values are unobservable and determined using pricing models, discounted cash flow methodologies, or similar techniques.

		Fair Value Measurements Using Significant Unobservable Inputs (Level 3) Other Investments⁽¹⁾
		Non-U.S. Pension Plans
(Dollars in millions)		
Balance at December 31, 2023		\$ 51
Unrealized gains		(3)
Purchases, issuances, sales, and settlements		1
Balance at December 31, 2024		49
Unrealized gains		5
Balance at December 31, 2025		\$ 54

- ⁽¹⁾ Primarily consists of insurance contracts.

The following table reflects the target allocation for the Company's U.S. and non-U.S. pension and postretirement benefit plans assets for 2026 and the asset allocation at December 31, 2025 and 2024, by asset category.

Asset category	U.S. Pension Plans			Non-U.S. Pension Plans			Postretirement Benefit Plan		
	2026 Target Allocation	Plan Assets at December 31, 2025	Plan Assets at December 31, 2024	2026 Target Allocation	Plan Assets at December 31, 2025	Plan Assets at December 31, 2024	2026 Target Allocation	Plan Assets at December 31, 2025	Plan Assets at December 31, 2024
Equity securities	38%	41%	42%	27%	23%	23%	—%	—%	—%
Debt securities	36%	41%	37%	59%	60%	60%	100%	100%	100%
Real estate	8%	6%	6%	4%	4%	4%	—%	—%	—%
Other investments ⁽¹⁾	18%	12%	15%	10%	13%	13%	—%	—%	—%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

⁽¹⁾ U.S. primarily consists of private equity, private debt, and natural resource and energy related limited partnership investments. Non-U.S. primarily consists of annuity contracts and alternative investments.

Investment Strategy

Eastman's investment strategy for its defined benefit pension plans is to maximize the long-term rate of return on plan assets within an acceptable level of risk in order to meet or exceed the plan's actuarially assumed long-term rate of return and to minimize the cost of providing pension benefits. A periodic asset/liability study is conducted in order to assist in the determination and, if necessary, modification of the appropriate long-term investment policy for the plan. The investment policy establishes a target allocation range for each asset class and the fund is managed within those ranges. The plans use a number of investment approaches including investments in equity, real estate, and fixed income funds in which the underlying securities are marketable in order to achieve this target allocation. The plans also invest in private equity and other funds. Diversification is created through investments across various asset classes, geographies, fund managers, and individual securities. This investment process is designed to provide for a well-diversified portfolio with no significant concentration of risk. The investment process is monitored by an investment committee that includes senior management.

Eastman's investment strategy for its VEBA trust is to invest in intermediate-term, well diversified, high quality investment instruments, with a primary objective of capital preservation.

The expected rate of return for all plans was determined primarily by modeling the expected long-term rates of return for the categories of investments held by the plans and the targeted allocation percentage against various potential economic scenarios.

The Company made no contributions to its U.S. defined benefit pension plans in 2025 or 2024. For 2026 calendar year, there are no minimum required cash contributions for the U.S. defined benefit pension plans under the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code of 1986, as amended.

Benefit payments are made using a combination of plan assets and cash payments. Most of the Company's pension plans have plan assets that predominately cover pension benefit obligations. The estimated future benefit payments, reflecting expected future service, as appropriate, are as follows:

(Dollars in millions)	Pension Plans		Postretirement Benefit Plans
	U.S.	Non-U.S.	
2026	\$ 134	\$ 28	\$ 32
2027	134	32	32
2028	131	32	32
2029	126	34	31
2030	127	35	28
2031-2034	572	197	74

12. LEASES AND OTHER COMMITMENTS

Leases

There are two types of leases: financing and operating. Both types of leases have associated right-to-use assets and lease liabilities that are valued at the net present value of the lease payments and recognized on the Consolidated Statements of Financial Position. The discount rate used in the measurement of a right-to-use asset and lease liability is the rate implicit in the lease whenever that rate is readily determinable. If the rate implicit in the lease is not readily determinable, the collateralized incremental borrowing rate is used. The Company elected the accounting policy not to apply the recognition and measurement requirements to short-term leases with a term of 12 months or less and do not include a bargain purchase option.

The Company has operating leases, as a lessee, with customary terms that do not include: significant variable lease payments; significant reasonably certain extensions or options required to be included in the lease term; restrictions; or other covenants for real property, rolling stock, and machinery and equipment. Real property leases primarily consist of office space and rolling stock leases primarily for railcars and fleet vehicles. At December 31, 2025 and 2024, right-to-use assets for operating leases of \$191 million and \$164 million, respectively, are included as a part of "Other noncurrent assets" on the Consolidated Statements of Financial Position. At both December 31, 2025 and 2024, the operating right-to-use assets include \$3 million of assets previously classified as lease intangibles and \$6 million and \$7 million of prepaid lease assets, respectively. Operating lease liabilities are included as a part of "Payables and other current liabilities" and "Other long-term liabilities" on the Consolidated Statements of Financial Position. As of December 31, 2025, financing leases were not material to the Company's financial statements.

As of December 31, 2025, reconciliation of lease payments and operating lease liabilities is provided below:

(Dollars in millions)	Operating lease liabilities
2026	\$ 56
2027	44
2028	33
2029	21
2030	12
2031 and beyond	22
Total lease payments	188
Less: amounts of lease payments representing interest	15
Present value of future lease payments	173
Less: current obligations under leases	56
Long-term lease obligations	\$ 117

The Company has operating leases, primarily leases for railcars, with terms that require the Company to guarantee a portion of the residual value of the leased assets upon termination of the lease that will expire beginning first quarter 2026. Residual guarantee payments that become probable and estimable are recognized as rent expense over the remaining life of the applicable lease. Management's current expectation is that the likelihood of material residual guarantee payments is remote.

Lease costs during the period and other information is provided below:

(Dollars in millions)	<u>2025</u>	<u>2024</u>	<u>2023</u>
Lease costs:			
Operating lease costs	\$ 90	\$ 83	\$ 86
Short-term lease costs	36	31	23
Sublease income	(9)	(8)	(4)
Total	<u>\$ 117</u>	<u>\$ 106</u>	<u>\$ 105</u>

(Dollars in millions)	<u>2025</u>	<u>December 31, 2024</u>	<u>2023</u>
Other operating lease information:			
Cash paid for amounts included in the measurement of lease liabilities	\$ 88	\$ 82	\$ 85
Right-to-use assets obtained in exchange for new lease liabilities	\$ 48	\$ 32	\$ 28
Weighted-average remaining lease term, in years	4	6	6
Weighted-average discount rate	3.0 %	3.0 %	3.0 %

Debt and Other Commitments

Eastman's obligations are summarized in the following table.

(Dollars in millions)	Payments Due for						
	Debt Securities	Credit Facilities and Other	Interest Payable	Purchase Obligations	Operating Leases	Other Liabilities	Total
2026	\$ 586	\$ —	\$ 205	\$ 265	\$ 56	\$ 241	\$ 1,353
2027	196	150	183	245	44	83	901
2028	497	—	177	202	33	74	983
2029	743	—	162	129	21	75	1,130
2030	—	—	129	109	12	75	325
2031 and beyond	2,615	—	1,068	884	22	741	5,330
Total	<u>\$ 4,637</u>	<u>\$ 150</u>	<u>\$ 1,924</u>	<u>\$ 1,834</u>	<u>\$ 188</u>	<u>\$ 1,289</u>	<u>\$ 10,022</u>

Estimated future payments of debt securities assumes the repayment of principal upon stated maturity, and actual amounts and the timing of such payments may differ materially due to repayment or other changes in the terms of such debt prior to maturity.

Eastman had various purchase obligations at December 31, 2025 totaling \$1.8 billion over a period of approximately 25 years for materials, supplies, and energy incident to the ordinary conduct of business.

Amounts in other liabilities represent the current estimated cash payments required to be made by the Company primarily for pension and other postretirement benefits, accrued compensation benefits, environmental loss contingency estimates, uncertain tax liabilities, and commodity and foreign exchange hedging in the periods indicated. Due to uncertainties in the timing of the effective settlement of tax positions with respect to taxing authorities, management is unable to determine the timing of payments related to uncertain tax liabilities and these amounts are included in the "2031 and beyond" line item.

The amount and timing of pension and other postretirement benefit payments included in other liabilities is dependent upon interest rates, health care cost trends, actual returns on plan assets, retirement and attrition rates of employees, continuation or modification of the benefit plans, and other factors. Such factors can significantly impact the amount and timing of any future contributions by the Company. Excess contributions are periodically made by management in order to keep the plans' funded status above 80 percent under the funding provisions of the Pension Protection Act to avoid partial benefit restrictions on accelerated forms of payment. The Company's U.S. defined benefit pension plans are not currently under any benefit restrictions. See Note 11, "Retirement Plans", for more information regarding pension and other postretirement benefit obligations.

The resolution of uncertainties related to environmental matters included in other liabilities may have a material adverse effect on the Company's consolidated results of operations in the period recognized, however, because of the availability of legal defenses, the Company's preliminary assessment of actions that may be required, and, if applicable, the expected sharing of costs, management does not believe that the Company's liability for these environmental matters, individually or in the aggregate, will be material to the Company's consolidated financial position, results of operations, or cash flows. See "Environmental Costs" in Note 1, "Significant Accounting Policies", and see Note 13, "Environmental Matters and Asset Retirement Obligations", for more information regarding outstanding environmental matters and asset retirement obligations.

Guarantees and claims also arise during the ordinary course of business from relationships with customers, suppliers, joint venture partners, and other parties when the Company undertakes an obligation to guarantee the performance of others if specified triggering events occur. Non-performance under a contract could trigger an obligation of the Company. The Company's current other guarantees include guarantees relating to intellectual property, third-party debt, and other indemnifications and have arisen through the normal course of business. The ultimate effect on future financial results is not subject to reasonable estimation because considerable uncertainty exists as to the final outcome of these claims, if they were to occur. These other guarantees have remaining terms up to 15 years with maximum potential future payments of approximately \$146 million in the aggregate, with none of these guarantees being individually significant to the Company's operating results, financial position, or liquidity. Management's current expectation is that future payment or performance related to non-performance under other guarantees is remote. Eastman has letters of credit and surety bonds of approximately \$95 million as of December 31, 2025 to support commitments made in the ordinary course of business. The Company does not expect that any claims against or draws on these instruments would have a material adverse effect on the Company.

13. ENVIRONMENTAL MATTERS AND ASSET RETIREMENT OBLIGATIONS

Certain Eastman manufacturing facilities generate hazardous and nonhazardous wastes, of which the treatment, storage, transportation, and disposal are regulated by various governmental agencies. In connection with the cleanup of various hazardous waste sites, the Company, along with many other entities, has been designated a potentially responsible party ("PRP") by the U.S. Environmental Protection Agency under the Comprehensive Environmental Response, Compensation and Liability Act, which potentially subjects PRPs to joint and several liability for certain cleanup costs. In addition, the Company will incur costs for environmental remediation and closure and post-closure under the federal Resource Conservation and Recovery Act. Reserves for environmental contingencies have been established in accordance with Eastman's policies described in Note 1, "Significant Accounting Policies". The resolution of uncertainties related to environmental matters may have a material adverse effect on the Company's consolidated financial statements and related disclosures in the period recognized. However, because of the availability of legal defenses, the Company's preliminary assessment of actions that may be required, and the extended period of time that the obligations are expected to be satisfied, management does not believe that the Company's liability for these environmental matters, individually or in the aggregate, will have a material adverse effect on the Company's future overall financial position, results of operations, or cash flows.

Environmental Remediation and Environmental Asset Retirement Obligations

The Company's net environmental reserve for environmental contingencies, including remediation costs and asset retirement obligations, is included as part of "Other noncurrent assets", "Payables and other current liabilities", and "Other long-term liabilities" on the Consolidated Statements of Financial Position as follows:

(Dollars in millions)

	December 31,	
	2025	2024
Environmental contingencies, current	\$ 20	\$ 15
Environmental contingencies, long-term	298	269
Total	\$ 318	\$ 284

Environmental Remediation

Estimated future environmental expenditures for undiscounted remediation costs ranged from \$285 million to \$509 million and from \$252 million to \$495 million at December 31, 2025 and 2024, respectively. The best estimate or minimum estimated future environmental expenditures of \$285 million and \$252 million at December 31, 2025 and 2024, respectively, are considered to be probable and reasonably estimable.

Costs of certain remediation projects included in the environmental reserve are subject to a cost-sharing arrangement with Monsanto Company ("Monsanto") under the provisions of the Amended and Restated Settlement Agreement effective February 28, 2008 (the "Effective Date"), into which Solutia entered with Monsanto upon its emergence from bankruptcy (the "Monsanto Settlement Agreement"). Under the provisions of the Monsanto Settlement Agreement, Solutia, which became a wholly-owned subsidiary of Eastman on July 2, 2012, shares responsibility with Monsanto for remediation at certain locations outside of the boundaries of plant sites in Anniston, Alabama and Sauget, Illinois (the "Shared Sites"). Solutia is responsible for the funding of environmental liabilities at the Shared Sites up to a total of \$325 million from the Effective Date. If remediation costs for the Shared Sites exceed this amount, such costs will thereafter be shared equally between Solutia and Monsanto. Including payments by Solutia prior to its acquisition by Eastman, \$140 million had been paid for costs at the Shared Sites as of December 31, 2025. As of December 31, 2025, an additional \$229 million has been recognized for estimated future remediation costs at the Shared Sites, over a period of approximately 30 years.

Reserves for environmental remediation include liabilities expected to be paid within approximately 30 years. Eastman has letters of credit of approximately \$155 million to support certain environmental matters. The Company does not expect that any claims against or draws on these instruments would have a material adverse effect on the Company. The amounts charged to pre-tax earnings for environmental remediation and related charges are recognized in "Cost of sales" and "Other (income) charges, net" on the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings.

Changes in the reserves for environmental remediation liabilities during 2025 and 2024 are summarized below:

	Environmental Remediation Liabilities
(Dollars in millions)	
Balance at December 31, 2023	\$ 252
Changes in estimates recognized in earnings and other	13
Cash reductions	(13)
Balance at December 31, 2024	252
Changes in estimates recognized in earnings and other	48
Cash reductions	(15)
Balance at December 31, 2025	\$ 285

Environmental Asset Retirement Obligations

An asset retirement obligation is an obligation for the retirement of a tangible long-lived asset that is incurred upon the acquisition, construction, development, or normal operation of that long-lived asset. Environmental asset retirement obligations consist primarily of closure and post-closure costs. For sites that have environmental asset retirement obligations, the best estimate recognized to date for these environmental asset retirement obligation costs were \$33 million and \$32 million December 31, 2025 and December 31, 2024, respectively.

Other

Eastman's cash expenditures related to environmental protection and improvement were \$339 million, \$307 million, and \$314 million in 2025, 2024, and 2023, respectively, and include operating costs associated with environmental protection equipment and facilities, engineering costs, and construction costs. The cash expenditures above include environmental capital expenditures of approximately \$80 million, \$70 million, and \$65 million in 2025, 2024, and 2023, respectively.

The Company has contractual asset retirement obligations not associated with environmental liabilities. Eastman's non-environmental asset retirement obligations are primarily associated with the future closure of leased manufacturing assets in Pace, Florida and Oulu, Finland. These non-environmental asset retirement obligations were \$56 million and \$53 million at December 31, 2025 and December 31, 2024, respectively, and are included in "Other long-term liabilities" on the Consolidated Statements of Financial Position.

14. LEGAL MATTERS

From time to time, Eastman and its operations are parties to, or targets of, lawsuits, claims, investigations and proceedings, including product liability, personal injury, asbestos, patent and intellectual property, commercial, contract, environmental, antitrust, health and safety, and employment matters, which are handled and defended in the ordinary course of business. While the Company is unable to predict the outcome of these matters, it does not believe, based upon currently available facts, that the ultimate resolution of any such pending matters will have a material adverse effect on its overall financial position, results of operations, or cash flows.

15. STOCKHOLDERS' EQUITY

A reconciliation of the changes in stockholders' equity for 2025, 2024, and 2023 is provided below:

(Dollars in millions)	Common Stock at Par Value	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock at Cost	Total Eastman Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2022	\$ 2	\$ 2,315	\$ 8,973	\$ (205)	\$ (5,932)	\$ 5,153	\$ 83	\$ 5,236
Net Earnings	—	—	894	—	—	894	2	896
Cash Dividends ⁽¹⁾	—	—	(377)	—	—	(377)	—	(377)
Other Comprehensive (Loss)	—	—	—	(114)	—	(114)	—	(114)
Share-Based Compensation Expense ⁽²⁾	—	64	—	—	—	64	—	64
Stock Option Exercises	—	3	—	—	—	3	—	3
Other ⁽³⁾	—	(14)	—	—	(1)	(15)	2	(13)
Share Repurchase	—	—	—	—	(150)	(150)	—	(150)
Distributions to noncontrolling interest	—	—	—	—	—	—	(15)	(15)
Balance at December 31, 2023	\$ 2	\$ 2,368	\$ 9,490	\$ (319)	\$ (6,083)	\$ 5,458	\$ 72	\$ 5,530
Net Earnings	—	—	905	—	—	905	3	908
Cash Dividends ⁽¹⁾	—	—	(382)	—	—	(382)	—	(382)
Other Comprehensive Income	—	—	—	5	—	5	—	5
Share-Based Compensation Expense ⁽²⁾	—	63	—	—	—	63	—	63
Stock Option Exercises	—	41	—	—	—	41	—	41
Other ⁽³⁾	—	(9)	—	—	(2)	(11)	(1)	(12)
Share Repurchase	—	—	—	—	(300)	(300)	—	(300)
Distributions to noncontrolling interest	—	—	—	—	—	—	(1)	(1)
Balance at December 31, 2024	\$ 2	\$ 2,463	\$ 10,013	\$ (314)	\$ (6,385)	\$ 5,779	\$ 73	\$ 5,852
Net Earnings	—	—	474	—	—	474	1	475
Cash Dividends ⁽¹⁾	—	—	(382)	—	—	(382)	—	(382)
Other Comprehensive Income	—	—	—	154	—	154	—	154
Share-Based Compensation Expense ⁽²⁾	—	48	—	—	—	48	—	48
Stock Option Exercises	—	2	—	—	—	2	—	2
Other ⁽³⁾⁽⁴⁾	—	(13)	—	—	(1)	(14)	5	(9)
Share Repurchase	—	—	—	—	(100)	(100)	—	(100)
Distributions to noncontrolling interest	—	—	—	—	—	—	(3)	(3)
Balance at December 31, 2025	\$ 2	\$ 2,500	\$ 10,105	\$ (160)	\$ (6,486)	\$ 5,961	\$ 76	\$ 6,037

⁽¹⁾ Cash dividends includes cash dividends paid and dividends declared, but unpaid.

⁽²⁾ Share-based compensation expense is the fair value of share-based awards.

⁽³⁾ Additional paid-in capital includes value of shares withheld for employees' taxes on vesting of share-based compensation awards.

⁽⁴⁾ Noncontrolling interest includes a \$4 million capital contribution from a joint venture partner in Ruian, China.

Eastman is authorized to issue 400 million shares of all classes of stock, of which 50 million may be preferred stock, par value \$0.01 per share, and 350 million may be common stock, par value \$0.01 per share. The Company declared dividends per share of \$3.33 in 2025, \$3.26 in 2024, and \$3.18 in 2023.

In 1997 the Company established a benefit security trust to provide a degree of financial security for unfunded obligations under certain unfunded plans. A warrant to purchase up to 6 million shares of par value common stock of the Company was contributed to the trust. The warrant, which remains outstanding, is exercisable by the trustee if the Company does not meet certain funding obligations, which obligations would be triggered by certain occurrences, including a change in control or potential change in control, as defined, or failure by the Company to meet its payment obligations under certain covered unfunded plans. The warrant is excluded from the computation of diluted EPS because the conditions upon which the warrant becomes exercisable have not been met.

In December 2021, the Company's Board of Directors authorized the repurchase of up to \$2.5 billion of the Company's outstanding common stock at such times, in such amounts, and on such terms, as determined by management to be in the best interest of the Company and its stockholders (the "2021 authorization"). As of December 31, 2025, a total of 13,032,926 shares have been repurchased under the 2021 authorization for \$1.2 billion. Both dividends and share repurchases are key strategies employed by the Company to return value to its stockholders.

During 2025, the Company repurchased 1,420,768 shares of common stock for \$100 million. During 2024, the Company repurchased 3,001,409 shares of common stock for a cost of \$300 million. During 2023, the Company repurchased 1,866,866 shares of common stock for a cost of \$150 million.

The Company's charitable foundation held 50,798 issued and outstanding shares of the Company's common stock at December 31, 2025, 2024, and 2023 which are included in treasury stock in the Consolidated Statements of Financial Position and excluded from calculations of diluted EPS.

The following table sets forth the computation of basic and diluted EPS:

	For years ended December 31,		
	2025	2024	2023
(In millions, except per share amounts)			
Numerator			
Net earnings attributable to Eastman	\$ 474	\$ 905	\$ 894
Denominator			
Weighted average shares used for basic EPS	114.7	116.7	118.6
Dilutive effect of stock options and other award plans	0.9	1.2	0.8
Weighted average shares used for diluted EPS	115.6	117.9	119.4
EPS ⁽¹⁾			
Basic	\$ 4.14	\$ 7.75	\$ 7.54
Diluted	\$ 4.10	\$ 7.67	\$ 7.49

⁽¹⁾ EPS is calculated using whole dollars and shares.

Shares underlying stock options excluded from the 2025, 2024, and 2023 calculations of diluted EPS were 3,229,654, 1,234,513, and 2,409,208, respectively, because the grant price of these options was greater than the average market price of the Company's common stock and the effect of including them in the calculation of diluted EPS would have been antidilutive.

Shares of common stock issued, including shares held in treasury, are presented below:

	For years ended December 31,		
	2025	2024	2023
Balance at beginning of year	223,588,347	222,762,317	222,348,557
Issued for employee compensation and benefit plans	349,700	826,030	413,760
Balance at end of year	<u>223,938,047</u>	<u>223,588,347</u>	<u>222,762,317</u>

Accumulated Other Comprehensive Income (Loss)

(Dollars in millions)	Cumulative Translation Adjustment	Benefit Plans Unrecognized Prior Service Credits	Unrealized Gains (Losses) on Cash Flow Hedges	Unrealized Losses on Investments	Accumulated Other Comprehensive Income (Loss)
Balance at December 31, 2023	\$ (297)	\$ 11	\$ (32)	\$ (1)	\$ (319)
Period change	(20)	(8)	33	—	5
Balance at December 31, 2024	(317)	3	1	(1)	(314)
Period change	34	149	(29)	—	154
Balance at December 31, 2025	<u>\$ (283)</u>	<u>\$ 152</u>	<u>\$ (28)</u>	<u>\$ (1)</u>	<u>\$ (160)</u>

Amounts of other comprehensive income (loss) are presented net of applicable taxes. Eastman recognizes deferred income taxes on the cumulative translation adjustment related to branch operations and income from other entities included in the Company's consolidated U.S. tax return. No deferred income taxes are recognized on the cumulative translation adjustment of other subsidiaries outside the United States, as the cumulative translation adjustment is considered to be a component of indefinitely invested, unremitted earnings of these foreign subsidiaries.

Components of total other comprehensive income (loss) recorded in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings are presented below, before tax and net of tax effects:

(Dollars in millions)	For years ended December 31,					
	2025		2024		2023	
	Before Tax	Net of Tax	Before Tax	Net of Tax	Before Tax	Net of Tax
Change in cumulative translation adjustment	\$ (9)	\$ 34	\$ (1)	\$ (20)	\$ (56)	\$ (67)
Defined benefit pension and other postretirement benefit plans:						
Prior service credit arising during the period	208	157	—	—	—	—
Amortization of unrecognized prior service credits included in net periodic costs	(11)	(8)	(11)	(8)	(27)	(21)
Derivatives and hedging:						
Unrealized gain (loss) during period	(59)	(44)	24	18	(36)	(27)
Reclassification adjustment for (gains) losses included in net income, net	20	15	20	15	1	1
Total other comprehensive income (loss)	<u>\$ 149</u>	<u>\$ 154</u>	<u>\$ 32</u>	<u>\$ 5</u>	<u>\$ (118)</u>	<u>\$ (114)</u>

For additional information regarding the impact of reclassifications into earnings, refer to Note 10, "Derivative and Non-Derivative Financial Instruments", and Note 11, "Retirement Plans".

16. ASSET IMPAIRMENTS, RESTRUCTURING, AND OTHER CHARGES, NET

Components of asset impairments, restructuring, and other charges, net, are presented below:

(Dollars in millions)	For years ended December 31,		
	2025	2024	2023
Asset Impairments			
AM - Advanced interlayers ⁽¹⁾	\$ —	\$ 5	\$ —
AM - Performance films ⁽²⁾	18	—	—
CI - Intermediates ⁽²⁾	9	—	—
Other	6	—	—
	<u>33</u>	<u>5</u>	<u>—</u>
Severance Charges			
AFP - Specialty fluids and energy ⁽³⁾	1	—	—
AM - Advanced interlayers ⁽¹⁾	—	4	—
AM - Performance films ⁽⁴⁾	4	—	—
Corporate cost reduction initiatives ⁽⁵⁾	34	21	31
	<u>39</u>	<u>25</u>	<u>31</u>
Restructuring and Other Charges			
AFP - Specialty fluids and energy ⁽³⁾	3	—	—
AM - Advanced interlayers ⁽¹⁾	—	9	—
AM - Performance films ⁽⁴⁾	6	—	—
Fibers - Acetate yarn ⁽⁶⁾	2	—	6
Profitability improvement initiatives ⁽⁷⁾	13	12	—
	<u>24</u>	<u>21</u>	<u>6</u>
Total	<u>\$ 96</u>	<u>\$ 51</u>	<u>\$ 37</u>

(1) Asset impairment charges, severance charges, and site closure costs related to the planned closure of a solvent-based resins production line at an advanced interlayers facility in North America. In addition, inventory adjustments of \$4 million and \$3 million in the Advanced Materials ("AM") segment and the AFP segment, respectively, were recognized in "Cost of sales" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings in 2024 related to this closure.

(2) Asset impairment charges related to certain terminated capital projects.

(3) Severance and restructuring charges in 2025 related to the closure of a heat-transfer fluids production line at a specialty fluids and energy facility in North America.

(4) Severance and restructuring charges related to the decommissioning of certain assets at performance films facilities in North America. In addition, inventory adjustments of \$2 million in the AM segment were recognized in "Cost of sales" in the Consolidated Statement of Earnings, Comprehensive Income, and Retained Earnings in 2025 related to this decommissioning.

(5) Severance charges related to corporate cost reduction initiatives reported in "Other."

(6) Loss on sale in 2025 related to the 2022 closure of an acetate yarn manufacturing facility in Europe and site closure costs in 2023 related to this closure. In addition, accelerated depreciation of \$23 million was recognized in "Cost of sales" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings in 2023 related to this closure.

(7) Charges related to profitability improvement initiatives reported in "Other."

Reconciliations of the beginning and ending restructuring liability amounts are as follows:

(Dollars in millions)	Balance at January 1, 2025	Provision/ Adjustments	Non-cash Reductions/ Additions	Cash Reductions	Balance at December 31, 2025
Asset impairments	\$ —	\$ 33	\$ (33)	\$ —	\$ —
Severance costs	23	39	—	(36)	26
Restructuring and other charges	3	24	(6)	(13)	8
Total	<u>\$ 26</u>	<u>\$ 96</u>	<u>\$ (39)</u>	<u>\$ (49)</u>	<u>\$ 34</u>

(Dollars in millions)	Balance at January 1, 2024	Provision/ Adjustments	Non-cash Reductions/ Additions	Cash Reductions	Balance at December 31, 2024
Asset impairments	\$ —	\$ 5	\$ (5)	\$ —	\$ —
Severance costs	26	25	—	(28)	23
Restructuring and other charges	—	21	—	(18)	3
Total	<u>\$ 26</u>	<u>\$ 51</u>	<u>\$ (5)</u>	<u>\$ (46)</u>	<u>\$ 26</u>

(Dollars in millions)	Balance at January 1, 2023	Provision/ Adjustments	Non-cash Reductions/ Additions	Cash Reductions	Balance at December 31, 2023
Severance costs	\$ 34	\$ 31	\$ —	\$ (39)	\$ 26
Restructuring and other charges	1	6	—	(7)	—
Total	<u>\$ 35</u>	<u>\$ 37</u>	<u>\$ —</u>	<u>\$ (46)</u>	<u>\$ 26</u>

Substantially all severance charges remaining as of December 31, 2025 are expected to be paid within one year.

17. OTHER (INCOME) CHARGES, NET

(Dollars in millions)	For years ended December 31,		
	2025	2024	2023
Foreign exchange transaction losses (gains), net ⁽¹⁾	\$ 9	\$ 11	\$ 11
(Income) loss from equity investments and other investment (gains) losses, net	1	—	(10)
Other, net ⁽²⁾	74	36	37
Other (income) charges, net	<u>\$ 84</u>	<u>\$ 47</u>	<u>\$ 38</u>

⁽¹⁾ Net impact of revaluation of foreign entity assets and liabilities and effects of foreign exchange non-qualifying derivatives.

⁽²⁾ Includes environmental and other costs from previously divested or non-operational sites and product lines, adjustments for discontinued licensing programs, and non-cash charges for discontinued investment programs.

18. SHARE-BASED COMPENSATION PLANS AND AWARDS
2021 Omnibus Stock Compensation Plan

Eastman's 2021 Omnibus Stock Compensation Plan ("2021 Omnibus Plan") was approved by stockholders at the May 6, 2021 Annual Meeting of Stockholders and shall remain in effect until its fifth anniversary. The 2021 Omnibus Plan authorizes the Compensation and Management Development Committee of the Board of Directors to grant awards, designate participants, determine the types and numbers of awards, determine the terms and conditions of awards and determine the form of award settlement. Under the 2021 Omnibus Plan, the aggregate number of shares reserved and available for issuance is 10 million, which consist of shares not previously authorized for issuance under any other plan. The number of shares covered by an award is counted against this share reserve as of the grant date of the award. Shares covered by full value awards (e.g., performance shares and restricted stock awards) are counted against the total number of shares available for issuance or delivery under the plan as 2.5 shares for every one share covered by the award. Any stock distributed pursuant to an award may consist of, in whole or in part, authorized and unissued stock, treasury stock, or stock purchased on the open market. Under the 2021 Omnibus Plan and previous plans, the forms of awards have included restricted stock and restricted stock units, stock options, stock appreciation rights ("SARs"), and performance shares. The 2021 Omnibus Plan is flexible as to the number of specific forms of awards, but provides that stock options and SARs are to be granted at an exercise price not less than 100 percent of the per share fair market value on the date of the grant.

Director Stock Compensation Subplan

Eastman's Amended 2021 Director Stock Compensation Subplan ("Directors' Subplan"), a component of the 2021 Omnibus Plan, remains in effect until terminated by the Board of Directors or the earlier termination of the 2021 Omnibus Plan. The Directors' Subplan provides for structured awards of restricted shares to non-employee members of the Board of Directors. Restricted shares awarded under the Directors' Subplan are subject to the same terms and conditions of the 2021 Omnibus Plan. The Directors' Subplan does not constitute a separate source of shares for grants of equity awards and all shares awarded are part of the 10 million shares authorized under the 2021 Omnibus Plan. Shares of restricted stock are granted on the first day of a non-employee director's initial term of service and shares of restricted stock are granted each year to each non-employee director on the date of the annual meeting of stockholders.

It has been the Company's practice to issue new shares rather than treasury shares for equity awards for compensation plans, including the 2021 Omnibus Plan and the Directors' Subplan, that require settlement by the issuance of common stock and to withhold or accept back shares awarded to cover the related income tax obligations of employee participants. Shares of unrestricted common stock owned by non-employee directors are not eligible to be withheld or acquired to satisfy the withholding obligation related to their income taxes. Shares of unrestricted common stock owned by specified senior management level employees are accepted by the Company to pay the exercise price of stock options in accordance with the terms and conditions of their awards.

Compensation Expense

For 2025, 2024, and 2023, total share-based compensation expense (before tax) of \$48 million, \$63 million, and \$64 million, respectively, was recognized in "Selling, general and administrative expense" in the Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings for all share-based awards of which \$10 million, \$8 million, and \$10 million, respectively, related to stock options. The compensation expense is recognized over the substantive vesting period, which may be a shorter time period than the stated vesting period for qualifying termination eligible employees as defined in the forms of award notice. Stock option compensation expense of \$8 million for 2025, \$6 million for 2024, and \$6 million for 2023 was recognized each year due to qualifying termination eligibility preceding the requisite vesting period.

Stock Option Awards

Options have been granted on an annual basis by the Compensation and Management Development Committee of the Board of Directors under the 2021 Omnibus Plan and predecessor plans to employees. Option awards have an exercise price equal to the closing price of the Company's stock on the date of grant. The term of the options is 10 years with vesting periods that vary up to three years. Vesting usually occurs ratably over the vesting period or at the end of the vesting period. The Company utilizes the Black Scholes Merton option valuation model which relies on certain assumptions to estimate an option's fair value.

The weighted average assumptions used in the determination of fair value for the options awarded in 2025, 2024, and 2023 are provided in the table below:

Assumptions	2025	2024	2023
Expected volatility rate	30.61%	30.21%	30.55%
Expected dividend yield	3.32%	3.82%	3.31%
Average risk-free interest rate	4.42%	4.34%	4.13%
Expected term years	6.8	6.7	6.4

The volatility rate of grants is derived from historical Company common stock price volatility over the same time period as the expected term of each stock option award. The volatility rate is derived by a mathematical formula utilizing the weekly high closing stock price data over the expected term. The expected dividend yield is calculated using the Company's average of the last four quarterly dividend yields. The average risk-free interest rate is derived from the United States Department of Treasury's published interest rates of daily yield curves for the same time period as the expected term. The weighted average expected term reflects the analysis of historical share-based award transactions and includes option swap and reload grants which may have much shorter remaining expected terms than new option grants.

A summary of the activity of the Company's stock option awards for 2025, 2024, and 2023 is presented below:

	2025		2024		2023	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Outstanding at beginning of year	3,468,800	\$ 89	3,824,000	\$ 88	3,479,200	\$ 88
Granted	408,500	\$ 101	390,900	\$ 86	409,300	\$ 85
Exercised	(36,700)	\$ 73	(561,900)	\$ 73	(38,200)	\$ 68
Cancelled, forfeited, or expired	(49,600)	\$ 99	(184,200)	\$ 95	(26,300)	\$ 94
Outstanding at end of year	<u>3,791,000</u>	\$ 91	<u>3,468,800</u>	\$ 89	<u>3,824,000</u>	\$ 88
Options exercisable at year-end	<u>3,006,100</u>		<u>2,691,100</u>		<u>2,974,100</u>	
Available for grant at end of year	<u>3,473,888</u>		<u>5,008,575</u>		<u>6,698,702</u>	

The following table provides the remaining contractual term and weighted average exercise prices of stock options outstanding and exercisable at December 31, 2025:

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Number Outstanding at December 31, 2025	Weighted-Average Remaining Contractual Life (Years)	Weighted-Average Exercise Price	Number Exercisable at December 31, 2025	Weighted-Average Exercise Price
\$61-\$80	1,006,500	2.9	\$ 71	1,004,600	\$ 71
\$81-\$100	1,183,800	5.9	\$ 84	810,400	\$ 80
\$101-\$110	1,256,800	5.4	\$ 105	847,200	\$ 30
\$111-\$121	343,900	6.2	\$ 121	343,900	\$ 121
	<u>3,791,000</u>	5.0	\$ 91	<u>3,006,100</u>	\$ 90

The range of exercise prices of options outstanding at December 31, 2025 is approximately \$61 to \$121 per share. The aggregate intrinsic value of total options outstanding and total options exercisable at December 31, 2025 is \$1 million and \$1 million, respectively. Intrinsic value is the amount by which the closing market price of the stock at December 31, 2025 exceeds the exercise price of the option grants.

The weighted average remaining contractual life of all exercisable options at December 31, 2025 is 4.1 years.

The weighted average fair value of options granted during 2025, 2024, and 2023 was \$26.99, \$21.16, and \$21.67, respectively. The total intrinsic value of options exercised during the years ended December 31, 2025, 2024, and 2023, was \$1 million, \$16 million, and \$1 million, respectively. Cash proceeds received by the Company from option exercises totaled \$3 million with an immaterial tax benefit for 2025, \$41 million with a \$2 million related tax benefit for 2024, and \$3 million with an immaterial tax benefit for 2023. The total fair value of shares vested during the years ending December 31, 2025, 2024, and 2023 was \$9 million, \$9 million, and \$8 million, respectively.

A summary of the changes in the Company's nonvested options during the year ended December 31, 2025 is presented below:

Nonvested Options	Number of Options	Weighted-Average Grant Date Fair Value
Nonvested at January 1, 2025	777,600	\$22.35
Granted	408,500	\$26.99
Vested	(351,600)	\$24.38
Cancelled, forfeited, or expired	(49,600)	\$15.73
Nonvested at December 31, 2025	<u>784,900</u>	\$24.28

For nonvested options at December 31, 2025, approximately \$1 million in compensation expense will be recognized over the next two years.

Other Share-Based Compensation Awards

In addition to stock option awards, Eastman has awarded long-term performance share awards, restricted stock awards, and SARs. The long-term performance share awards are based upon actual return on capital compared to a target return on capital and total stockholder return compared to a peer group ranking by total stockholder return over a three year performance period. The awards are valued using a Monte Carlo Simulation based model and vest pro-rata over the three year performance period. The number of long-term performance award target shares granted for the 2025-2027, 2024-2026, and 2023-2025 periods were 332 thousand, 339 thousand, and 406 thousand, respectively. The target shares are assumed to be 100 percent of the target shares granted based on the award notice. At the end of the three-year performance period, the actual number of shares awarded can range from zero percent to 250 percent of the target shares granted based on the award notice. The number of restricted stock awards granted during 2025, 2024, and 2023 were 176 thousand, 276 thousand, and 144 thousand, respectively. The fair value of a restricted stock award is equal to the closing stock price of the Company's stock on the date of grant and normally vests over a period of three years. The recognized compensation expense before tax for these other share-based awards in the years ended December 31, 2025, 2024, and 2023 was \$38 million, \$54 million, and \$55 million, respectively. The unrecognized compensation expense before tax for these same type of awards at December 31, 2025 was approximately \$61 million and will be recognized primarily over a period of two years.

19. SUPPLEMENTAL CASH FLOW INFORMATION

Included in the line item "Other items, net" of the "Operating activities" section of the Consolidated Statements of Cash Flows are specific changes to certain balance sheet accounts as follows:

(Dollars in millions)	For years ended December 31,		
	2025	2024	2023
Current assets	\$ 65	\$ (82)	\$ 49
Other assets	30	48	45
Current liabilities	(49)	61	(23)
Long-term liabilities and equity	(159)	24	83
Total	\$ (113)	\$ 51	\$ 154

The above changes included transactions such as accrued taxes, deferred taxes, environmental liabilities, monetized positions from raw material and energy, currency, and certain interest rate hedges, equity investment dividends, prepaid insurance, miscellaneous deferrals, value-added taxes, and other miscellaneous accruals.

Cash flows from derivative financial instruments accounted for as hedges are classified in the same category as the item being hedged.

Cash paid for interest and income taxes is as follows:

(Dollars in millions)	For years ended December 31,		
	2025	2024	2023
Interest, net of amounts capitalized	\$ 215	\$ 203	\$ 214
Income taxes, net of refunds	159	111	158
Non-cash investing activities:			
Outstanding trade payables related to capital expenditures	41	73	115

20. SEGMENT AND REGIONAL SALES INFORMATION

Eastman's products and operations are managed and reported in four operating segments: Advanced Materials ("AM"), Additives & Functional Products ("AFP"), Chemical Intermediates ("CI"), and Fibers. The economic factors that impact the nature, amount, timing, and uncertainty of revenue and cash flows vary among the Company's operating segments and the geographical regions in which they operate. "Other" includes sales and costs related to growth initiatives, including the cellulose biopolymer and circular economy platforms, research and development ("R&D") costs, certain components of pension and other postretirement benefits, and other expenses and income not identifiable to an operating segment and is not included in operating segment results. This operating segment structure is used by the Chief Operating Decision Maker ("CODM"), who has been determined to be the Chief Executive Officer, to make key operating decisions and assess performance of the Company. The CODM evaluates segment operating performance, and makes resource allocation and performance evaluation decisions, based on Adjusted EBIT, defined as the GAAP measure earnings before interest and taxes ("EBIT"), adjusted for non-core, unusual, or non-recurring items. These adjustments allow the CODM to evaluate segment operating performance excluding the effect of transactions, costs, and losses or gains that do not directly result from Eastman's normal, or "core", business and operations, or are otherwise of an unusual or non-recurring nature.

Advanced Materials Segment

In the AM segment, the Company produces and markets polymers, films, and plastics with differentiated performance properties for value-added end-uses in transportation; durables and electronics; building and construction; medical and pharma; and consumables end-markets.

The advanced interlayers product line includes polyvinyl butyral sheet and polyvinyl butyral intermediates. The performance films product line primarily consists of window films and protective films products for aftermarket applied films. The specialty plastics product line consists of two primary products: copolyesters and cellulosic biopolymers.

Product Lines	Percentage of Total Segment Sales		
	2025	2024	2023
Advanced interlayers	32%	33%	34%
Performance films	19%	20%	21%
Specialty plastics	49%	47%	45%
Total	100%	100%	100%

Sales by Customer Location	Percentage of Total Segment Sales		
	2025	2024	2023
United States and Canada	33%	31%	32%
Asia Pacific	36%	37%	35%
Europe, Middle East, and Africa	25%	26%	27%
Latin America	6%	6%	6%
Total	100%	100%	100%

Additives & Functional Products Segment

In the AFP segment, the Company manufactures materials for products in the food, feed, and agriculture; transportation; water treatment and energy; personal care and wellness; building and construction; consumables; and durables and electronics end-markets.

The care additives product line consists of amine derivative-based building blocks for the production of flocculants, intermediates for surfactants, fumigants, fungicides, plant growth regulators and organic acid-based solutions. The coatings additives product line can be broadly classified as polymers and additives and solvents and includes specialty coalescents, specialty solvents, paint additives, and specialty polymers. The functional amines product lines include methylamines and salts, and higher amines and solvents. In the specialty fluids product line, the Company produces heat transfer and aviation fluids products.

Product Lines	Percentage of Total Segment Sales		
	2025	2024	2023
Care additives	38%	37%	37%
Coatings additives	27%	28%	27%
Functional amines	19%	19%	18%
Specialty fluids and energy	16%	16%	18%
Total	100%	100%	100%

Sales by Customer Location	Percentage of Total Segment Sales		
	2025	2024	2023
United States and Canada	43%	43%	42%
Asia Pacific	19%	21%	21%
Europe, Middle East, and Africa	31%	30%	31%
Latin America	7%	6%	6%
Total	100%	100%	100%

Chemical Intermediates Segment

Eastman leverages large scale and vertical integration from the cellulosic biopolymers and acetyl and olefins streams to support the Company's specialty operating segments with advantaged cost positions. The CI segment sells excess intermediates beyond the Company's internal specialty needs into end-markets such as industrial chemicals and processing, building and construction, health and wellness, and food and feed.

The intermediates product line produces olefin derivatives, acetyl derivatives, ethylene, and commodity solvents. The plasticizers product line consists of a unique set of primary non-phthalate and phthalate plasticizers and a range of targeted non-phthalate plasticizers.

Product Lines	Percentage of Total Segment Sales		
	2025	2024	2023
Intermediates	76%	75%	78%
Plasticizers	24%	25%	22%
Total	100%	100%	100%

Sales by Customer Location	Percentage of Total Segment Sales		
	2025	2024	2023
United States and Canada	71%	70%	71%
Asia Pacific	7%	7%	8%
Europe, Middle East, and Africa	17%	18%	17%
Latin America	5%	5%	4%
Total	100%	100%	100%

Fibers Segment

In the Fibers segment, Eastman manufactures and sells acetate tow and triacetin plasticizers for use in filtration media, primarily cigarette filters; cellulosic filament yarn and staple fibers for use in apparel under the brand Naia™, home furnishings, and industrial fabrics; nonwoven media for use in filtration and friction applications, used primarily in transportation, industrial, and agricultural end-markets; and cellulose acetate flake and acetyl raw materials for other acetate fiber producers.

Product Lines	Percentage of Total Segment Sales		
	2025	2024	2023
Acetate tow	69%	69%	70%
Acetate yarn and fiber	11%	13%	11%
Acetyl chemical products	14%	13%	14%
Nonwovens	6%	5%	5%
Total	100%	100%	100%

Sales by Customer Location	Percentage of Total Segment Sales		
	2025	2024	2023
United States and Canada	23%	21%	21%
Asia Pacific	37%	36%	35%
Europe, Middle East, and Africa	36%	41%	42%
Latin America	4%	2%	2%
Total	100%	100%	100%

For year ended December 31, 2025

(Dollars in millions)	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Fibers	Total Operating Segments
Sales	\$ 2,880	\$ 2,880	\$ 1,925	\$ 1,050	\$ 8,735
Cost of sales	2,193	2,129	1,841	686	\$ 6,849
Selling, general and administrative expenses	262	180	97	65	\$ 604
Other segment items ⁽¹⁾	76	55	25	14	\$ 170
Adjusted EBIT	349	516	(38)	285	1,112
Reconciliation of segment Adjusted EBIT to consolidated earnings before income taxes ("EBT"):					
Other adjusted EBIT ⁽²⁾					(182)
Non-core items impacting EBIT					
Cost of sales impact from restructuring activities ⁽³⁾					(2)
Asset impairments, restructuring, and other charges, net ⁽³⁾					(96)
Mark-to-market pension and other postretirement benefits gain (loss), net ⁽⁴⁾					6
Environmental and other costs ⁽⁵⁾					(62)
Net interest expense					(208)
Consolidated EBT					<u>\$ 568</u>

For year ended December 31, 2025

	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Fibers	Total Operating Segments	Other	Total Consolidated
Depreciation and amortization expense	\$ 205	\$ 143	\$ 97	\$ 64	\$ 509	\$ 4	\$ 513
Capital expenditures	332	78	77	37	524	22	546
Assets ⁽⁶⁾	5,705	4,668	1,646	1,020	13,039	1,820	14,859

⁽¹⁾ Other segment items for each reportable segment includes research and development expenses, other components of post-employment (benefit) cost, net, and other (income) charges, net.

⁽²⁾ Other is not considered an operating segment. Other includes sales and costs from growth initiatives and businesses, R&D costs, pension and other postretirement benefit plans income (expense), net, and other income (charges), net that are not identifiable to an operating segment.

⁽³⁾ See Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", for a description of included items.

⁽⁴⁾ Actuarial gains and losses resulting from the changes in discount rates and other actuarial assumptions and the difference between actual and expected returns on plan assets during the period.

⁽⁵⁾ Environmental and other costs from previously divested businesses, non-operational sites and product lines, and discontinued programs.

⁽⁶⁾ Segment assets include accounts receivable, inventory, fixed assets, goodwill, and intangible assets.

For year ended December 31, 2024

(Dollars in millions)	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Fibers	Total Operating Segments
Sales	\$ 3,050	\$ 2,862	\$ 2,134	\$ 1,318	\$ 9,364
Cost of sales	2,215	2,107	1,901	775	\$ 6,998
Selling, general and administrative expenses	292	204	112	74	\$ 682
Other segment items ⁽¹⁾	79	61	20	15	\$ 175
Adjusted EBIT	464	490	101	454	1,509
Reconciliation of segment Adjusted EBIT to consolidated EBT:					
Other adjusted EBIT ⁽²⁾					(211)
Non-core items impacting EBIT					
Cost of sales impact from restructuring activities ⁽³⁾					(7)
Asset impairments, restructuring, and other charges, net ⁽³⁾					(51)
Mark-to-market pension and other postretirement benefits gain (loss), net ⁽⁴⁾					54
Environmental and other costs ⁽⁵⁾					(16)
Net interest expense					(200)
Consolidated EBT					<u>\$ 1,078</u>

For year ended December 31, 2024

	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Fibers	Total Operating Segments	Other	Total Consolidated
Depreciation and amortization expense	\$ 194	\$ 146	\$ 99	\$ 64	\$ 503	\$ 6	\$ 509
Capital expenditures	403	68	65	42	578	21	599
Assets ⁽⁶⁾	5,735	4,608	1,586	1,075	13,004	2,209	15,213

⁽¹⁾ Other segment items for each reportable segment includes research and development expenses, other components of post-employment (benefit) cost, net, and other (income) charges, net.

⁽²⁾ Other is not considered an operating segment. Other includes sales and costs from growth initiatives and businesses, R&D costs, pension and other postretirement benefit plans income (expense), net, and other income (charges), net that are not identifiable to an operating segment.

⁽³⁾ See Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", for a description of included items.

⁽⁴⁾ Actuarial gains and losses resulting from the changes in discount rates and other actuarial assumptions and the difference between actual and expected returns on plan assets during the period.

⁽⁵⁾ Environmental and other costs from previously divested businesses, non-operational sites and product lines, and discontinued programs.

⁽⁶⁾ Segment assets include accounts receivable, inventory, fixed assets, goodwill, and intangible assets.

For year ended December 31, 2023

(Dollars in millions)	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Fibers	Total Operating Segments
Sales	\$ 2,932	\$ 2,834	\$ 2,143	\$ 1,295	\$ 9,204
Cost of sales	2,221	2,140	1,895	789	7,045
Selling, general and administrative expenses	295	200	119	72	686
Other segment items ⁽¹⁾	73	58	18	12	161
Adjusted EBIT	343	436	111	422	1,312
Reconciliation of segment Adjusted EBIT to consolidated EBT:					
Other adjusted EBIT ⁽²⁾					(215)
Non-core items impacting EBIT					
Cost of sales impact from restructuring activities ⁽³⁾					(23)
Asset impairments, restructuring, and other charges, net ⁽³⁾					(37)
Mark-to-market pension and other postretirement benefits gain (loss), net ⁽⁴⁾					(53)
Environmental and other costs ⁽⁵⁾					(13)
Net gain on divested business ⁽⁶⁾					323
Unusual items impacting EBIT					
Steam line incident insurance proceeds ⁽⁷⁾					8
Net interest expense					(215)
Consolidated EBT					<u>\$ 1,087</u>

For year ended December 31, 2023

	Advanced Materials	Additives & Functional Products	Chemical Intermediates	Fibers	Total Operating Segments	Other	Total Consolidated
Depreciation and amortization expense	\$ 161	\$ 143	\$ 103	\$ 86	\$ 493	\$ 5	\$ 498
Capital expenditures	608	88	68	36	800	28	828

⁽¹⁾ Other segment items for each reportable segment includes research and development expenses, other components of post-employment (benefit) cost, net, and other (income) charges, net.

⁽²⁾ Other is not considered an operating segment. Other includes sales and costs from growth initiatives and businesses, R&D costs, pension and other postretirement benefit plans income (expense), net, and other income (charges), net that are not identifiable to an operating segment.

⁽³⁾ See Note 16, "Asset Impairments, Restructuring, and Other Charges, Net", for a description of included items.

⁽⁴⁾ Actuarial gains and losses resulting from the changes in discount rates and other actuarial assumptions and the difference between actual and expected returns on plan assets during the period.

⁽⁵⁾ Environmental and other costs from previously divested businesses, non-operational sites and product lines, and discontinued programs.

⁽⁶⁾ Sale of the Company's operations in Texas City, Texas (excluding the plasticizers operations). See Note 2, "Divestitures", for a description of the transaction.

⁽⁷⁾ From the previously reported operational incident at the Kingsport site as a result of a steam line failure (the "steam line incident").

(Dollars in millions)	For years ended December 31,		
	2025	2024	2023
Sales by Segment			
Advanced Materials	\$ 2,880	\$ 3,050	\$ 2,932
Additives & Functional Products	2,880	2,862	2,834
Chemical Intermediates	1,925	2,134	2,143
Fibers	1,050	1,318	1,295
Total Sales by Operating Segment	8,735	9,364	9,204
Other	17	18	6
Consolidated Sales	\$ 8,752	\$ 9,382	\$ 9,210

Sales are attributed to geographic areas based on customer location.

(Dollars in millions)	For years ended December 31,		
	2025	2024	2023
Geographic Information			
Sales			
United States	\$ 3,662	\$ 3,773	\$ 3,794
China	950	1,073	974
All other foreign countries	4,140	4,536	4,442
Total	\$ 8,752	\$ 9,382	\$ 9,210

Long-lived assets are attributed to geographic areas based on asset location.

	December 31,	
	2025	2024
Net properties		
United States	\$ 4,642	\$ 4,548
All foreign countries	1,089	1,067
Total	\$ 5,731	\$ 5,615

21. RESERVE ROLLFORWARDS

Valuation and Qualifying Accounts

(Dollars in millions)

		Additions			
	Balance at January 1, 2025	Charges (Credits) to Cost and Expense	Other Accounts	Deductions	Balance at December 31, 2025
Reserve for:					
Credit losses	\$ 15	\$ (1)	\$ —	\$ —	\$ 14
LIFO inventory	375	(37)	—	—	338
Non-environmental asset retirement obligations	53	3	—	—	56
Environmental contingencies	284	49	—	15	318
Deferred tax valuation allowance	686	61	(16)	—	731
	\$ 1,413	\$ 75	\$ (16)	\$ 15	\$ 1,457

(Dollars in millions)

		Additions			
	Balance at January 1, 2024	Charges (Credits) to Cost and Expense	Other Accounts	Deductions	Balance at December 31, 2024
Reserve for:					
Credit losses	\$ 17	\$ (2)	\$ —	\$ —	\$ 15
LIFO inventory	421	(46)	—	—	375
Non-environmental asset retirement obligations	51	2	—	—	53
Environmental contingencies	284	13	—	13	284
Deferred tax valuation allowance	183	(8)	511	—	686
	\$ 956	\$ (41)	\$ 511	\$ 13	\$ 1,413

(Dollars in millions)

		Additions			
	Balance at January 1, 2023	Charges (Credits) to Cost and Expense	Other Accounts	Deductions	Balance at December 31, 2023
Reserve for:					
Credit losses	\$ 15	\$ 2	\$ —	\$ —	\$ 17
LIFO inventory	493	(72)	—	—	421
Non-environmental asset retirement obligations	51	1	—	1	51
Environmental contingencies	274	26	—	16	284
Deferred tax valuation allowance	258	(76)	1	—	183
	\$ 1,091	\$ (119)	\$ 1	\$ 17	\$ 956

See Note 1, "Significant Accounting Policies", Note 3, "Inventories", Note 8, "Income Taxes", and Note 13, "Environmental Matters and Asset Retirement Obligations", for additional information.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES**Disclosure Controls and Procedures**

Eastman maintains a set of disclosure controls and procedures designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission ("SEC") rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. An evaluation was carried out under the supervision and with the participation of the Company's management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the CEO and CFO have concluded that as of December 31, 2025, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Management necessarily applies its judgment in assessing the costs and benefits of such controls and procedures, which, by their nature, can provide only reasonable assurance regarding management's control objectives. Management, including the CEO and CFO, does not expect that the Company's disclosure controls and procedures can prevent all possible errors or fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance; judgments in decision-making can be faulty; and breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the acts of one or more persons. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and while the Company's disclosure controls and procedures are designed to be effective under circumstances where they should reasonably be expected to operate effectively, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Because of the inherent limitations in any control system, misstatements due to possible errors or fraud may occur and not be detected.

Management's Report on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed under the supervision of the Company's CEO and CFO to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

The Company's internal control over financial reporting includes policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and acquisitions and dispositions of assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and the directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has assessed the effectiveness of its internal control over financial reporting as of December 31, 2025 based on the framework established in *Internal Control – Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management has determined that the Company's internal control over financial reporting was effective as of December 31, 2025.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2025 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting that occurred during the quarter ended December 31, 2025 that has materially affected, or is reasonably likely to materially effect, the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

(b) Director and Officer Trading Arrangements

None of the Company's directors or officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934) adopted, modified, or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) during the three months ended December 31, 2025.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

PART III**ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

The information required by this item regarding our directors and nominees is incorporated herein by reference to the sections "The Board of Directors" and "Corporate Governance" as included and to be filed in the Proxy Statement for the 2026 Annual Meeting of Stockholders (the "2026 Proxy Statement"). Information regarding Eastman's executive officers is set forth under the heading "Information About Our Executive Officers" in Part I of this Annual Report on Form 10-K.

The Company has adopted a Financial Officers' Code of Ethics and Business Conduct applicable to the Chief Executive Officer, the Chief Financial Officer, and the Controller of the Company. The Company has posted such Financial Officers' Code of Ethics and Business Conduct on its website (www.eastman.com) in the "Investors -- Governance -- Code of Conduct" section.

The Company has adopted an insider trading policy governing the purchase, sale, and/or other dispositions of its securities by its directors, officers, employees, and independent consultants and contractors that the Company believes is reasonably designed to promote compliance with insider trading laws, rules, and regulations, and the exchange listing standards applicable to the Company. It is the Company's policy to comply with all applicable securities and state laws when engaging in transactions in Eastman securities.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated herein by reference to the sections "Executive Compensation" and "Director Compensation" as included and to be filed in the 2026 Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is incorporated herein by reference to the section "Information About Stock Ownership" as included and to be filed in the 2026 Proxy Statement.

Securities Authorized for Issuance Under Equity Compensation Plans***Equity Compensation Plans Approved by Stockholders***

Stockholders approved the Company's 2012 Omnibus Stock Compensation Plan, the 2017 Omnibus Stock Compensation Plan, and the 2021 Omnibus Stock Compensation Plan. Although stock and stock-based awards are still outstanding under the 2012 Omnibus Stock Compensation Plan and the 2017 Omnibus Stock Compensation Plan, no shares are available under these plans for future awards. All future share-based awards are made from the 2021 Omnibus Stock Compensation Plan and the Amended 2021 Director Stock Compensation Subplan, a component of the 2021 Omnibus Stock Compensation Plan.

Equity Compensation Plans Not Approved by Stockholders

Stockholders have approved all compensation plans under which shares of Eastman common stock are authorized for issuance.

Summary Equity Compensation Plan Information Table

The following table sets forth certain information as of December 31, 2025 with respect to compensation plans under which shares of Eastman common stock may be issued.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options (a)	Weighted-Average Exercise Price of Outstanding Options (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities reflected in Column (a)) (c)
Equity compensation plans approved by stockholders	3,791,000 ⁽¹⁾	\$ 91	3,473,888 ⁽²⁾
Equity compensation plans not approved by stockholders	—	—	—
TOTAL	3,791,000	\$ 91	3,473,888

⁽¹⁾ Represents shares of common stock issuable upon exercise of outstanding options granted under Eastman Chemical Company's 2012 Omnibus Stock Compensation Plan, the 2017 Omnibus Stock Compensation Plan, and the 2021 Omnibus Stock Compensation Plan.

⁽²⁾ Shares of common stock available for future awards under the Company's 2021 Omnibus Stock Compensation Plan, including the Amended 2021 Director Stock Compensation Subplan, a component of the 2021 Omnibus Stock Compensation Plan.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated herein by reference to the sections "The Board of Directors--Director Independence" and "Corporate Governance--Board Practices" as included and to be filed in the 2026 Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item is incorporated herein by reference to the section "Ratification of Appointment of Independent Registered Public Accounting Firm" as included and to be filed in the 2026 Proxy Statement.

PART IV**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

	Page
(a) 1. Consolidated Financial Statements:	
Management's Responsibility for Financial Statements	56
Report of Independent Registered Public Accounting Firm	57
Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings	59
Consolidated Statements of Financial Position	60
Consolidated Statements of Cash Flows	61
Notes to the Audited Consolidated Financial Statements	62
2. <i>Consolidated Financial Statement Schedules:</i> Schedules are omitted because they either are not required or are not applicable or because equivalent information has been included in the financial statements, the notes thereto or elsewhere herein.	
3. The exhibits are either filed with this report or incorporated by reference into this report. See (b) Exhibits, which follow.	
(b) The required Exhibits to this report are included subsequent to page	121

ITEM 16. FORM 10-K SUMMARY

None.

EXHIBIT INDEX

Exhibit Number	Description
3.01	Amended and Restated Certificate of Incorporation of Eastman Chemical Company (incorporated herein by reference to Exhibit 3.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012).
3.02	Amended and Restated Bylaws of Eastman Chemical Company (incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K dated December 1, 2022).
4.01	Indenture, dated as of January 10, 1994, between Eastman Chemical Company and The Bank of New York, as Trustee (the "Indenture") (incorporated herein by reference to the Exhibit 4(a) to the Company's Current Report on Form 8-K dated January 10, 1994)
4.02	Indenture, dated as of June 5, 2012, between Eastman Chemical Company and Wells Fargo Bank, as Trustee (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated June 5, 2012).
4.03	Form of 7.60% Debentures due February 1, 2027 (incorporated herein by reference to Exhibit 4.08 to the Company's Annual Report on Form 10-K for the year ended December 31, 1996).
4.04	Form of 4.8% Note due 2042 (incorporated herein by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K dated June 5, 2012).
4.05	Form of 4.65% Note due 2044 (incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated May 15, 2014).
4.06	Form of 1.875% Note due 2026 (incorporated herein by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K dated November 21, 2016).
4.07	Form of 4.5% Note due 2028 (incorporated herein by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K dated November 6, 2018).
4.08	Form of 5.750% Note due 2033 (incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated March 8, 2023).
4.09	Form of 5.625% Note due 2034 (incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated February 20, 2024).
4.10	Form of 5.0% Note due 2029 (incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated August 1, 2024).
4.12	Form of 5.000% Note due 2029 (incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated February 21, 2025).
4.13	Description of Securities (incorporated herein by reference to Exhibit 4.18 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019).
10.01*	Fourth Amended and Restated Five-Year Credit Agreement dated as of February 12, 2026
10.02	Term Loan Agreement dated as of April 14, 2022 (incorporated herein by reference to Exhibit 10.02 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022).
10.03	Eastman Excess Retirement Income Plan (incorporated herein by reference to Exhibit 10.02 to the Company's Annual Report on Form 10-K for the year ended December 31, 2008) **
10.04	Form of Executive Change in Control Severance Agreements (incorporated herein by reference to Exhibit 10.02 to the Company's Annual Report on Form 10-K for the year ended December 31, 2010) **
10.05	Eastman Unfunded Retirement Income Plan (incorporated herein by reference to Exhibit 10.04 to the Company's Annual Report on Form 10-K for the year ended December 31, 2008) **
10.06	Eastman Chemical Company Benefit Security Trust dated December 24, 1997, as amended May 1, 1998 and February 1, 2001 and Amendment Number Three to the Eastman Chemical Company Benefit Security Trust dated January 2, 2002 (incorporated herein by reference to Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2001 and Exhibit 10.04 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002) **
10.07	Amended and Restated Warrant to Purchase Shares of Common Stock of Eastman Chemical Company, dated January 2, 2002 (incorporated herein by reference to Exhibit 10.02 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002) **
10.08	Amended and Restated Registration Rights Agreement, dated January 2, 2002 (incorporated herein by reference to Exhibit 10.03 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002) **
10.09	Amended and Restated Eastman Executive Deferred Compensation Plan (incorporated herein by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K for the year ended December 31, 2014) **

<u>Exhibit Number</u>	<u>EXHIBIT INDEX</u>
<u>Exhibit Number</u>	<u>Description</u>
10.10	Amended and Restated Eastman Directors' Deferred Compensation Plan (incorporated herein by reference to 10.04 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016) **
10.11	Eastman Unit Performance Plan as amended and restated effective December 5, 2012 (incorporated herein by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K for the year ended December 31, 2012) **
10.12	Amended 2025 Unit Performance Plan - Corporate Performance Measures (incorporated herein by reference to Exhibit 10.02 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025) **
10.13	Form of Indemnification Agreements with Directors and Executive Officers (incorporated herein by reference to Exhibit 10.25 to the Company's Annual Report on Form 10-K for the year ended December 31, 2003) **
10.14*	Forms of Performance Share Awards to Executive Officers (2026 - 2028 Performance Period) **
10.15*	2026 Unit Performance Plan **
10.16	2012 Omnibus Stock Compensation Plan (incorporated herein by reference to Appendix A to the Company's 2012 Annual Meeting Proxy Statement dated March 21, 2012) **
10.17	2017 Omnibus Stock Compensation Plan (incorporated herein by reference to Appendix A of the Company's 2017 Annual Meeting Proxy Statement dated March 23, 2017) **
10.18	2021 Omnibus Stock Compensation Plan (incorporated herein by reference to Appendix A of the Company's 2021 Annual Meeting Proxy Statement dated March 25, 2021 as amended on April 13, 2021) **
10.19	Amended 2021 Director Stock Compensation Subplan of the 2021 Omnibus Stock Compensation Plan and Form of Restricted Stock Award Notice (incorporated herein by reference to Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2021) **
10.20	Amended 2021 Director Stock Compensation Subplan of the 2021 Omnibus Stock Compensation Plan and Form of Restricted Stock Award Notice** (incorporated herein by reference to Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023) **
10.21	Form of Award Notice for Stock Options Granted to Executive Officers under the 2021 Omnibus Stock Compensation Plan (incorporated herein by reference to Exhibit 10.32 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023) **
10.22*	Form of Restricted Stock Unit Awards Granted to Executive Officers under the 2021 Omnibus Stock Compensation Plan **
10.23	Severance Agreement (incorporated herein by reference to Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025) **
10.24	Severance Agreement and Waiver (incorporated herein by reference to Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025) **
10.25	Employment Offer Letter (incorporated herein by reference to Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025) **
19.01	Eastman Chemical Company Insider Trading Policy (incorporated herein by reference to Exhibit 19.01 to the Company's Annual Report on Form 10-K for year ended December 31, 2024)
21.01*	Subsidiaries of the Company
23.01*	Consent of Independent Registered Public Accounting Firm
31.01*	Rule 13a – 14(a) Certification by Mark J. Costa, Chief Executive Officer, for the year ended December 31, 2025
31.02*	Rule 13a – 14(a) Certification by William T. McLain, Jr., Senior Vice President and Chief Financial Officer, for the year ended December 31, 2025
32.01*	Section 1350 Certification by Mark J. Costa, Chief Executive Officer, for the year ended December 31, 2025
32.02*	Section 1350 Certification by William T. McLain, Jr., Executive Vice President and Chief Financial Officer, for the year ended December 31, 2025

<u>Exhibit Number</u>	<u>EXHIBIT INDEX</u>
<u>Exhibit Number</u>	<u>Description</u>
97.01	Eastman Chemical Company Incentive Pay Clawback Policy (incorporated herein by reference to Exhibit 97.01 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023) **
99.01*	2025 Company and Segment Revenue by End-Use Market
99.02*	Product and Raw Material Information
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Calculation Linkbase Document
101.DEF*	Inline XBRL Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Label Linkbase Document
101.PRE*	Inline XBRL Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Denotes exhibit filed or furnished herewith.
** Management contract or compensatory plan or arrangement filed pursuant to Item 601(b) (10) (iii) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Eastman Chemical Company

By:

/s/ Mark J. Costa

Mark J. Costa

Chief Executive Officer

Date: February 13, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>SIGNATURE</u>	<u>TITLE</u>	<u>DATE</u>
PRINCIPAL EXECUTIVE OFFICER AND DIRECTOR:		
<u>/s/ Mark J. Costa</u> Mark J. Costa	Chief Executive Officer and Director	February 13, 2026
PRINCIPAL FINANCIAL OFFICER:		
<u>/s/ William T. McLain, Jr.</u> William T. McLain, Jr.	Executive Vice President and Chief Financial Officer	February 13, 2026
PRINCIPAL ACCOUNTING OFFICER:		
<u>/s/ Michelle R. Stewart</u> Michelle R. Stewart	Vice President, Chief Accounting Officer and Corporate Controller	February 13, 2026

<u>SIGNATURE</u>	<u>TITLE</u>	<u>DATE</u>
DIRECTORS* (other than Mark J. Costa, who also signed as Principal Executive Officer):		
<u>/s/ Humberto P. Alfonso</u> Humberto P. Alfonso	Director	February 13, 2026
<u>/s/ Damon J. Audia</u> Damon J. Audia	Director	February 13, 2026
<u>/s/ Brett D. Begemann</u> Brett D. Begemann	Director	February 13, 2026
<u>/s/ Eric L. Butler</u> Eric L. Butler	Director	February 13, 2026
<u>/s/ Linnie M. Haynesworth</u> Linnie M. Haynesworth	Director	February 13, 2026
<u>/s/ Julie F. Holder</u> Julie F. Holder	Director	February 13, 2026
<u>/s/ Renée J. Hornbaker</u> Renée J. Hornbaker	Director	February 13, 2026
<u>/s/ Kim A. Mink</u> Kim A. Mink	Director	February 13, 2026
<u>/s/ James J. O'Brien</u> James J. O'Brien	Director	February 13, 2026
<u>/s/ Donald W. Slager</u> Donald W. Slager	Director	February 13, 2026

U.S. \$1,500,000,000

FOURTH AMENDED AND RESTATED FIVE-YEAR CREDIT AGREEMENT

Dated as of February 12, 2026

Among

EASTMAN CHEMICAL COMPANY

as Company.

THE INITIAL LENDERS NAMED HEREIN

as Initial Lenders

CITIBANK, N.A.

as Administrative Agent.

CITIBANK, N.A.

BOFA SECURITIES, INC.

JPMORGAN CHASE BANK, N.A.

and

MIZUHO BANK, LTD.,

as Joint Lead Arrangers

BANK OF AMERICA, N.A.

JPMORGAN CHASE BANK, N.A.

and

MIZUHO BANK, LTD.

as Syndication Agents

and

BARCLAYS BANK PLC

BNP PARIBAS

MORGAN STANLEY SENIOR FUNDING, INC.

TRUIST BANK

and

WELLS FARGO BANK, NATIONAL ASSOCIATION

as Documentation Agents

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- Exhibit A - Form of Note
 - Exhibit B - Form of Notice of Borrowing
 - Exhibit C-1 - Form of United States Tax Compliance Certificate (For Foreign Lenders That Are Not Partnerships for U.S. Federal Income Tax Purposes)
 - Exhibit C-2 - Form of United States Tax Compliance Certificate (For Foreign Participants That Are Not Partnerships for U.S. Federal Income Tax Purposes)
 - Exhibit C-3 - Form of United States Tax Compliance Certificate (For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes)
 - Exhibit C-4 - Form of United States Tax Compliance Certificate (For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)
 - Exhibit D - Form of Assignment and Assumption
 - Exhibit E - Form of Opinion of Counsel for the Borrower
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 - Exhibit G - Form of Designation Agreement
-

FOURTH AMENDED AND RESTATED FIVE-YEAR CREDIT AGREEMENT

Dated as of February 12, 2026

EASTMAN CHEMICAL COMPANY, a Delaware corporation (the “Company”), the banks, financial institutions and other institutional lenders (the “Initial Lenders”) and initial issuing banks (the “Initial Issuing Banks”) identified on Schedule I hereto and CITIBANK, N.A. (“Citibank”), as administrative agent (the “Agent”) for the Lenders (as hereinafter defined), agree as follows:

PRELIMINARY STATEMENT. The Company, the lenders party thereto and Citibank, as administrative agent, are parties to a Third Amended and Restated Five Year Credit Agreement dated as of February 14, 2024 (as amended, supplemented or modified prior to the date hereof, the “Existing Credit Agreement”). Subject to the satisfaction of the conditions set forth in Section 3.01 hereof, the parties hereto agree to amend and restate the Existing Credit Agreement as herein set forth.

Article I

DEFINITIONS AND ACCOUNTING TERMS

Section 1.01 Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

“Acquisition” means, as to any Person, the purchase or other acquisition (in one transaction or a series of transactions, including through a merger) of a majority of the equity interests of another Person or all or any substantial portion of the property, assets or business of another Person or of the assets constituting a business unit, line of business or division of another Person.

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by or otherwise reasonably acceptable to the Agent.

“Advance” means an advance by a Lender to any Borrower as part of a Borrowing and refers to a Base Rate Advance, a Term SOFR Rate Advance, an Alternative Currency Daily Rate Advance or an Alternative Currency Term Rate Advance (each of which shall be a “Type” of Advance).

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to a specified Person, another Person that directly or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agent” has the meaning specified in the preamble to this Agreement.

“Agent’s Account” means (a) in the case of Advances denominated in Dollars, the account of the Agent maintained by the Agent at Citibank at its office at One Penns Way, Building Ops II, New Castle, Delaware 19720, Account No. 31311565, Attention: Lending Agency, (b) in the case of Advances denominated in any Alternative Currency, the account of the Agent designated in writing from time to time by the Agent to the Company and the Lenders for such purpose and (c) in any such case, such other account of the Agent as is designated in writing from time to time by the Agent to the Company and the Lenders for such purpose.

“Agent Parties” has the meaning specified in Section 9.02(d)(ii).

“Agreement” means this Fourth Amended and Restated Five-Year Credit Agreement dated as of February 12, 2026.

“Alternative Currency” means each of the Committed Currencies, together with each other currency (other than Dollars) that is approved in accordance with Section 2.03.

“Alternative Currency Advance” means an Alternative Currency Daily Rate Advance or an Alternative Currency Term Rate Advance, as applicable.

“Alternative Currency Daily Rate” means, for any day, with respect to any Advance:

(a) denominated in Sterling, the rate per annum equal to SONIA determined pursuant to the definition thereof plus the SONIA Adjustment; and

(b) denominated in any other Alternative Currency (to the extent such Advances denominated in such currency will bear interest at a daily rate), the daily rate per annum as designated with respect to such Alternative Currency at the time such Alternative Currency is approved by the Agent and the Lenders pursuant to Section 2.03(a) plus the adjustment (if any) determined by the Agent and the Lenders pursuant to Section 2.03(a) in their reasonable discretion;

(c) provided, that, if any Alternative Currency Daily Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement. Any change in an Alternative Currency Daily Rate shall be effective from and including the date of such change without further notice.

“Alternative Currency Daily Rate Advance” means an Advance that bears interest at a rate based on the definition of “Alternative Currency Daily Rate.” All Alternative Currency Daily Rate Advances must be denominated in an Alternative Currency.

“Alternative Currency Term Rate” means, for any Interest Period, with respect to any Advance:

(a) denominated in Euros, the rate per annum equal to the Euro Interbank Offered Rate (“EURIBOR”), as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated

by the Agent from time to time) on the day that is two TARGET Days preceding the first day of such Interest Period with a term equivalent to such Interest Period; and

(b) denominated in any other Alternative Currency (to the extent such Advance denominated in such currency will bear interest at a term rate), the term rate per annum as designated with respect to such Alternative Currency at the time such Alternative Currency is approved by the Agent and the Lenders pursuant to Section 2.03(a) plus the adjustment (if any) determined by the Agent and the Lenders pursuant to Section 2.03(a) in their reasonable discretion;

provided, that, if any Alternative Currency Term Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

“Alternative Currency Term Rate Advance” means an Advance that bears interest at a rate based on the definition of “Alternative Currency Term Rate.” All Alternative Currency Term Rate Advances must be denominated in an Alternative Currency.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Company or its Subsidiaries from time to time concerning or relating to bribery or corruption.

“Anti-Money Laundering Laws” means any and all laws, statutes, regulations or obligatory government orders, decrees, ordinances or rules applicable to a Loan Party, its Subsidiaries or Affiliates related to terrorism financing or money laundering, including any applicable provision of the Patriot Act and The Currency and Foreign Transactions Reporting Act (also known as the “Bank Secrecy Act,” 31 U.S.C. §§ 5311-5330 and 12U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

“Applicable Commitment Fee Percentage” means, as of any date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

Public Debt Rating S&P/Moody's	Applicable Commitment Fee Percentage
Level 1 A- or A3 or above	0.090%
Level 2 BBB+ or Baa1	0.110%
Level 3 BBB or Baa2	0.125%
Level 4 BBB- or Baa3	0.175%
Level 5 Lower than Level 4	0.225%

“Applicable Law” means, as to any Person, all applicable Laws binding upon such Person or to which such a Person is subject.

“Applicable Lending Office” means, with respect to each Lender, such Lender's lending office(s) specified in its Administrative Questionnaire delivered to the Agent, or such other office of such Lender as such Lender may from time to time specify to the Company and the Agent.

“Applicable Margin” means as of any date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

Public Debt Rating S&P/Moody's	Applicable Margin for Base Rate Advances	Applicable Margin for Term SOFR Rate Advances, Alternative Currency Daily Rate Advances and Alternative Currency Term Rate Advances
Level 1 A- or A3 or above	0.000%	1.000%
Level 2 BBB+ or Baa1	0.125%	1.125%
Level 3 BBB or Baa2	0.250%	1.250%
Level 4 BBB- or Baa3	0.375%	1.375%
Level 5 Lower than Level 4	0.625%	1.625%

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” means Citibank, BofA Securities, Inc. (or any of its designated affiliates), JPMorgan Chase Bank, N.A., and Mizuho Bank, Ltd.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is

required by Section 9.07), and accepted by the Agent, in substantially the form of Exhibit D or any other form approved by the Agent.

“Assuming Lender” has the meaning specified in Section 2.19(d).

“Assumption Agreement” has the meaning specified in Section 2.19(d)(ii).

“Authorized Officer” means the Chief Executive Officer, Chief Financial Officer, the Chief Legal Officer, the Secretary, the Chief Accounting Officer, the Treasurer and such other persons designated by the Company in writing to the Agent by the Treasurer of the Company and acceptable to the Agent.

“Available Amount” of any Letter of Credit means, at any time, the maximum amount available to be drawn under such Letter of Credit at such time (assuming compliance at such time with all conditions to drawing).

“Available Tenor” means, as of any date of determination and with respect to the applicable then-current Benchmark, as applicable, (x) if the applicable then-current Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.24(d).

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time that is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as amended from time to time, and any successor statute or statutes.

“Base Rate” means a fluctuating interest rate per annum in effect from time to time, which rate per annum shall at all times be equal to the highest of:

- (a) the rate of interest announced publicly by Citibank in New York, New York, from time to time, as Citibank's base rate;
- (b) ½ of one percent per annum above the Federal Funds Rate;
- (c) Term SOFR for a one-month tenor in effect on such day plus 1.0%; and
- (d) 0%.

“Base Rate Advance” means an Advance denominated in Dollars that bears interest as provided in Section 2.08(a)(i).

“Benchmark” means, initially, (i) for Term SOFR Rate Advances, the Term SOFR Reference Rate and (ii) for Alternative Currency Term Rate Advances denominated in Euro, EURIBOR; provided that if a replacement of an initial or subsequent Benchmark has occurred pursuant to Section 2.24 then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof.

“Benchmark Replacement” means, with respect to any Benchmark Transition Event for any then-current Benchmark, the first alternative set forth in the order below that can be determined by the Agent for the applicable Benchmark Replacement Date; provided, that with respect to a Benchmark with respect to any obligations, interest, fees, commissions or other amounts denominated in any currency other than Dollars or calculated with respect thereto, the alternative set forth in clause (b) below:

- (a) Daily Simple SOFR; and

(b) The sum of (i) the alternate benchmark rate that has been selected by the Agent and the Company as the replacement for such Benchmark giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for such Benchmark for syndicated credit facilities denominated in the applicable currency at such time and (ii) the related Benchmark Replacement Adjustment;

provided that, if the applicable Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Agreement.

“Benchmark Replacement Adjustment” means, with respect to any replacement of any then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected by the Agent and the Company giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the

replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in the applicable currency at such time.

“Benchmark Replacement Date” means a date and time determined by the Agent, which date shall be no later than the earlier to occur of the following events with respect to any then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means, with respect to any then-current Benchmark for any currency, the occurrence of one or more of the following events with respect to such Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in

the calculation thereof), the Relevant Governmental Body for such Benchmark, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder in accordance with Section 2.24 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder in accordance with Section 2.24.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Borrowers” means, collectively, the Company and the Subsidiaries of the Company designated as the Designated Subsidiaries from time to time.

“Borrowing” means a borrowing consisting of simultaneous Advances of the same Type made by each of the Lenders pursuant to Section 2.01.

“Borrowing Minimum” means, in respect of Advances denominated in Dollars, \$5,000,000 and, in respect of Advances denominated in Euros, €5,000,000.

“Borrowing Multiple” means, in respect of Advances denominated in Dollars, \$1,000,000 and, in respect of Advances denominated in Euros, €1,000,000.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, New York City and (a) if such day relates to any interest rate settings as to an Alternative Currency Advance denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Alternative Currency Advance, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Alternative Currency Advance, means a Business Day that is also a TARGET Day; and (b) if such day relates to any fundings, disbursements, settlements and payments in respect of an Alternative Currency Advance denominated in a currency other than Euro, or any other dealings in such currency to be carried out pursuant to this Agreement in respect of any such Alternative Currency Advance (other than interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.

“Capitalized Lease” means all leases that have been or should be, in accordance with GAAP, as in effect on January 1, 2018, recorded as capitalized leases.

“Capitalized Lease Obligations” means all obligations of the Company and its Subsidiaries under or in respect of Capitalized Leases.

“Cash Collateralize” means to pledge and deposit with or deliver to the Agent, for the benefit of one or more of the Issuing Banks or Lenders, as collateral for L/C Obligations or obligations of Lenders to fund participations in respect of L/C Obligations, cash or deposit account balances in the applicable currency or, if the Agent and each applicable Issuing Bank shall agree in its sole discretion, other credit support, in each case pursuant to documentation in form and substance reasonably satisfactory to the Agent and each applicable Issuing Bank. “Cash Collateral” shall have a meaning analogous to the foregoing and shall include the proceeds of such cash collateral and other credit support.

“Change in Law” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Change in Control” means an event or series of events by which any “person” within the meaning of Section 14(d) of the Exchange Act, other than the Company, a Subsidiary of the Company, or any employee benefit plan(s) sponsored by the Company or any Subsidiary of the Company, is or has become the “beneficial owner,” as defined in Rule 13d-3 under the Exchange Act, directly or indirectly, of 40% or more of the combined voting power of the outstanding securities of the Company ordinarily having the right to vote at the election of directors.

“Citibank” has the meaning specified in the preamble to this Agreement.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commitment” means a Revolving Credit Commitment or a Letter of Credit Commitment.

“Commitment Date” has the meaning specified in Section 2.19(b).

“Commitment Increase” has the meaning specified in Section 2.19(a).

“Committed Currencies” means Euros.

“Communications” has the meaning specified in Section 9.02(d)(ii).

“Company” has the meaning specified in the preamble to this Agreement.

“Conforming Changes” means, with respect to the use, administration of or any conventions associated with any Alternative Currency Daily Simple Rate, any Alternative Currency Term Rate, Term SOFR or any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of “Benchmark Replacement”, the formula, methodology or convention for applying the successor Floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Agent, in consultation with the Company, decides may be appropriate to reflect the adoption and implementation of such rate or to permit the use and administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Agent, in consultation with the Company, decides is reasonably necessary in connection with the administration of this Agreement).

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Confidential Information” has the meaning specified in Section 9.08.

“Consenting Lender” has the meaning specified in Section 2.20(b).

“Consolidated” refers to the consolidation of accounts in accordance with GAAP.

“Consolidated EBT” means, for any period, the total revenues of the Company and its Subsidiaries for such period, after deducting therefrom the cost of goods sold and all operating expenses for such period, including research and development and sales, general and administrative costs and interest expense for such period, all determined in accordance with GAAP on a consolidated basis, excluding any non-cash mark-to-market adjustment (positive or negative) for pension or other post-retirement gains or expenses for such period.

“Consolidated EBITDA” means, for any period, the Consolidated EBT of the Company and its Subsidiaries for such period, plus (a) the following to the extent deducted in calculating such Consolidated EBT, but without duplication: (i) amounts deducted in arriving at such Consolidated EBT in respect of non-cash nonrecurring charges, (ii) depreciation and amortization allowances, including amortization of intangibles and organization costs, (iii) Consolidated Interest Expense for such period, (iv) other expenses or losses, including purchase accounting entries such as inventory adjustment to fair value, reducing such Consolidated EBT which do not represent a cash item in such period or any future period, (v) fees and expenses incurred in connection with any proposed or actual acquisitions, investments, asset sales or divestitures in each case that are expensed, including related non-recurring integration costs of the Company and its Subsidiaries for each such Qualified Acquisition, (vi) other unusual, non-recurring or one-time cash expenses, losses and charges in an amount not to exceed \$75,000,000 in any four fiscal quarter period (but not more than \$300,000,000 until the Termination Date), (vii) fees and expenses incurred in connection with the incurrence, prepayment, amendment, or refinancing of Indebtedness (including in connection with (i) the negotiation and documentation of this Agreement and any amendments or waivers thereof and (ii) the on-going compliance with this Agreement and the other Loan Documents) and (viii) stock-based compensation expense plus (b) reimbursement for losses incurred with respect to liability or casualty events or business interruption to the extent, without duplication (i) reimbursed to the Company or any of its Subsidiaries by third party insurance companies during such period or (ii) projected to be received no more than 12-months after the specified event or business interruption as reasonably projected and factually supported by the Company in good faith and to the extent not exceeding \$250,000,000 for any period of 12-months (calculated on a pro forma basis as though such amounts had been received on the first day of such period) and minus (c) (i) amounts added in arriving at such Consolidated EBT in respect of cash nonrecurring

charges paid during such period and (ii) other gains or additions, including purchase accounting entries such as inventory adjustment to fair value, increasing such Consolidated EBT which do not represent a cash item in such period or any future period. For the purpose of calculating Consolidated EBITDA for any period, if during such period the Company or any Subsidiary shall have made an Acquisition, Consolidated EBITDA for such period shall be calculated after giving pro forma effect thereto as if such Acquisition occurred on the first day of such period.

“Consolidated Funded Indebtedness” or “Indebtedness” of any Person means (a) the sum of, without duplication, (i) all obligations of indebtedness in respect of principal of such Person for borrowed money, (ii) all obligations in respect of principal of such Person evidenced by notes, bonds, debentures or other similar instruments, (iii) all guarantees of Consolidated Funded Indebtedness of others referred to in clauses (i) and (ii) above by such Person minus (b) the sum of, (i) cash and cash equivalents that are escrowed or otherwise set aside for the purpose of repayment of Consolidated Funded Indebtedness, all of the foregoing determined in accordance with GAAP, and (ii) indebtedness, if any, arising in connection with receivables securitization and factoring programs in an aggregate principal amount not to exceed \$500,000,000 at the time outstanding (for purposes of this clause, the “principal amount” of a receivables securitization program shall mean the Invested Amounts).

“Consolidated Interest Expense” means, for any period, all interest charges (including amortization of debt discount and expense and the imputed interest component of Capitalized Lease Obligations properly chargeable to income during such period) for the Company and its Subsidiaries, on a consolidated basis, all determined in accordance with GAAP.

“Consolidated Leverage Ratio” means, as of the last day of any fiscal quarter, the ratio of (a) Net Consolidated Funded Indebtedness as of such date to (b) Consolidated EBITDA for the period of the four fiscal quarters ended on such date (taken as one accounting period).

“Consolidated Net Tangible Assets” means, at any particular time, Consolidated Tangible Assets at such time after deducting therefrom all current liabilities, except for (a) notes and loans payable and (b) current maturities of the principal component of Capitalized Lease Obligations, all as set forth on the most recent consolidated balance sheet of the Company and its Consolidated Subsidiaries and computed in accordance with GAAP.

“Consolidated Tangible Assets” means, at any particular time, the aggregate amount of all assets (less applicable reserves and other properly deductible items) after deducting therefrom all goodwill, trade names, trademarks, patents, unamortized debt discount and expenses (to the extent included in said aggregate amount of assets) and other like intangibles, as set forth on the most recent consolidated balance sheet of the Company and its Consolidated Subsidiaries and computed in accordance with GAAP.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings analogous thereto.

“Convert”, “Conversion” and “Converted” each refers to a conversion of Advances denominated in Dollars of one Type into Advances of another Type pursuant to Section 2.09 or 2.10.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), a rate per annum equal to the greater of (a) SOFR for the day (such day, a “SOFR Determination Day”) that is five (5) U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website, and (b) zero. If by 5:00 p.m. (New York City time) on the second (2nd) U.S. Government Securities Business Day immediately following any SOFR Determination Day, SOFR in respect of such SOFR Determination Day has not been published on the SOFR Administrator’s Website and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred, then SOFR for such SOFR Determination Day will be SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator’s Website; provided that any SOFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SOFR for no more than three (3) consecutive SOFR Rate Days. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Company.

“Debtor Relief Laws” means the Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means any Event of Default or any event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

“Defaulting Lender” means at any time, subject to Section 2.21(d), (i) any Lender that has failed for three or more Business Days to comply with its obligations under this Agreement to make an Advance, make a payment to an Issuing Bank in respect of drawing under a Letter of Credit or make any other payment due hereunder (each, a “funding obligation”), unless such Lender has notified the Agent and the Company in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent,

together with the applicable default, if any, will be specifically identified in such writing), (ii) any Lender that has notified the Agent, the Company or an Issuing Bank in writing, or has stated publicly, that it does not intend to comply with its funding obligations hereunder, unless such writing or statement states that such position is based on such Lender's determination that one or more conditions precedent to funding cannot be satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing or public statement), (iii) any Lender that has defaulted on its funding obligations under other loan agreements or credit agreements generally under which it has commitments to extend credit or that has notified, or whose Parent Company has notified, the Agent or the Company in writing, or has stated publicly, that it does not intend to comply with its funding obligations under loan agreements or credit agreements generally unless such Lender has notified the Agent and the Company in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing), (iv) any Lender that has, for three or more Business Days after written request of the Agent or the Company, failed to confirm in writing to the Agent and the Company that it will comply with its prospective funding obligations hereunder (provided that such Lender will cease to be a Defaulting Lender pursuant to this clause (iv) upon the Agent's and the Company's receipt of such written confirmation), or (v) any Lender with respect to which a Lender Insolvency Event has occurred and is continuing with respect to such Lender or its Parent Company; provided that a Lender Insolvency Event shall not be deemed to occur with respect to a Lender or its Parent Company solely as a result of the acquisition or maintenance of an ownership interest in such Lender or Parent Company by a governmental authority or instrumentality thereof where such action does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any of clauses (i) through (v) above will be conclusive and binding absent manifest error, and such Lender will be deemed to be a Defaulting Lender (subject to Section 2.21(d)) upon notification of such determination by the Agent to the Company, the Issuing Banks and the Lenders.

“Designated Subsidiary” means any direct or indirect wholly-owned Subsidiary of the Company designated for borrowing privileges under this Agreement pursuant to Section 9.09.

“Designation Agreement” means, with respect to any Designated Subsidiary, an agreement in the form of Exhibit G hereto signed by such Designated Subsidiary and the Company.

“Disclosed Litigation” has the meaning specified in Section 3.01(b).

“Disqualified Institution” means (a) entities that are reasonably determined by the Company to be competitors of the Company or its Subsidiaries and which are specifically identified by the Company to the Agent in writing and delivered in accordance with Section 9.02 prior to the Effective Date and (b) any other entity that is reasonably determined by the Company to be a competitor (or an Affiliate of a competitor) of the Company or its Subsidiaries and which is specifically identified in a written supplement to the DQ List, which supplement shall become effective three Business Days after delivery thereof to the Agent and the Lenders in accordance with Section 9.02; provided that “Disqualified Institution” shall exclude any Person that the Company has designated as no longer being a “Disqualified Institution” by written notice delivered to the Agent from time to time in accordance with Section 9.02.

“Dollars” and the “\$” sign each means lawful currency of the United States of America.

“Domestic Subsidiary” means any Subsidiary of the Company incorporated under the laws of the United States of America, any state thereof or the District of Columbia.

“DQ List” has the meaning specified in Section 9.07(e)(iv).

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country that is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country that is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country that is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” has the meaning specified in Section 3.01.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 9.07(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 9.07(b)(iii)). For the avoidance of doubt, any Disqualified Institution is subject to Section 9.07(e).

“Environmental Claim” means, with respect to any Person, any notice, claim, demand or similar written communication by any other Person alleging potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources

damages, property damages, personal injuries, fines or penalties arising out of, based on or resulting from (a) the presence, or release into the environment, of any Material of Environmental Concern at any location, whether or not owned by such Person or (b) circumstances forming the basis of any violation, or alleged violation of any Environmental Law.

“Environmental Laws” means all federal, state, local and foreign laws and regulations relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, ground water, land surface or subsurface strata), including without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of hazardous or toxic materials, or otherwise relating to the manufacture, processing, distribution, use treatment, storage, disposal, transport or handling of hazardous or toxic materials.

“Equivalent” means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any Alternative Currency, the equivalent amount thereof in Dollars as determined by the Agent or the applicable Issuing Bank, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Alternative Currency.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time. Section references to ERISA are to ERISA, as in effect at the date of this Agreement and any subsequent provisions of ERISA, amendatory thereof, supplemental thereto or substituted therefor.

“ERISA Controlled Group” means a group consisting of any ERISA Person and all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control with such Person that, together with such Person, are treated as a single employer under regulations of the PBGC.

“ERISA Person” has the meaning set forth in Section 3(9) of ERISA for the term “person.”

“ERISA Plan” means (a) any Plan that (i) is not a Multiemployer Plan and (ii) has Unfunded Benefit Liabilities in excess of \$1,000,000 and (b) any Plan that is a Multiemployer Plan.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“EURIBOR” has the meaning specified in the definition of “Alternative Currency Term Rate”.

“Euro” means the lawful currency of the European Union as constituted by the Treaty of Rome which established the European Community, as such treaty may be amended from time to time and as referred to in the EMU legislation.

“Events of Default” has the meaning specified in Section 6.01.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in an Advance or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Advance or Commitment (other than pursuant to an assignment request by the Company under Section 2.22(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.15, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.15(g) and (d) any withholding Taxes imposed under FATCA.

“Existing Credit Agreement” has the meaning specified in the preliminary statement to this Agreement.

“Extension Date” has the meaning specified in Section 2.20(a).

“FATCA” means Sections 1471 through 1474 of the Code as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“Federal Funds Rate” means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received by the Agent from three Federal funds brokers of recognized standing selected

by it; provided that, if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Federal Reserve Board” means the Board of Governors of the Federal Reserve System as constituted from time to time.

“Floor” shall mean the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the initial Benchmark for each currency provided for hereunder.

“Foreign Lender” means a Lender that is not a U.S. Person.

“Fronting Exposure” means, at any time there is a Defaulting Lender and with respect to any Issuing Bank, such Defaulting Lender’s Ratable Share of the L/C Obligations with respect to Letters of Credit issued by such Issuing Bank, other than L/C Obligations as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

“Fund” means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of business.

“GAAP” means, subject to Section 1.03 and the definition of Capitalized Lease, United States generally accepted accounting principles as in effect as of the date of determination thereof.

“Governmental Authority” means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Increase Date” has the meaning specified in Section 2.19(a).

“Increasing Lender” has the meaning specified in Section 2.19(b).

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of a Borrower under this Agreement or any Notes and (b) to the extent not otherwise described in (a), Other Taxes.

“Initial Lenders” has the meaning set forth in the preamble to this Agreement.

“Initial Issuing Banks” has the meaning set forth in the preamble to this Agreement.

“Interest Period” means, for each Term SOFR Rate Advance and Alternative Currency Term Rate Advance comprising part of the same Borrowing, the period commencing on the date of such Term SOFR Rate Advance or Alternative Currency Term Rate Advance or the date of the Conversion of any Base Rate Advance into such Term SOFR Rate Advance and ending on the last day of the period selected by the Borrower requesting such Borrowing pursuant to the provisions below and, thereafter, with respect to Term SOFR Rate Advances or Alternative Currency Term Rate Advances, each subsequent period commencing on the last day of the immediately preceding Interest Period and ending on the last day of the period selected by such Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one, three or six months as such Borrower may, upon notice received by the Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the first day of such Interest Period, select; provided, however, that:

(i) such Borrower may not select any Interest Period that ends after the Termination Date;

(ii) Interest Periods commencing on the same date for Term SOFR Rate Advances or Alternative Currency Term Rate Advance comprising part of the same Borrowing shall be of the same duration;

(iii) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, provided, however, that, if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day; and

(iv) whenever the first day of any Interest Period occurs on a day of an initial calendar month for which there is no numerically corresponding day in the calendar month that succeeds such initial calendar month by the number of months equal to the number of months in such Interest Period, such Interest Period shall end on the last Business Day of such succeeding calendar month.

“Invested Amounts” means the amounts invested by investors that are not Affiliates of the Company in connection with any receivables securitization program and paid to the Company or its Subsidiaries, as reduced by the aggregate amounts received by such investors from the payment of receivables and applied to reduce such invested amounts.

“Issuing Bank” means an Initial Issuing Bank, any Eligible Assignee to which a portion of the Letter of Credit Commitment hereunder has been assigned pursuant to Section 9.07 or any other Lender that agrees to become an Issuing Bank, so long as such Eligible Assignee or other Lender expressly agrees to perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be

performed by it as an Issuing Bank and notifies the Agent of its Letter of Credit Commitment and Applicable Lending Office (which information shall be recorded by the Agent in the Register), for so long as such Initial Issuing Bank, Eligible Assignee or other Lender, as the case may be, shall have a Letter of Credit Commitment.

“Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“L/C Cash Deposit Account” means an interest bearing cash deposit account to be established and maintained by the Agent for the benefit of the Issuing Banks, over which the Agent shall have sole dominion and control, upon terms as may be satisfactory to the Agent.

“L/C Obligations” means, as of any date, the aggregate Available Amount of outstanding Letters of Credit and Advances made by an Issuing Bank in accordance with Section 2.04 that have not been funded by the Lenders and, in the case of any Letters of Credit denominated in Committed Currencies, shall be the Equivalent in Dollars of such amount, determined as of the third Business Day prior to such date.

“L/C Related Documents” has the meaning specified in Section 2.07(b)(i).

“Lender Insolvency Event” means that (a) a Lender or its Parent Company is insolvent, or is generally unable to pay its debts as they become due, or admits in writing its inability to pay its debts as they become due, or makes a general assignment for the benefit of its creditors, or (b) such Lender or its Parent Company is the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding or a Bail-In Action, or a receiver, trustee, conservator, intervenor or sequestrator or the like has been appointed for such Lender or its Parent Company, or such Lender or its Parent Company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment.

“Lenders” means the Initial Lenders, each Issuing Bank, each Assuming Lender that shall become a party hereto pursuant to Section 2.19 or 2.20 and each Person that shall become a party hereto pursuant to Section 9.07.

“Letter of Credit” has the meaning specified in Section 2.01(b).

“Letter of Credit Agreement” has the meaning specified in Section 2.04(a).

“Letter of Credit Commitment” means, with respect to each Issuing Bank, the obligation of such Issuing Bank to issue Letters of Credit to any Borrower in (a) the

Dollar amount set forth opposite the Issuing Bank's name on Schedule I hereto under the caption "Letter of Credit Commitment", (b) if such Issuing Bank has become an Issuing Bank hereunder pursuant to an Assumption Agreement, the Dollar amount set forth in such Assumption Agreement, or (c) if such Issuing Bank has entered into one or more Assignment and Assumptions, the Dollar amount set forth for such Issuing Bank in the Register maintained by the Agent pursuant to Section 9.07(c) as such Issuing Bank's "Letter of Credit Commitment", in each case as such amount may be reduced prior to such time pursuant to Section 2.06.

"Letter of Credit Facility" means, at any time, an amount equal to the least of (a) the aggregate amount of the Issuing Banks' Letter of Credit Commitments at such time, (b) \$250,000,000 and (c) the aggregate amount of the Revolving Credit Commitments, as such amount may be reduced at or prior to such time pursuant to Section 2.06.

"Lien" means any mortgage, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), or preferential payment arrangement, priority or other security agreement of any kind or nature whatsoever, including, without limitation, any conditional sale or other title retention agreement, any financing lease having substantially the same effect as any of the foregoing.

"Loan Party" has the meaning specified in Section 9.17.

"Loan Documents" means this Agreement, including schedules and exhibits hereto, the Notes, if any, and any agreements entered into in connection herewith by the Company with or in favor of the Agent and/or the Lenders, including any amendments, modifications or supplements thereto or waivers thereof.

"Margin Stock" has the meaning provided such term in Regulation U.

"Material Adverse Effect" means a material adverse effect upon (a) the business, condition (financial or otherwise) or operations of the Company and its Subsidiaries taken as a whole or (b) the ability of the Company to perform, or of the Agent or any of the Lenders to enforce, any of the Obligations.

"Material of Environmental Concern" means any pollutant, contaminant, chemical, or any toxic or hazardous (or words of similar import) agent, material, substance or waste, including all agents, materials, substances or wastes for which liability or a requirement for investigation or remediation are imposed under, or that are otherwise subject to, limited or prohibited by or regulated under, Environmental Laws.

"Material Subsidiary" means each Subsidiary of the Company which meets any of the following conditions: (a) the Company and its other Subsidiaries, investments in and advances to such Subsidiary exceed 10% of the total assets of the Company and its Subsidiaries consolidated as of the end of the most recently completed fiscal year, (b) the Company's and its other Subsidiaries' proportionate share of the total assets (after intercompany eliminations) of such Subsidiary exceeds 10% of the total assets of the

Company and its Subsidiaries consolidated as of the end of the most recently completed fiscal year, or (c) the Company's and its other Subsidiaries' equity in the income from the continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principles (excluding non-recurring items and special charges) of such Subsidiary exceeds 10% of such income of the Company and its Subsidiaries consolidated for the most recently completed fiscal year.

“Multiemployer Plan” means a Plan which is a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA.

“Moody's” means Moody's Ratings.

“Net Consolidated Funded Indebtedness” of any Person as of any date, means Consolidated Funded Indebtedness of such Person minus (but without duplication of cash and cash equivalents that are escrowed for the purpose of repayment of Consolidated Funded Indebtedness), cash and cash equivalents, all of the foregoing determined in accordance with GAAP on such date.

“Non-Consenting Lender” has the meaning specified in Section 2.20(b).

“Non-Defaulting Lender” means, at any time, a Lender that is not a Defaulting Lender or a Potential Defaulting Lender.

“Note” means a promissory note of any Borrower payable to any Lender or its registered assigns, delivered pursuant to a request made under Section 2.17 in substantially the form of Exhibit A hereto, evidencing the aggregate indebtedness of such Borrower to such Lender resulting from the Advances made by such Lender to such Borrower.

“Notice Date” has the meaning specified in Section 2.20(a).

“Notice of Issuance” has the meaning specified in Section 2.04(a).

“Notice of Borrowing” has the meaning specified in Section 2.02(a).

“Obligations” means all amounts owing to the Agent or any Lender (whether a contingent obligation or otherwise) pursuant to the terms of this Agreement or any Note.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced this Agreement or the Notes, or sold or assigned an interest in any Advance or this Agreement or the Notes).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, this Agreement or any Notes, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.22(b)).

“Parent Company” means, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, or if such Lender does not have a bank holding company, then any corporation, association, partnership or other business entity owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

“Participant” has the meaning assigned to such term in clause (d) of Section 9.07.

“Participant Register” has the meaning assigned to such term in clause (d) of Section 9.07.

“PATRIOT Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“Payment Office” means, for any Committed Currency, such office of Citibank as shall be from time to time selected by the Agent and notified by the Agent to the Company and the Lenders.

“PBGC” means the Pension Benefit Guaranty Corporation established under ERISA, or any successor thereto.

“Person” means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

“Plan” means any employee benefit plan, covered by Title IV of ERISA, the funding requirements of which: (a) were the responsibility of the Company or a member of its ERISA Controlled Group at any time within the five years immediately preceding the date hereof, (b) are currently the responsibility of the Company or a member of its ERISA Controlled Group, or (c) hereafter become the responsibility of the Company or a member of its ERISA Controlled Group, including any such plans as may have been, or may hereafter be, terminated for whatever reason.

“Plan of Reorganization” has the meaning assigned to it in Section 9.02(e)(iii).

“Platform” has the meaning assigned to it in Section 9.02(d)(i).

“Potential Defaulting Lender” means, at any time, a Lender (i) as to which an event of the kind referred to in the definition of “Lender Insolvency Event” has occurred and is continuing in respect of any Subsidiary of such Lender, (ii) as to which the Agent or any Issuing Bank has in good faith determined and notified the Company and (in the case of an Issuing Bank) the Agent that such Lender or its Parent Company or a Subsidiary thereof has notified the Agent, or has stated publicly, that it will not comply with its funding obligations under any other loan agreement or credit agreement or other similar/other financing agreement unless such Lender has notified the Agent and the Company in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing) or (iii) that has, or whose Parent Company has, a non-investment grade rating from Moody’s or S&P or another nationally recognized rating agency. Any determination that is made that a Lender is a Potential Defaulting Lender under any of clauses (i) through (iii) above will be made by the Agent or, in the case of clause (ii), an Issuing Bank, in its sole discretion acting in good faith. The Agent will promptly send to all parties hereto a copy of any notice to the Company provided for in this definition.

“Principal Property” means any manufacturing plant or manufacturing facility (in each case taken as a whole) which is (a) owned by the Company or any Principal Subsidiary, (b) located within the continental United States, and (c) in the opinion of the Board of Directors of the Company, material to the total business conducted by the Company and the Principal Subsidiaries taken as a whole.

“Principal Subsidiary” means any Subsidiary of the Company (a) substantially all the property of which is located within the continental United States and (b) which owns any Principal Property; provided that the term “Principal Subsidiary” shall not include any such Subsidiary which is principally engaged in leasing or in financing receivables, or which is principally engaged in financing the Company's operations outside the continental United States of America.

“Public Debt Rating” means, as of any date, the rating that has been most recently announced by either S&P or Moody's, as the case may be, for any class of non-credit enhanced long-term senior unsecured debt issued by the Company. For purposes of the foregoing, (a) if only one of S&P and Moody's shall have in effect a Public Debt Rating, the Applicable Margin and the Applicable Commitment Fee Percentage shall be determined by reference to the available rating; (b) if neither S&P nor Moody's shall have in effect a Public Debt Rating, the Applicable Margin and the Applicable Commitment Percentage will be set in accordance with Level 5 under the definition of “Applicable Margin” or “Applicable Commitment Fee Percentage”, as the case may be; (c) if the ratings established by S&P and Moody's shall fall within different levels, the Applicable Margin and the Applicable Commitment Fee Percentage shall be based upon the higher rating; (d) if any rating established by S&P or Moody's shall be changed, such change shall be effective as of the date on which such change is first announced publicly by the rating agency making such change; and (e) if S&P or Moody's shall change the basis on

which ratings are established, each reference to the Public Debt Rating announced by S&P or Moody's, as the case may be, shall refer to the then equivalent rating by S&P or Moody's, as the case may be. If the rating system of Moody's or S&P shall change, or if any of such rating agencies shall cease to be in the business of rating corporate debt obligations, the Borrowers and the Lenders shall negotiate in good faith to amend the definition of Applicable Margin to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin shall be determined by reference to the rating most recently in effect prior to such change or cessation.

“Qualified Acquisition” means any Acquisition by the Company or any Subsidiary, provided that the aggregate consideration therefor (including as consideration, without duplication, the aggregate principal amount of Indebtedness assumed or incurred by the Company or any Subsidiary, and the aggregate principal amount of Indebtedness of such Person repaid, prepaid or redeemed by the Company or any Subsidiary, in each case, in connection therewith) is at least \$300,000,000.

“Ratable Share” of any amount means, with respect to any Lender at any time, the product of such amount times a fraction the numerator of which is the amount of such Lender's Revolving Credit Commitment at such time (or, if the Revolving Credit Commitments shall have been terminated pursuant to Section 2.06 or 6.01, such Lender's Revolving Credit Commitment as in effect immediately prior to such termination) and the denominator of which is the aggregate amount of all Revolving Credit Commitments at such time (or, if the Revolving Credit Commitments shall have been terminated pursuant to Section 2.06 or 6.01, the aggregate amount of all Revolving Credit Commitments as in effect immediately prior to such termination).

“Recipient” means (a) Agent, (b) any Lender and (c) any Issuing Bank, as applicable.

“Register” has the meaning specified in Section 9.07(c).

“Related Parties” means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

“Relevant Governmental Body” (a) with respect to a Benchmark Replacement in respect of Dollars, the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto and (b) with respect to a Benchmark Replacement in respect of Euros, the European Central Bank, or a committee officially endorsed or convened by the European Central Bank or, in each case, any successor thereto and (iii) with respect to a Benchmark Replacement in respect of Advances denominated in any other currency (1) the central bank for the currency in which such Benchmark Replacement is denominated or any central bank or other

supervisor which is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement or (2) any working group or committee officially endorsed or convened by (A) the central bank for the currency in which such Benchmark Replacement is denominated, (B) any central bank or other supervisor that is responsible for supervising either (i) such Benchmark Replacement or (ii) the administrator of such Benchmark Replacement, (C) a group of those central banks or other supervisors or (D) the Financial Stability Board or any part thereof.

“Reportable Event” has the meaning set forth in Section 4043(b) of ERISA (other than a Reportable Events as to which the provision of thirty days' notice to the PBGC is waived under applicable regulations), or is the occurrence of any of the events described in Section 4062(e) or 4063(a) of ERISA.

“Required Lenders” means at any time Lenders owed at least a majority in interest of the then aggregate unpaid principal amount (based on the Equivalent in Dollars at such time) of the Advances owing to Lenders, or, if no such principal amount is then outstanding, Lenders having at least a majority in interest of the Revolving Credit Commitments; provided that if any Lender shall be a Defaulting Lender at such time, there shall be excluded from the determination of Required Lenders at such time the Revolving Credit Commitments of such Lender at such time.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means the Chief Financial Officer, the Chief Accounting Officer, the Treasurer or any Assistant Treasurer of the Company.

“Restricted Subsidiary” means, for purposes of Section 5.02(d) hereof, a wholly-owned Subsidiary of the Company substantially all of the assets of which are located in the United States (excluding territories or possessions) and which owns a Principal Property; provided however, that the term Restricted Subsidiary shall not include any Subsidiary that is principally engaged in (a) the business of financing; (b) the business of owning, buying, selling, leasing, dealing in or developing real property; or (c) the business of exporting goods or merchandise from or importing goods or merchandise into the United States.

“Revaluation Date” means (a) with respect to any Advance, each of the following: (i) each date of a Borrowing of an Alternative Currency Advance, (ii) each date of a continuation of an Alternative Currency Term Rate Advance denominated in an Alternative Currency and (iii) such additional dates as the Agent shall determine or the Required Lenders shall require; and (b) with respect to any Letter of Credit, each of the following: (i) each date of issuance, amendment and/or extension of a Letter of Credit denominated in an Alternative Currency, (ii) each date of any payment under any Letter of Credit denominated in an Alternative Currency, and (iii) such additional dates as the Agent or an Issuing Bank shall determine or the Required Lenders shall require.

“Revolving Credit Commitment” means as to any Lender (a) the Dollar amount set forth opposite such Lender's name on Schedule I hereto as such Lender's “Revolving Credit Commitment”, (b) if such Lender has become a Lender hereunder pursuant to an Assumption Agreement, the Dollar amount set forth in such Assumption Agreement or (c) if such Lender has entered into any Assignment and Assumption, the Dollar amount set forth for such Lender in the Register maintained by the Agent pursuant to Section 9.07(c), as such amount may be reduced pursuant to Section 2.06 or increased pursuant to Section 2.19.

“S&P” means S&P Global Ratings.

“Same Day Funds” means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in an Alternative Currency, same day or other funds as may be determined by the Agent or the L/C Issuer, as the case may be, to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Alternative Currency.

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State or (b) the United Nations Security Council, the European Union, any EU Member State or His Majesty's Treasury of the United Kingdom.

“Sanctioned Country” means, at any time, a country or territory which is the subject or target of any comprehensive country- or territory-wide Sanctions.

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State or by the United Nations Security Council, the European Union, any EU member state or His Majesty's Treasury of the United Kingdom, (b) any Person located, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons or (d) any Person otherwise the subject or Target of any Sanctions.

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator's Website” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“SONIA” means, with respect to any applicable determination date, the Sterling Overnight Index Average Reference Rate published on the fifth Business Day preceding such date on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Agent from time to time); provided however that if such determination date is not a Business Day, SONIA means such rate that applied on the first Business Day immediately prior thereto.

“SONIA Adjustment” means, with respect to SONIA, 0.1193% per annum.

“Spot Rate” for a currency means the rate determined by the Agent or the applicable Issuing Bank, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that if the Agent or such Issuing Bank does not have as of the applicable date of determination a spot buying rate for any such currency, the Agent or such Issuing Bank, as applicable, may (a) obtain such spot rate from another financial institution designated by the Agent or such Issuing Bank, (b) use a rate of exchange published by any reputable third party (which shall be by reference to the rate published by such third party on the Business Day immediately preceding the applicable date of determination) or (c) use such other method for determining such spot rate as the Agent or such Issuing Bank deems appropriate in its reasonable discretion; provided, further that such Issuing Bank may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Letter of Credit denominated in an Alternative Currency.

“Sterling” means the lawful currency of the United Kingdom.

“Subsidiary” means, with respect to any Person, any corporation or other entity in which such Person has ownership or control sufficient under GAAP to require such corporation or entity to be consolidated with such Person for financial reporting purposes.

“T2” means the real time gross settlement system operated by the Eurosystem, or any successor system.

“TARGET Day” means any day on which T2 is open for the settlement of payments in Euro.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term SOFR” means,

(a) for any calculation with respect to a Term Rate Advance, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to a Base Rate Advance on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “ABR Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than zero, then Term SOFR shall be deemed to be zero.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Agent in its reasonable discretion).

“Term SOFR Rate Advance” means an Advance denominated in Dollars that bears interest as provided in Section 2.08(a)(ii).

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“Termination Date” means the earlier of (a) February 12, 2031, subject to the extension thereof pursuant to Section 2.20 (or, if such day is not a Business Day, the next preceding Business Day) and (b) the date of termination in whole of the Commitments pursuant to Section 2.06 or 6.01; provided, however, that the Termination Date of any Lender that is a Non-Consenting Lender to any requested extension pursuant to Section 2.20 shall be the Termination Date in effect immediately prior to the applicable Extension Date for all purposes of this Agreement.

“Termination Event” means (a) a Reportable Event, or (b) the initiation of any action by the Company, any member of the Company's ERISA Controlled Group or any ERISA Plan fiduciary to terminate an ERISA Plan or the treatment of an amendment to an ERISA Plan as a termination under ERISA, or (c) the institution of proceedings by the PBGC under Section 4042 of ERISA to terminate an ERISA Plan or to appoint a trustee to administer any ERISA plan, except, in any such case, where the result thereof could not reasonably be expected to have a Material Adverse Effect.

“Trade Date” has the meaning specified in Section 9.02(e).

“Type” means, as to any Advance, its nature as a Base Rate Advance, a Term SOFR Rate Advance, an Alternative Currency Daily Rate Advance or an Alternative Currency Term Rate Advance.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any Person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Unfunded Benefit Liabilities” means with respect to any Plan at any time, the amount (if any) by which (a) the present value of all benefit liabilities under such Plan as defined in Section 4001(a)(16), of ERISA, exceeds (b) the fair market value of all Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plan (on the basis of the interest rate and other assumptions used to determine the current liabilities of the Plan as required under Code Section 430).

“Unissued Letter of Credit Commitment” means, with respect to any Issuing Bank, the obligation of such Issuing Bank to issue Letters of Credit to any Borrower in an

amount equal to the excess of (a) the amount of its Letter of Credit Commitment over (b) the aggregate Available Amount of all Letters of Credit issued by such Issuing Bank.

“Unused Commitment” means, with respect to each Lender at any time, (a) such Lender's Revolving Credit Commitment at such time minus (b) the sum of (i) the aggregate principal amount of all Advances made by such Lender (in its capacity as a Lender) and outstanding at such time, plus (ii) such Lender's Ratable Share of (A) the aggregate Available Amount of all the Letters of Credit outstanding at such time and (B) the aggregate principal amount of all Advances made by each Issuing Bank pursuant to Section 2.04(c) that have not been ratably funded by such Lender and outstanding at such time.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“U.S. Tax Compliance Certificate” has the meaning specified in Section 2.15(g).

“Voting Stock” means capital stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right so to vote has been suspended by the happening of such a contingency.

“Withholding Agent” means the Borrowers and the Agent.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that Person or any other Person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.02 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words

“include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” The word “or” is not exclusive. The word “year” shall refer (i) in the case of a leap year, to a year of 366 days, and (ii) otherwise, to a year of 365 days. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein,” “hereof” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding”.

Section 1.03 Accounting Terms.

(a) Except as otherwise expressly provided herein, all accounting terms not otherwise defined herein shall be construed in conformity with GAAP. Financial statements and other information required to be delivered by the Company to the Lenders pursuant to Sections 5.01(a)(i) and 5.01(a)(ii) shall be prepared in accordance with GAAP as in effect at the time of such preparation. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Company and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 on financial liabilities shall be disregarded.

(b) If the Company notifies the Agent that the Company requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Agent notifies the Company that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

Section 1.04 Exchange Rates; Currency Equivalents.

(a) The Agent or the applicable Issuing Bank, as applicable, shall determine the Spot Rates as of each Revaluation Date to be used for calculating Equivalent amounts of Advances denominated in Alternative Currencies. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by the Company hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of this Agreement shall be such Equivalent amount as so determined by the Agent or the applicable Issuing Bank, as applicable; provided that no Default shall arise as a result of any limitation set forth in Dollars in Section 5.02 being exceeded solely as a result of

changes in currency exchange rates from those rates applicable at the time or times the Indebtedness or obligations secured by Liens were initially consummated or acquired in reliance on the exceptions under Section 5.02.

(b) Wherever in this Agreement in connection with an Advance, the conversion, continuation or prepayment of an Alternative Currency Term Rate Advance, or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Advance, Alternative Currency Term Rate Advance or Letter of Credit is denominated in an Alternative Currency, such amount shall be the relevant Equivalent of such Dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Agent or the applicable Issuing Bank, as applicable.

Section 1.05 Divisions. For all purposes under this Agreement, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

Section 1.06 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Equivalent of the stated amount of such Letter of Credit in effect at such time; provided that with respect to any Letter of Credit that, by its terms or the terms of any L/C Related Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the Equivalent of the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

Section 1.07 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

Section 1.08 Rates. The Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Base Rate, the Term SOFR Reference Rate, Term SOFR, any Alternative Currency Daily Rate, any Alternative Currency Term Rate or any other Benchmark, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement), will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, Base Rate, the Term SOFR Reference Rate, Term SOFR, any Alternative Currency Daily Rate, any Alternative Currency Term Rate or any other Benchmark, such Benchmark or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Agent and its affiliates or other related entities may engage in transactions that affect the calculation of Base Rate or a Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrowers. The Agent may select information sources or services in its reasonable discretion to ascertain Base Rate, the Term SOFR Reference Rate, Term SOFR, any Alternative Currency Daily Rate, any Alternative Currency Term Rate, any Benchmark, any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this

Agreement, and shall have no liability to any Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service).

Article II

AMOUNTS AND TERMS OF THE ADVANCES AND LETTERS OF CREDIT

Section 2.01 The Advances and Letters of Credit.

(a) The Advances. Each Lender severally agrees, on the terms and conditions hereinafter set forth, to make Advances in Dollars or any Alternative Currency to any Borrower from time to time on any Business Day during the period from the Effective Date until the Termination Date in an amount (based in respect of any Advances to be denominated in an Alternative Currency by reference to the Equivalent thereof in Dollars determined on the date of delivery of the applicable Notice of Borrowing) not to exceed such Lender's Unused Commitment. Each Borrowing shall be in an amount not less than the Borrowing Minimum or the Borrowing Multiple in excess thereof and shall consist of Advances of the same Type and in the same currency made on the same day by the Lenders ratably according to their respective Revolving Credit Commitments. Within the limits of each Lender's Revolving Credit Commitment, any Borrower may borrow under this Section 2.01(a), prepay pursuant to Section 2.11 and reborrow under this Section 2.01(a).

(b) Letters of Credit. Each Issuing Bank agrees, on the terms and conditions set forth in any Letter of Credit Agreement and hereinafter set forth, in reliance upon the agreements of the other Lenders set forth in this Agreement, to issue stand-by letters of credit (each, a "Letter of Credit") denominated in Dollars or any Alternative Currency for the account of any Borrower from time to time on any Business Day during the period from the Effective Date until thirty days before the Termination Date in an aggregate Available Amount (based in respect of any Letter of Credit to be denominated in an Alternative Currency by reference to the Equivalent thereof in Dollars determined on the date of delivery of the applicable Notice of Issuance) (i) for all Letters of Credit issued by each Issuing Bank not to exceed at any time the lesser of (x) the Letter of Credit Facility at such time and (y) such Issuing Bank's Letter of Credit Commitment at such time and (ii) for each such Letter of Credit not to exceed an amount equal to the Unused Commitments of the Lenders at such time. No Issuing Bank shall be obligated to issue any Letter of Credit hereunder if such issuance would conflict with, or cause such Issuing Bank to exceed any limits imposed by, any applicable law, any order, judgment or decree of a Governmental Authority or a policy or procedure of such Issuing Bank. No Letter of Credit shall have an expiration date (including all rights of the applicable Borrower or the beneficiary to require renewal) later than ten Business Days before the earliest Termination Date for which the aggregate Commitments of the Lenders (after giving effect to any extensions of the Termination Date pursuant to Section 2.20) are not equal to or greater than the aggregate Available Amount of all Letters of Credit. Within the limits referred to above, any Borrower may request the issuance of Letters of Credit under this Section 2.01(b), repay any Advances resulting from drawings thereunder pursuant to Section 2.04(c) and request the issuance of additional Letters of Credit under this Section 2.01(b). Each letter of credit listed on Schedule 2.01(b) shall be deemed to constitute a Letter of Credit issued hereunder, and each Lender that is an issuer of such a Letter of Credit shall, for purposes of Section 2.04, be deemed to be an Issuing Bank for each such letter of credit, provided that any renewal or replacement of any such letter of credit shall be issued by an Issuing Bank pursuant to the terms of this Agreement. The terms "issue",

“issued”, “issuance” and all similar terms, when applied to a Letter of Credit, shall include any renewal, extension or amendment thereof.

Section 2.02 Making the Advances.

(a) Except as otherwise provided in Section 2.04(c), each Borrowing shall be made on notice, given not later than (x) 11:00 A.M. (New York City time) on the third U.S. Government Securities Business Day prior to the date of the proposed Borrowing in the case of a Borrowing consisting of Term SOFR Rate Advances, (y) 11:00 A.M. (New York City time) on the fourth Business Day prior to the date of the proposed Borrowing in the case of a Borrowing consisting of Alternative Currency Advances or (z) 1:00 P.M. (New York City time) on the date of the proposed Borrowing in the case of a Borrowing consisting of Base Rate Advances, by any Borrower to the Agent, which shall give to each Lender prompt notice thereof by telecopier. Each such notice of a Borrowing (a “Notice of Borrowing”) shall be made in writing or by electronic mail, or telecopier in substantially the form of Exhibit B hereto, specifying therein the requested (i) date of such Borrowing, (ii) Type of Advances comprising such Borrowing, (iii) aggregate amount of such Borrowing, and (iv) in the case of a Borrowing consisting of Term SOFR Rate Advances or Alternative Currency Term Rate Advances, initial Interest Period and currency for each such Advance. Each Lender shall, before (x) 3:00 P.M. (New York City time), in the case of Borrowings denominated in Dollars, and (y) before 10:00 A.M. New York City time), in the case of Borrowings denominated in Committed Currencies, on the date of such Borrowing, make available for the account of its Applicable Lending Office to the Agent at the applicable Agent’s Account, in same day funds, such Lender’s ratable portion of such Borrowing. After the Agent’s receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Agent will make such funds available to the Borrower requesting the Borrowing at the Agent’s address referred to in Section 9.02 or at the applicable Payment Office, as the case may be.

(b) Anything in subsection (a) above to the contrary notwithstanding, (i) no Borrower may select Term SOFR Rate Advances for any Borrowing if the aggregate amount of such Borrowing is less than the Borrowing Minimum or if the obligation of the Lenders to make Term SOFR Rate Advances shall then be suspended pursuant to Section 2.09 or 2.13 and (ii) the Term SOFR Rate Advances and Alternative Currency Term Rate Advances may not be outstanding as part of more than six separate Borrowings.

(c) Each Notice of Borrowing of any Borrower shall be irrevocable and binding on such Borrower. In the case of any Borrowing that the related Notice of Borrowing specifies is to be comprised of Term SOFR Rate Advances or Alternative Currency Term Rate Advances, the Borrower requesting such Borrowing shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the date specified in such Notice of Borrowing for such Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss (including loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Advance to be made by such Lender as part of such Borrowing when such Advance, as a result of such failure, is not made on such date.

(d) Unless the Agent shall have received notice from a Lender prior to the time of any Borrowing that such Lender will not make available to the Agent such Lender's ratable portion of such Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such Borrowing in accordance with subsection (a) of this Section 2.02 and the Agent may, in reliance upon such assumption, make available to the Borrower requesting such Borrowing on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Agent, such Lender

and such Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to such Borrower until the date such amount is repaid to the Agent, at (i) in the case of such Borrower, the higher of (A) the interest rate applicable at the time to the Advances comprising such Borrowing and (B) the cost of funds incurred by the Agent in respect of such amount and (ii) in the case of such Lender, (A) the Federal Funds Rate in the case of Advances denominated in Dollars or (B) the cost of funds incurred by the Agent in respect of such amount in the case of Advances denominated in Committed Currencies. If such Lender shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Lender's Advance as part of such Borrowing for purposes of this Agreement.

(e) The failure of any Lender to make the Advance to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Advance on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Advance to be made by such other Lender on the date of any Borrowing.

(f) Each Lender at its option may make any Advances by causing any domestic or foreign branch or Affiliate of such Lender to make such Advances; provided that any exercise of such option shall not affect the obligation of the applicable Borrower to repay such Advances in accordance with the terms of this Agreement.

Section 2.03 Additional Alternative Currencies.

(a) The Company may from time to time request that Advances be made and/or Letters of Credit be issued, in each case in a currency other than those specifically listed in the definition of "Alternative Currency"; provided that that such requested currency is a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars in the international interbank market available to the Lenders and as to which a Dollar Equivalent may be readily calculated. In the case of any such request with respect to the making of Advances, such request shall be subject to the approval of the Agent and each Lender; and in the case of any such request with respect to the issuance of Letters of Credit, such request shall be subject to the approval of the Agent and the Issuing Banks.

(b) Any such request shall be made to the Agent not later than 1:00 p.m., twenty Business Days prior to the date of the desired Advance (or such other time or date as may be agreed by the Agent and, in the case of any such request pertaining to Letters of Credit, the Issuing Banks, in its or their sole discretion). In the case of any such request pertaining to Advances, the Agent shall promptly notify each Lender thereof; and in the case of any such request pertaining to Letters of Credit, the Agent shall promptly notify the Issuing Banks thereof. Each Lender (in the case of any such request pertaining to Advances) or each Issuing Bank (in the case of a request pertaining to Letters of Credit), shall notify the Agent, not later than 11:00 p.m., ten Business Days after receipt of such request whether it consents, in its sole discretion, to the making of Advances or the issuance of Letters of Credit, as the case may be, in such requested currency.

(c) Any failure by a Lender or an L/C Issuer, as the case may be, to respond to such request within the time period specified in Section 2.03(b) shall be deemed to be a refusal by such Lender or such Issuing Bank, as the case may be, to permit Advances to be made or Letters of Credit to be issued in such requested currency. If the Agent and all the Lenders consent to making Advances in such requested currency and the Agent and the Lenders reasonably determine that an appropriate interest rate is available to be used for such requested currency, the Agent shall so notify the Company and (i) the Agent and the Lenders may amend

the definition of Alternative Currency Daily Rate or Alternative Currency Term Rate to the extent necessary to add the applicable rate for such currency, and (ii) to the extent the definition of Alternative Currency Daily Rate or Alternative Currency Term Rate, as applicable, has been amended to reflect the appropriate rate for such currency, such currency shall thereupon be deemed for all purposes to be an Alternative Currency for purposes of any Advance. If the Agent and the Issuing Banks consent to the issuance of Letters of Credit in such requested currency, the Agent shall so notify the Company and such currency shall thereupon be deemed for all purposes to be an Alternative Currency for purposes of any Letter of Credit issuances. If the Agent shall fail to obtain consent to any request for an additional currency under this Section 2.03, the Agent shall promptly so notify the Company.

Section 2.04 Issuance of and Drawings and Reimbursement Under Letters of Credit.

(a) Request for Issuance. Each Letter of Credit shall be issued upon notice, given not later than 11:00 A.M. (New York City time) on the fifth Business Day prior to the date of the proposed issuance of such Letter of Credit (or on such shorter notice as the applicable Issuing Bank may agree), by any Borrower to any Issuing Bank, and such Issuing Bank shall give the Agent, prompt notice thereof by telecopier. Each such notice of issuance of a Letter of Credit (a "Notice of Issuance") shall be by telecopier or, if agreed to by the applicable Issuing Bank, by e-mail, confirmed immediately in writing, specifying therein the requested (A) date of such issuance (which shall be a Business Day), (B) Available Amount and currency of such Letter of Credit, (C) expiration date of such Letter of Credit (which shall not be later than one year after the date of issuance thereof; provided that any Letter of Credit which provides for automatic one-year extension(s) of such expiration date shall be deemed to comply with the foregoing requirement if the Issuing Bank has the unconditional right to prevent any such automatic extension which extends beyond the Termination Date from taking place and each Issuing Bank hereby agrees to exercise such right to prevent any such automatic extension for each Letter of Credit outstanding after the Termination Date), (D) name and address of the beneficiary of such Letter of Credit and (E) form of such Letter of Credit, and shall be accompanied by such application and agreement for letter of credit as such Issuing Bank may specify to the applicable Borrower for use in connection with such requested Letter of Credit (a "Letter of Credit Agreement"). If the requested form of such Letter of Credit is acceptable to such Issuing Bank in its sole discretion, such Issuing Bank will, upon fulfillment of the applicable conditions set forth in Article III, make such Letter of Credit available to the applicable Borrower at such Issuing Bank's office referred to in Section 9.02 or as otherwise agreed with such Borrower in connection with such issuance. In the event and to the extent that the provisions of any Letter of Credit Agreement shall directly conflict with this Agreement, the provisions of this Agreement shall govern, it being the intention of the parties that any Letter of Credit Agreement shall supplement this Agreement.

(b) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount or extending the expiration thereof) and without any further action on the part of the applicable Issuing Bank or the Lenders, such Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Ratable Share of the Available Amount of such Letter of Credit. Each Borrower hereby agrees to each such participation. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Agent, for the account of such Issuing Bank, such Lender's Ratable Share of each drawing made under a Letter of Credit funded by such Issuing Bank and not reimbursed by the applicable Borrower on the date made, or of any reimbursement payment required to be refunded to any Borrower for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of

Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Revolving Credit Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Lender further acknowledges and agrees that its participation in each Letter of Credit will be automatically adjusted to reflect such Lender's Ratable Share of the Available Amount of such Letter of Credit at each time such Lender's Revolving Credit Commitment is amended pursuant to the operation of Section 2.19 or 2.20, an assignment in accordance with Section 9.07 or otherwise pursuant to this Agreement.

(c) Drawing and Reimbursement. The payment by an Issuing Bank of a draft drawn under any Letter of Credit shall constitute for all purposes of this Agreement the making by any such Issuing Bank of an Advance, which shall, in the case of a Dollar denominated Letter of Credit be a Base Rate Advance in the amount of such draft or, in the case of a Letter of Credit denominated in an Alternative Currency, shall be a Base Rate Advance in the Equivalent of the amount of such draft. Each Issuing Bank shall give prompt notice of each drawing under any Letter of Credit issued by it to the applicable Borrower and the Agent. Upon written demand by the Agent, each Lender shall pay to the Agent such Lender's Ratable Share of such outstanding Advance, by making available for the account of its Applicable Lending Office to the Agent for the account of such Issuing Bank, by deposit to the Agent's Account, in Same Day Funds, an amount equal to the portion of the outstanding principal amount of such Advance to be funded by such Lender. Each Lender acknowledges and agrees that its obligation to make Advances pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Revolving Credit Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Promptly after receipt thereof, the Agent shall transfer such funds to such Issuing Bank. Each Lender agrees to fund its Ratable Share of an outstanding Advance on (i) the Business Day on which demand therefor is made, provided that notice of such demand is given not later than 11:00 A.M. (New York City time) on such Business Day, or (ii) the first Business Day next succeeding such demand if notice of such demand is given after such time. If and to the extent that any Lender shall not have so made the amount of such Advance available to the Agent, such Lender agrees to pay to the Agent for the account of the applicable Issuing Bank forthwith on demand such amount together with interest thereon, for each day from the date of demand by the Agent until the date such amount is paid to the Agent, at the Federal Funds Rate for its account or the account of such Issuing Bank, as applicable. Promptly after receipt thereof the Agent shall transfer such funds to the applicable Issuing Bank. If such Lender shall pay to the Agent such amount for the account of any such Issuing Bank on any Business Day, such amount so paid in respect of principal shall constitute an Advance made by such Lender on such Business Day for purposes of this Agreement, and the outstanding principal amount of the Advance made by such Issuing Bank shall be reduced by such amount on such Business Day.

(d) Letter of Credit Reports. Each Issuing Bank shall furnish (A) to the Agent on the fifth Business Day of each month a written report summarizing issuance and expiration dates of Letters of Credit during the preceding month and drawings during such month under all Letters of Credit and (B) to the Agent on the first Business Day of each calendar quarter a written report setting forth the average daily aggregate Available Amount during the preceding calendar quarter of all Letters of Credit.

(e) Failure to Make Advances. The failure of any Lender to make the Advance to be made by it on the date specified in Section 2.04(c) shall not relieve any other Lender of its obligation hereunder to make its Advance on such date, but no Lender shall be

responsible for the failure of any other Lender to make the Advance to be made by such other Lender on such date.

Section 2.05 Fees.

(a) Commitment Fee. The Company agrees to pay to the Agent for the account of each Lender a commitment fee on the amount equal to such Lender's Revolving Credit Commitment minus the sum of (i) the aggregate principal amount of all Advances made by such Lender and (ii) such Lender's Ratable Share of all outstanding Letters of Credit (based in respect of any Advances and Letters of Credit denominated in an Alternative Currency by reference to the Equivalent thereof in Dollars determined on the Business Day prior to the calculation of such fee), from the Effective Date in the case of each Initial Lender and from the effective date specified in the Assumption Agreement or in the Assignment and Assumption pursuant to which it became a Lender in the case of each other Lender until the Termination Date at a rate per annum equal to the Applicable Commitment Fee Percentage in effect from time to time, payable in arrears quarterly on the last day of each of March, June, September and December, commencing March 31, 2026, and on the Termination Date applicable to such Lender, provided that no Defaulting Lender shall be entitled to receive any commitment fee for any period during which that Lender is a Defaulting Lender (and the Company shall not be required to pay such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(b) Letter of Credit Fees.

(i) Each Borrower shall pay to the Agent for the account of each Lender a commission on such Lender's Ratable Share of the average daily aggregate Available Amount of all Letters of Credit (based in respect of any Letters of Credit denominated in an Alternative Currency by reference to the Equivalent thereof in Dollars the Business Day prior to the calculation of such fee) issued for the account of such Borrower and outstanding from time to time at a rate per annum equal to the Applicable Margin for Term SOFR Rate Advances in effect from time to time, payable in arrears quarterly on the last day of each March, June, September and December, commencing with the quarter ended March 31, 2026, and on the Termination Date applicable to each Lender; provided that the Applicable Margin shall be 2% above the Applicable Margin in effect upon the occurrence and during the continuation of an Event of Default if such Borrower is required to pay default interest pursuant to Section 2.08(b); provided, further, that (i) to the extent that all or a portion of the Fronting Exposure in respect of any Defaulting Lender is reallocated to the Non-Defaulting Lenders pursuant to Section 2.21(a), such fees that would have accrued for the benefit of such Defaulting Lender will instead accrue for the benefit of and be payable to such Non-Defaulting Lenders, pro rata in accordance with their respective Revolving Credit Commitments, and (ii) to the extent that all or any portion of such Fronting Exposure cannot be so reallocated, such fees will instead accrue for the benefit of and be payable to the respective Issuing Banks ratably according to the outstanding Letters of Credit issued by each Issuing Bank.

(ii) Each Borrower shall pay to each Issuing Bank, for its own account, a fronting fee of 0.125% per annum of the Available Amount of each Letter of Credit issued by it payable in arrears quarterly on the last day of each March, June, September and December, and such transfer fees and other fees and charges in connection with the issuance or administration of each Letter of Credit as such Borrower and such Issuing Bank shall agree in any applicable Letter of Credit Agreement or otherwise.

(c) Agent's Fees. The Company shall pay to the Agent for its own account such fees as may from time to time be agreed between the Company and the Agent.

Section 2.06 Optional Termination or Reduction of the Commitments. The Company shall have the right, upon at least three Business Days' notice to the Agent, to terminate in whole or reduce ratably in part the Unused Commitments or the Unissued Letter of Credit Commitments of the Lenders, provided that each partial reduction shall be in the aggregate amount of \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof.

Section 2.07 Repayment of Advances.

(a) Each Borrower shall repay to the Agent for the ratable account of the Lenders on the Termination Date the aggregate principal amount of the Advances made to it and then outstanding.

(b) The obligations of the Borrowers under this Agreement, any Letter of Credit Agreement and any other agreement or instrument relating to any Letter of Credit shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement, such Letter of Credit Agreement and such other agreement or instrument under all circumstances, including, without limitation, the following circumstances (it being understood that any such payment by any Borrower is without prejudice to, and does not constitute a waiver of, any rights such Borrower might have or might acquire as a result of the payment by any Lender of any draft or the reimbursement by such Borrower thereof):

(i) any lack of validity or enforceability of this Agreement, any Note, any Letter of Credit Agreement, any Letter of Credit or any other agreement or instrument relating thereto (all of the foregoing being, collectively, the "L/C Related Documents");

(ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the obligations of a Borrower in respect of any L/C Related Document or any other amendment or waiver of or any consent to departure from all or any of the L/C Related Documents;

(iii) the existence of any claim, set-off, defense or other right that a Borrower may have at any time against any beneficiary or any transferee of a Letter of Credit (or any Persons for which any such beneficiary or any such transferee may be acting), any Issuing Bank, any Agent, any Lender or any other Person, whether in connection with the transactions contemplated by the L/C Related Documents or any unrelated transaction;

(iv) any statement or any other document presented under a Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect;

(v) payment by any Issuing Bank under a Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit;

(vi) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any guarantee, for all or any of the obligations of a Borrower in respect of the L/C Related Documents; or

(vii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including, without limitation, any other circumstance that might otherwise constitute a defense available to, or a discharge of, a Borrower or a guarantor.

Section 2.08 Interest on Advances.

(a) Scheduled Interest. Each Borrower shall pay interest on the unpaid principal amount of each Advance made to it and owing to each Lender from the date of such Advance until such principal amount shall be paid in full, at the following rates per annum:

(i) Base Rate Advances. During such periods as such Advance is a Base Rate Advance, a rate per annum equal at all times to the sum of (x) the Base Rate in effect from time to time plus (y) the Applicable Margin in effect from time to time, payable in arrears quarterly on the last day of each March, June, September and December during such periods and on the date such Base Rate Advance shall be Converted or paid in full.

(ii) Term SOFR Rate Advances. During such periods as such Advance is a Term SOFR Rate Advance, a rate per annum equal at all times during each Interest Period for such Advance to the sum of (x) Term SOFR for such Interest Period for such Advance plus (y) the Applicable Margin in effect from time to time, payable in arrears on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day that occurs during such Interest Period every three months from the first day of such Interest Period and on the date such Term SOFR Rate Advance shall be Converted or paid in full.

(iii) Alternative Currency Daily Rate Advances. During such periods as such Advance is an Alternative Currency Daily Rate Advance, a rate per annum equal at all time to the sum of (x) the Alternative Currency Daily Rate in effect from time to time plus (y) the Applicable Margin in effect from time to time, payable in arrears quarterly on the last day of each March, June, September and December during such periods and on the date such Alternative Currency Daily Rate Advance shall be Converted or paid in full.

(iv) Alternative Currency Term Rate Advances. During such periods as such Advance is an Alternative Currency Term Rate Advance, a rate per annum equal at all times during each Interest Period for such Advance to the sum of (x) the Alternative Currency Term Rate for such Interest Period plus (y) the Applicable Margin in effect from time to time, payable in arrears on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day that occurs during such Interest Period every three months from the first day of such Interest Period and on the date such Alternative Currency Term Rate Advance shall be Converted or paid in full.

(b) Default Interest. Upon the occurrence and during the continuance of an Event of Default, the Agent may, and upon the request of the Required Lenders shall, require the Borrowers to pay interest ("Default Interest") on (i) the unpaid principal amount of each Advance owing to each Lender, payable in arrears on the dates referred to in clause (a) above, at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid on such Advance pursuant to clause (a) above and (ii) to the fullest extent permitted by law, the amount of any interest, fee or other amount payable hereunder that is not paid when due, from the date such amount shall be due until such amount shall be paid in full, payable in arrears on

the date such amount shall be paid in full and on demand, at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid on Base Rate Advances pursuant to clause (a)(i) above, provided, however, that following the acceleration of the Advances pursuant to Section 6.01, Default Interest shall accrue and be payable whether or not previously required by the Agent.

Section 2.09 Interest Rate Determination.

(a) The Agent shall give prompt notice to the Company and the Lenders of the applicable interest rate determined by the Agent for purposes of Section 2.08(a)(i) or (ii).

(b) If, with respect to any Term SOFR Rate Advances or Alternative Currency Advances (i) the Required Lenders notify the Agent that (A) if applicable for an Alternative Currency, deposits are not being offered to banks in the applicable offshore interbank market for such currency for the applicable amount and Interest Period or determination date(s), as applicable to such Alternative Currency Advance or (B) the Term SOFR Rate or Alternative Currency Rate for any Interest Period for such Advances will not adequately reflect the cost to such Required Lenders of making, funding or maintaining their respective Term SOFR Rate Advances or Alternative Currency Rate for such Interest Period or (ii) the Agent determines the interest rate applicable to Term SOFR Rate Advances or Alternative Currency Advances is not ascertainable or available (including, without limitation, because the applicable Bloomberg screen (or on any successor or substitute page on such screen) is unavailable), the Agent shall forthwith so notify the Company and the Lenders, whereupon (A) the Borrower of such Term SOFR Rate Advances or Alternative Currency Advances will, on the last day of the then existing Interest Period therefor, (1) if such Advances are Term SOFR Rate Advances, either (x) prepay such Advances or (y) Convert such Advances into Base Rate Advances and (2) if such Advances are Alternate Currency Advances, either (x) prepay such Advances or (y) exchange such Advances into an Equivalent amount of Dollars and Convert such Advances into Base Rate Advances and (B) the obligation of the Lenders to make, or to Convert Advances into, Term SOFR Rate Advances or Alternative Currency Advances shall be suspended until the Agent shall notify the Company and the Lenders that the circumstances causing such suspension no longer exist.

(c) If any Borrower shall fail to select the duration of any Interest Period for any Term SOFR Rate Advances or Alternative Currency Term Rate Advances in accordance with the provisions contained in the definition of "Interest Period" in Section 1.01, the Agent will forthwith so notify such Borrower and the Lenders and such Advances will automatically, on the last day of the then existing Interest Period therefor, (i) if such Advances are Term SOFR Rate Advances, Convert into Base Rate Advances and (ii) if such Advances Alternative Currency Advances, be exchanged for an Equivalent amount of Dollars and Convert into Base Rate Advances.

(d) On the date on which the aggregate unpaid principal amount of Term SOFR Rate Advances or Alternative Currency Advances comprising any Borrowing shall be reduced, by payment or prepayment or otherwise, to less than the Borrowing Minimum, such Advances shall automatically (i) if such Advances are Term SOFR Rate Advances, Convert into Base Rate Advances and (ii) if such Advances are Alternative Currency Rate Advances, be exchanged for an Equivalent amount of Dollars and Convert into Base Rate Advances.

(e) Upon the occurrence and during the continuance of any Event of Default, (i) each Term SOFR Rate Advance and Alternative Currency Advance will automatically, on the last day of the then existing Interest Period therefor, (A) if such Advances are Term SOFR Rate Advances, be Converted into Base Rate Advances and (B) if Advances are Alternative Currency

Advances, be exchanged for an Equivalent amount of Dollars and be Converted into Base Rate Advances and (ii) the obligation of the Lenders to make Term SOFR Rate Advances or Alternative Currency Advances, or to Convert Advances into Term SOFR Rate Advances, shall be suspended.

Section 2.10 Optional Conversion of Advances. The Borrower of any Advance may on any Business Day, upon notice given to the Agent not later than 11:00 A.M. (New York City time) on the third U.S. Government Securities Business Day prior to the date of the proposed Conversion and subject to the provisions of Sections 2.09 and 2.13, Convert all Advances denominated in Dollars of one Type comprising the same Borrowing made to such Borrower into Advances denominated in Dollars of another Type; provided, however, that any Conversion of Term SOFR Rate Advances into Base Rate Advances shall be made only on the last day of an Interest Period for such Term SOFR Rate Advances, any Conversion of Base Rate Advances into Term SOFR Rate Advances shall be in an amount not less than the minimum amount specified in Section 2.02(b) and no Conversion of any Advances shall result in more separate Borrowings than permitted under Section 2.02(b). Each such notice of a Conversion shall, within the restrictions specified above, specify (i) the date of such Conversion, (ii) the Dollar denominated Advances to be Converted, and (iii) if such Conversion is into Term SOFR Rate Advances, the duration of the initial Interest Period for each such Advance. Each notice of Conversion shall be irrevocable and binding on the Borrower giving such notice.

Section 2.11 Prepayments of Advances.

(a) Optional. Each Borrower may, upon notice at least two U.S. Government Securities Business Days' prior to the date of such prepayment, in the case of Term SOFR Rate Advances or Alternative Currency Advances, and not later than 11:00 A.M. (New York City time) on the date of such prepayment, in the case of Base Rate Advances, to the Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given such Borrower shall, prepay the outstanding principal amount of the Advances comprising part of the same Borrowing made to such Borrower in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (x) each partial prepayment of Advances shall be in an aggregate principal amount of not less than the Borrowing Minimum or a Borrowing Multiple in excess thereof and (y) in the event of any such prepayment of a Term SOFR Rate Advance or Alternative Currency Term Rate Advance, such Borrower shall be obligated to reimburse the Lenders in respect thereof pursuant to Section 9.04(c).

(b) Mandatory.

(i) If, on any date, the Agent notifies the Company that, on any interest payment date, the sum of (A) the aggregate principal amount of all Advances denominated in Dollars plus the aggregate Available Amount of all Letters of Credit denominated in Dollars then outstanding plus (B) the Equivalent in Dollars (determined on the third Business Day prior to such interest payment date) of the aggregate principal amount of all Advances denominated in Alternative Currencies plus the aggregate Available Amount of all Letters of Credit denominated in Alternative Currencies then outstanding exceeds 103% of the aggregate Commitments of the Lenders on such date, the Borrowers shall, as soon as practicable and in any event within two Business Days after receipt of such notice, subject to the proviso to this sentence set forth below, prepay the outstanding principal amount of any Advances owing by the Borrowers in an aggregate amount sufficient to reduce such sum to an amount not to exceed 100% of the aggregate Commitments of the Lenders on such date together with any interest accrued to the date of such prepayment on the aggregate principal amount of Advances prepaid;

provided that if the Company has Cash Collateralized Letters of Credit in accordance with Section 2.21(a), the Available Amount of the outstanding Letters of Credit shall be deemed to have been reduced by the amount of such cash collateral. The Agent shall perform the calculations to determine whether a prepayment is required under this Section 2.11(b) upon the request of any Lender, and shall give prompt notice of any prepayment required under this Section 2.11(b)(i) to the Company and the Lenders, and shall provide prompt notice to the Company of any such notice of required prepayment received by it from any Lender.

(ii) Each prepayment made pursuant to this Section 2.11(b) shall be made together with any interest accrued to the date of such prepayment on the principal amounts prepaid and, in the case of any prepayment of a Term SOFR Rate Advance or an Alternative Currency Term Rate Advance on a date other than the last day of an Interest Period or at its maturity, any additional amounts which the Borrowers shall be obligated to reimburse to the Lenders in respect thereof pursuant to Section 9.04(c). The Agent shall give prompt notice of any prepayment required under this Section 2.11(b) to the Company and the Lenders.

Section 2.12 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender or any Issuing Bank;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or any Issuing Bank or the applicable interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Advances made by such Lender or any Letter of Credit or participation in any such Advance or Letter of Credit;

and the result of any of the foregoing shall be to increase the cost to such Lender, such Issuing Bank or such other Recipient of making, Converting to, continuing or maintaining any Advance or of maintaining its obligation to make any such Advance, or to increase the cost to such Lender, such Issuing Bank or such other Recipient of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender, Issuing Bank or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, Issuing Bank or other Recipient, the Company will pay to such Lender, Issuing Bank or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, Issuing Bank or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or Issuing Bank determines that any Change in Law affecting such Lender or Issuing Bank or any lending office of such Lender or such Lender's or Issuing Bank's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's or Issuing Bank's capital or on the capital of such Lender's or Issuing Bank's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Advances made by, or participations in Letters of Credit, or the Letters of Credit issued by any Issuing Bank, to a level below that which such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or Issuing Bank's holding company with respect to capital adequacy), then from time to time the Company will pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or Issuing Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Company, shall be conclusive absent manifest error. The Company shall pay such Lender or Issuing Bank, as the case may be, the amount shown as due on any such certificate within thirty days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or Issuing Bank's right to demand such compensation; provided that the Company shall not be required to compensate a Lender or Issuing Bank pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or Issuing Bank, as the case may be, notifies the Company of the Change in Law giving rise to such increased costs or reductions, and of such Lender's or Issuing Bank's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

Section 2.13 Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other governmental authority asserts that it is unlawful, for any Lender or its Applicable Lending Office to perform its obligations hereunder to make Term SOFR Rate Advances or Alternative Currency Advances in Dollars or any Alternative Currency or to fund or maintain Term SOFR Rate Advances or Alternative Currency Advances hereunder, (a) each Term SOFR Rate Advance or Alternative Currency Rate will automatically, upon such demand (i) if such Advance is a Term SOFR Rate Advance, be Converted into a Base Rate Advance and (ii) if such Advance is an Alternative Currency Rate, be exchanged into an Equivalent amount of Dollars and be Converted into a Base Rate Advance and (b) the obligation of the Lenders to make Term SOFR Rate Advances or Alternative Currency Rate Advances or to Convert Advances into Term SOFR Rate Advances shall be suspended until the Agent shall notify the Company and the Lenders that the circumstances causing such suspension no longer exist.

Section 2.14 Payments and Computations.

(a) Each Borrower shall make each payment hereunder (except with respect to principal of, interest on, and other amounts relating to, Advances denominated in an Alternative Currency), irrespective of any right of counterclaim or set-off, not later than 1:00 P.M.

(New York City time) on the day when due in Dollars to the Agent at the applicable Agent's Account in same day funds. Each Borrower shall make each payment hereunder with respect to principal of, interest on, and other amounts relating to, Advances denominated in an Alternative Currency, irrespective of any right of counterclaim or set-off, not later than 1:00 P.M. (at the Payment Office for such Committed Currency) on the day when due in such Alternative Currency to the Agent, by deposit of such funds to the applicable Agent's Account in same day funds. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest, fees or commissions ratably (other than amounts payable pursuant to Section 2.04(c), 2.05(b)(ii), 2.05(c), 2.12, 2.15 or 9.04(c)) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon any Assuming Lender becoming a Lender hereunder as a result of a Commitment Increase pursuant to Section 2.19 or an extension of the Termination Date pursuant to Section 2.20, and upon the Agent's receipt of such Lender's Assumption Agreement and recording of the information contained therein in the Register, from and after the applicable Increase Date or Extension Date, as the case may be, the Agent shall make all payments hereunder and under any Notes issued in connection therewith in respect of the interest assumed thereby to the Assuming Lender. Upon its acceptance of an Assignment and Assumption and recording of the information contained therein in the Register pursuant to Section 9.07(c), from and after the effective date specified in such Assignment and Assumption, the Agent shall make all payments hereunder and under the Notes in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Assumption shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(b) All computations of interest based on the Base Rate (other than as calculated by reference to clauses (b) or (c) of the definition of Base Rate) shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, all computations of interest based on Term SOFR, EURIBOR or the Federal Funds Rate and of fees and Letter of Credit commissions shall be made by the Agent on the basis of a year of 360 days (or, in each case of Advances denominated in Alternative Currencies where market practice differs, in accordance with market practice), in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or commitment fees are payable. Each determination by the Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Whenever any payment hereunder or under the Notes shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest, fee or commission, as the case may be; provided, however, that, if such extension would cause payment of interest on or principal of Term SOFR Rate Advances or Alternative Currency Term Rate Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(d) Unless the Agent shall have received notice from any Borrower prior to the date on which any payment is due to the Lenders hereunder that such Borrower will not make such payment in full, the Agent may assume that such Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent such (x) Borrower shall not have so made such payment in full to the Agent or (y) the Agent has made a payment in excess of the amount so paid by Borrower (whether or not then owed)) each Lender shall repay to the Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such

amount is distributed to such Lender until the date such Lender repays such amount to the Agent, at (i) the Federal Funds Rate in the case of Advances denominated in Dollars or (ii) the cost of funds incurred by the Agent in respect of such amount in the case of Advances denominated in Alternative Currencies.

Section 2.15 Taxes.

(a) Defined Terms. For purposes of this Section, the term “Lender” includes any Issuing Bank.

(b) Payments Free of Taxes. Any and all payments by or on account of any obligation of a Borrower under this Agreement or the Notes shall be made, without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) Payment of Other Taxes by Borrower. Each Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(d) Indemnification by Borrower. The applicable Borrower shall indemnify each Recipient, within ten days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A reasonably detailed certificate as to the amount of such payment or liability delivered to the applicable Borrower by a Lender (with a copy to the Agent), or by the Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within thirty days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the applicable Borrower has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of such Borrower to do so), (ii) any Taxes attributable to such Lender’s failure to comply with the provisions of Section 9.07(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with this Agreement or the Notes, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or the Notes or otherwise payable by the Agent to the Lender from any other source against any amount due to the Agent under this paragraph (e).

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by a Borrower to a Governmental Authority pursuant to this Section, such Borrower shall deliver to the Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

(g) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under this Agreement or the Notes shall deliver to a Borrower and the Agent, at the time or times reasonably requested by the applicable Borrower or the Agent, such properly completed and executed documentation reasonably requested by such Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by a Borrower or the Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by such Borrower or the Agent as will enable such Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (g) (ii)(A), (ii)(B) and (ii)(D) of this Section) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that a Borrower is a U.S. Borrower,

(A) any Lender that is a U.S. Person shall deliver to such Borrower and the Agent on or about the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to such Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit C-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Company within the meaning of Section 871(h)(3)(B) of the Code, or a “controlled foreign corporation” related to the Company as described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W-8BEN or IRS Form W 8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W 8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit C-2 or Exhibit C-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit C-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to such Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit such Borrower or the Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to such Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by such Borrower or the Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by such Borrower or the Agent as may be necessary for such Borrower and the Agent to comply with their obligations under FATCA, and to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or

certification or promptly notify the applicable Borrower and the Agent in writing of its legal inability to do so.

(h) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made and additional amounts paid under this Section with respect to the Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) Survival. Each party's obligations under this Section shall survive the resignation or replacement of the Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under this Agreement and the Notes.

Section 2.16 Sharing of Payments, Etc. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Advances or other obligations hereunder resulting in such Lender receiving payment of a proportion of the aggregate amount of its Advances and accrued interest thereon or other such obligations greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Agent of such fact, and (b) purchase (for cash at face value) participations in the Advances and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Advances and other amounts owing them; provided that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this paragraph shall not be construed to apply to (x) any payment made by any Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Advances or participations in L/C Obligations to any assignee or participant, other than to a Borrower or any Subsidiary thereof (as to which the provisions of this paragraph shall apply).

Each Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Borrower rights of setoff and counterclaim, subject to Section 9.05, with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation.

Section 2.17 Evidence of Debt.

(a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Advance owing to such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder in respect of Advances. Each Borrower agrees that upon notice by any Lender to such Borrower (with a copy of such notice to the Agent) to the effect that a Note is required or appropriate in order for such Lender to evidence (whether for purposes of pledge, enforcement or otherwise) the Advances owing to, or to be made by, such Lender, such Borrower shall promptly execute and deliver to such Lender a Note payable to such Lender or its registered assigns in a principal amount up to the Revolving Credit Commitment of such Lender.

(b) The Register maintained by the Agent pursuant to Section 9.07(c) shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date and amount of each Borrowing made hereunder, the Type of Advances comprising such Borrowing and, if appropriate, the Interest Period applicable thereto, (ii) the terms of each Assumption Agreement and each Assignment and Assumption delivered to and accepted by it, (iii) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder and (iv) the amount of any sum received by the Agent from such Borrower hereunder and each Lender's share thereof.

(c) Entries made in good faith by the Agent in the Register pursuant to subsection (b) above, and by each Lender in its account or accounts pursuant to subsection (a) above, shall be prima facie evidence of the amount of principal and interest due and payable or to become due and payable from each Borrower to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement, absent manifest error; provided, however, that the failure of the Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such account or accounts shall not limit or otherwise affect the obligations of any Borrower under this Agreement.

Section 2.18 Use of Proceeds. The proceeds of the Advances and the Letters of Credit issued hereunder shall be available (and each Borrower agrees that it shall use such proceeds) solely for general corporate purposes of the Company and its Subsidiaries, including without limitation acquisitions. The Borrowers will not request any Borrowing or Letter of Credit, and the Borrowers shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not directly or indirectly use, the proceeds of any Borrowing or Letter of Credit (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or Anti-Money Laundering Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person or in any Sanctioned Country, in each case except to the extent permissible for a Person required to comply with Sanctions or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 2.19 Increase in the Aggregate Commitments.

(a) The Company may, at any time, by notice to the Agent, request that the aggregate amount of the Commitment be increased by an amount of \$50,000,000 or an integral multiple of \$50,000,000 in excess thereof (each a “Commitment Increase”) to be effective as of a date that is at least 90 days prior to the scheduled Termination Date then in effect (the “Increase Date”) as specified in the related notice to the Agent; provided, however that (i) in no event shall the aggregate amount of the Commitments at any time exceed \$2,000,000,000 and (ii) on the Increase Date, the applicable conditions set forth in Article III shall be satisfied.

(b) The Agent shall promptly notify the Lenders and such Eligible Assignees as are identified by the Company of a request by the Company for a Commitment Increase, which notice shall include (i) the proposed amount of such requested Commitment Increase, (ii) the proposed Increase Date and (iii) the date by which Lenders and such Eligible Assignees wishing to participate in the Commitment Increase must commit to such Commitment Increase (the “Commitment Date”). Each Lender that is willing to participate in such requested Commitment Increase (each an “Increasing Lender”) shall, in its sole discretion, give written notice to the Agent on or prior to the Commitment Date of the amount by which it is willing to increase its Commitment.

(c) On each Increase Date, each Eligible Assignee that accepts an offer to participate in a requested Commitment Increase in accordance with Section 2.19(b) (each such Eligible Assignee, an “Assuming Lender”) shall become a Lender party to this Agreement as of such Increase Date and the Commitment of each Increasing Lender for such requested Commitment Increase shall be so increased by such amount allocated to such Lender as of such Increase Date; provided, however, that the Agent shall have received on or before such Increase Date the following, each dated such date:

(i) (A) certified copies of resolutions of the Board of Directors of the Company or the Executive Committee of such Board approving the Commitment Increase and the corresponding modifications to this Agreement and (B) an opinion of counsel for the Company (which may be in-house counsel), in substantially the form of Exhibit E hereto;

(ii) an assumption agreement from each Assuming Lender, if any, in form and substance reasonably satisfactory to the Company and the Agent (each an “Assumption Agreement”), duly executed by such Eligible Assignee, the Agent and the Company; and

(iii) confirmation from each Increasing Lender of the increase in the amount of its Commitment in a writing reasonably satisfactory to the Company and the Agent.

On each Increase Date, upon fulfillment of the conditions set forth in the immediately preceding sentence of this Section 2.19(d), the Agent shall notify the Lenders (including, without limitation, each Assuming Lender) and the Company, on or before 1:00 P.M. (New York City time), by e-mail, of the occurrence of the Commitment Increase to be effected on such Increase Date and shall record in the Register the relevant information with respect to each Increasing Lender and each Assuming Lender on such date. Each Increasing Lender and each Assuming Lender shall, before 2:00 P.M. (New York City time) on the Increase Date, purchase that portion of outstanding Advances of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Advances and funded and held on a pro rata basis by the Lenders in accordance with their Ratable Shares).

Section 2.20 Extension of Termination Date.

(a) The Company, by written notice to the Agent (but not more than twice), may request an extension of the Termination Date in effect at such time by one year from its then scheduled expiration to be effective as of the date specified in such notice (the "Extension Date"). The Agent shall promptly notify each Lender of such request, and each Lender shall in turn, in its sole discretion, not later than fifteen days subsequent to the date the Company requests such extension (the "Notice Date"), notify the Company and the Agent in writing as to whether such Lender will consent to such extension. If any Lender shall fail to notify the Agent and the Company in writing of its consent to any such request for extension of the Termination Date at least fifteen days subsequent to the Notice Date, such Lender shall be deemed to be a Non-Consenting Lender with respect to such request. The Agent shall notify the Company not later than fifteen days subsequent to the Notice Date of the decision of the Lenders regarding the Company's request for an extension of the Termination Date.

(b) If all the Lenders consent in writing to any such request in accordance with subsection (a) of this Section 2.20, the Termination Date in effect at such time shall, effective as at the Extension Date, be extended for one year; provided that on each Extension Date the applicable conditions set forth in Article III shall be satisfied. If less than all of the Lenders consent in writing to any such request in accordance with subsection (a) of this Section 2.20, the Termination Date in effect at such time shall, effective as at the applicable Extension Date and subject to subsection (d) of this Section 2.20, be extended as to those Lenders that so consented (each a "Consenting Lender") but shall not be extended as to any other Lender (each a "Non-Consenting Lender"). To the extent that the Termination Date is not extended as to any Lender pursuant to this Section 2.20 and the Commitment of such Lender is not assumed in accordance with subsection (c) of this Section 2.20 on or prior to the applicable Extension Date, the Commitment of such Non-Consenting Lender shall automatically terminate in whole on such unextended Termination Date without any further notice or other action by the Company, such Lender or any other Person; provided that such Non-Consenting Lender's rights under Sections 2.12, 2.15 and 9.04, and its obligations under Section 8.05, shall survive the Termination Date for such Lender as to matters occurring prior to such date and provided, further, that to the extent that the Termination Date is not extended as to any Lender pursuant to this Section 2.20 and the Commitment of such Lender is not assumed in accordance with subsection (c) of this Section 2.20 on or prior to the applicable Extension Date, the Commitment of such Non-Consenting Lender, and such Non-Consenting Lender's obligations to participate in Letters of Credit, shall automatically terminate in whole on such unextended Termination Date without any further notice or other action by the Company. It is understood and agreed that no Lender shall have any obligation whatsoever to agree to any request made by the Company for any requested extension of the Termination Date.

(c) If less than all of the Lenders consent to any such request pursuant to subsection (a) of this Section 2.20, the Agent shall promptly so notify the Consenting Lenders, and each Consenting Lender may, in its sole discretion, give written notice to the Agent not later than twenty days subsequent to the Notice Date of the amount of the Non-Consenting Lenders' Commitments for which it is willing to accept an assignment. If the Consenting Lenders notify the Agent that they are willing to accept assignments of Commitments in an aggregate amount that exceeds the amount of the Commitments of the Non-Consenting Lenders, such Commitments shall be allocated among the Consenting Lenders willing to accept such assignments in such amounts as are agreed between the Company and the Agent effective as of the Extension Date. If after giving effect to the assignments of Commitments described above there remains any Commitments of Non-Consenting Lenders, the Company may arrange for one or more Consenting Lenders or Assuming Lenders to assume, effective as of the Extension Date, any Non-Consenting Lender's Commitment and all of the obligations of such Non-Consenting

Lender under this Agreement thereafter arising, without recourse to or warranty by, or expense to, such Non-Consenting Lender; provided, however, that the amount of the Commitment of any such Assuming Lender as a result of such substitution shall in no event be less than \$25,000,000 unless the amount of the Commitment of such Non-Consenting Lender is less than \$25,000,000, in which case such Assuming Lender shall assume all of such lesser amount; and provided further that:

(i) any such Consenting Lender or Assuming Lender shall have paid to such Non-Consenting Lender (A) the aggregate principal amount of, and any interest accrued and unpaid to the effective date of the assignment on, the outstanding Advances, if any, of such Non-Consenting Lender plus (B) any accrued but unpaid commitment fees owing to such Non-Consenting Lender as of the effective date of such assignment;

(ii) all additional costs reimbursements, expense reimbursements and indemnities payable to such Non-Consenting Lender, and all other accrued and unpaid amounts owing to such Non-Consenting Lender hereunder, as of the effective date of such assignment shall have been paid to such Non-Consenting Lender; and

(iii) with respect to any such Assuming Lender, the applicable processing and recordation fee required under Section 9.07(a) for such assignment shall have been paid;

provided further that such Non-Consenting Lender's rights under Sections 2.12, 2.15 and 9.04, and its obligations under Section 8.05, shall survive such substitution as to matters occurring prior to the date of substitution. At least three Business Days prior to any Extension Date, (A) each such Assuming Lender, if any, shall have delivered to the Company and the Agent an Assumption Agreement, duly executed by such Assuming Lender, such Non-Consenting Lender, the Company and the Agent, (B) any such Consenting Lender shall have delivered confirmation in writing satisfactory to the Company and the Agent as to the increase in the amount of its Commitment and (C) each Non-Consenting Lender being replaced pursuant to this Section 2.20 shall have delivered to the Agent any Note or Notes held by such Non-Consenting Lender. Upon the payment or prepayment of all amounts referred to in clauses (i), (ii) and (iii) of the immediately preceding sentence, each such Consenting Lender or Assuming Lender, as of the Extension Date, will be substituted for such Non-Consenting Lender under this Agreement and shall be a Lender for all purposes of this Agreement, without any further acknowledgment by or the consent of the other Lenders, and the obligations of each such Non-Consenting Lender hereunder shall, by the provisions hereof, be released and discharged.

(d) If (after giving effect to any assignments or assumptions pursuant to subsection (c) of this Section 2.20) (i) Lenders having Commitments equal to at least 50% of the Commitments in effect immediately prior to the Extension Date consent in writing to a requested extension (whether by execution or delivery of an Assumption Agreement or otherwise) and (ii) the extended Termination Date of any Lender is not later than five years after any date of determination, not later than one Business Day prior to such Extension Date, the Agent shall so notify the Company, and, subject to the satisfaction of the applicable conditions in Article III, the Termination Date then in effect shall be extended for the additional one-year period as described in subsection (a) of this Section 2.20, and all references in this Agreement, and in the Notes, if any, to the "Termination Date" shall, with respect to each Consenting Lender and each Assuming Lender for such Extension Date, refer to the Termination Date as so extended. Promptly following each Extension Date, the Agent shall notify the Lenders (including, without limitation,

each Assuming Lender) of the extension of the scheduled Termination Date in effect immediately prior thereto and shall thereupon record in the Register the relevant information with respect to each such Consenting Lender and each such Assuming Lender.

(e) Conflicting Provisions. This Section shall supersede any provisions in Section 2.15 or 9.01 to the contrary.

Section 2.21 Defaulting Lenders.

(a) If any Letters of Credit are outstanding at the time a Lender becomes a Defaulting Lender, and the Commitments have not been terminated in accordance with Section 6.01, then:

(i) so long as no Default has occurred and is continuing, all or any part of each Defaulting Lender's ratable share of the Available Amount of outstanding Letters of Credit shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Ratable Shares (disregarding any Defaulting Lender's Commitment) but only to the extent that the sum of (A) the aggregate principal amount of all Advances made by such Non-Defaulting Lenders (in their capacity as Lenders) and outstanding at such time, plus (B) such Non-Defaulting Lenders' Ratable Shares (before giving effect to the reallocation contemplated herein) of the Available Amount of all outstanding Letters of Credit, plus (C) the aggregate principal amount of all Advances made by each Issuing Bank pursuant to Section 2.04(c) that have not been ratably funded by such Non-Defaulting Lenders and outstanding at such time, plus (D) such Defaulting Lender's Ratable Share of the Available Amount of such Letters of Credit, does not exceed the total of all Non-Defaulting Lenders' Commitments and, after giving effect thereto with respect to each Non-Defaulting Lender, the sum of the Advances, participations in Letters of Credit (including any Advances made by an Issuing bank pursuant to Section 2.04(c) that have not been ratably funded by the Lenders and outstanding at such time) does not exceed such Non-Defaulting Lender's Commitment, provided subject to Section 9.20, that no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrowers shall within one Business Day following written notice by any Issuing Bank, Cash Collateralize such Defaulting Lender's Ratable Share of the Available Amount of such Letters of Credit (after giving effect to any partial reallocation pursuant to clause (i) above) by paying cash collateral to such Issuing Bank; provided that, so long as no Default shall be continuing, such cash collateral shall be released promptly upon the earliest of (A) the reallocation of the Available Amount of outstanding Letters of Credit among Non-Defaulting Lenders in accordance with clause (i) above, (B) the termination of the Defaulting Lender status of the applicable Lender or (C) such Issuing Bank's good faith determination that there exists excess cash collateral (in which case, the amount equal to such excess cash collateral shall be released);

(iii) if the Ratable Shares of Letters of Credit of the Non-Defaulting Lenders are reallocated pursuant to this Section 2.21(a), then the fees payable to the Lenders pursuant to Section 2.05(b) (i) shall be adjusted in accordance with such Non-Defaulting Lenders' Ratable Shares of Letters of Credit;

(iv) if any Defaulting Lender's Ratable Share of Letters of Credit is neither Cash Collateralized nor reallocated pursuant to this Section 2.21(a), then, without prejudice to any rights or remedies of any Issuing Bank or any Lender hereunder, all Letter of Credit fees payable under Section 2.05(b)(i) with respect to such Defaulting Lender's Ratable Share of Letters of Credit shall be payable to the applicable Issuing Bank until such Defaulting Lender's Ratable Share of Letters of Credit is Cash Collateralized and/or reallocated; and

(v) to the extent that the Available Amount of any outstanding Letter of Credit is Cash Collateralized by the Borrowers pursuant to this Section 2.21, the Borrowers shall not be required to pay any commission otherwise payable pursuant to Section 2.05(b)(i) on that portion of the Available Amount that is so Cash Collateralized.

(b) So long as any Lender is a Defaulting Lender, no Issuing Bank shall be required to issue, amend or increase any Letter of Credit unless it is satisfied that the related exposure will be 100% covered by the Revolving Credit Commitments of the Non-Defaulting Lenders and/or cash collateral will be provided by the applicable Borrower, and participating interests in any such newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.21(a)(i) (and Defaulting Lenders shall not participate therein).

(c) No Revolving Credit Commitment of any Lender shall be increased or otherwise affected, and, except as otherwise expressly provided in this Section 2.21, performance by the Borrowers of their obligations shall not be excused or otherwise modified as a result of the operation of this Section 2.21. The rights and remedies against a Defaulting Lender under this Section 2.21 are in addition to any other rights and remedies which the Borrowers, the Agent, any Issuing Bank or any Lender may have against such Defaulting Lender.

(d) If the Borrowers, the Agent and each Issuing Bank agree in writing in their reasonable determination that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Advances of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Advances and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their Ratable Share (without giving effect to Section 2.22(a)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of any Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

(e) Notwithstanding anything to the contrary contained in this Agreement, any payment of principal, interest, commitment fees, Letter of Credit commissions or other amounts received by the Agent for the account of any Defaulting Lender under this Agreement (whether voluntary or mandatory, at maturity, pursuant to Article VI or otherwise) shall be applied at such time or times as may be reasonably determined by the Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any Issuing Bank hereunder; third, if so reasonably determined by the Agent or requested by any Issuing Bank, to be held as cash collateral for future funding obligations of such Defaulting Lender in respect of

any participation in any Letter of Credit; fourth, as the Borrowers may request (so long as no Default exists), to the funding of any Advance in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as reasonably determined by the Agent; fifth, if so reasonably determined by the Agent and the Borrowers, to be held in the L/C Cash Deposit Account and released in order to satisfy obligations of such Defaulting Lender to fund Advances under this Agreement; sixth, to the payment of any amounts owing to the Lenders or the Issuing Banks as a result of any judgment of a court of competent jurisdiction obtained by any Lender or Issuing Bank against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default exists, to the payment of any amounts owing to any Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Advance in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Advances were made or the related Letters of Credit were issued at a time when the applicable conditions set forth in Article III were satisfied or waived, such payment shall be applied solely to pay the Advances of all Non-Defaulting Lenders and Potential Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Advances of such Defaulting Lender and provided further that any amounts held as cash collateral for funding obligations of a Defaulting Lender shall be returned to such Defaulting Lender upon the termination of this Agreement and the satisfaction of such Defaulting Lender's obligations hereunder. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.21 shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

Section 2.22 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 2.12, or requires any Borrower to pay any Taxes or additional amounts to any Lender or any governmental authority for the account of any Lender pursuant to Section 2.15, then such Lender shall (at the request of the Company) use reasonable efforts to designate a different Applicable Lending Office for funding or booking its Advances hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.12 or 2.15, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Company hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If (i) any Lender requests compensation under Section 2.12 or any Borrower is required to pay any Indemnified Taxes or any additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.15 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 2.22(a), (ii) any Lender is a Defaulting Lender or (iii) any Lender does not approve any consent, waiver or amendment that (A) requires the approval of all affected Lenders in accordance with the terms of Section 9.01 and (B) has been approved by the Required Lenders (a "Non-Approving Lender"), then the Company may, at its sole expense and effort, upon notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 9.07), all of its interests, rights and obligations under this Agreement to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

(A) the Company shall have paid to the Agent the assignment fee (if any) specified in Section 9.07;

(B) such Lender shall have received payment of an amount equal to the outstanding principal of its Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder (including any amounts under Section 9.04(c)) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts);

(C) in the case of any such assignment resulting from a claim for compensation under Section 2.12 or payments required to be made pursuant to Section 2.15, such assignment will result in a reduction in such compensation or payments thereafter;

(D) such assignment does not conflict with Applicable Law; and

(E) in the case of any assignment resulting from a Lender becoming a Non-Approving Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Company to require such assignment and delegation cease to apply.

Section 2.23 [Reserved].

Section 2.24 Benchmark Replacement Setting.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of any Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis. Any Benchmark Replacement shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Agent, such Benchmark Replacement shall be applied in a manner as otherwise reasonably determined by the Agent.

(b) Benchmark Replacement Conforming Changes. In connection with the use or administration of Term SOFR or the use, administration, adoption or implementation of a Benchmark Replacement, the Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(c) Notices; Standards for Decisions and Determinations. The Agent will promptly notify the Company and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes. For the avoidance of doubt, any notice required to be delivered by the Agent as set forth in this Section titled “Benchmark Replacement Setting” may be provided, at the option of the Agent (in its sole discretion), in one or more notices and may be delivered together with, or as part of any amendment which implements any Benchmark Replacement or Conforming Changes. Any determination, decision or election that may be made by the Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 2.24.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate or EURIBOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Company’s receipt of notice of the commencement of a Benchmark Unavailability Period, any Company may revoke any pending request for a Borrowing of, conversion to or continuation of Term Rate Advances to be made, converted or continued during any Benchmark Unavailability Period and, failing that, such Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Advances in the amount of the Dollar Equivalent thereof. During a Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of Base Rate.

Article III

CONDITIONS TO EFFECTIVENESS AND LENDING

Section 3.01 Conditions Precedent to Effectiveness of Amendment and Restatement. This amendment and restatement of the Existing Credit Agreement shall become effective on and as of the first date (the “Effective Date”) on which the following conditions precedent have been satisfied:

(a) There shall have occurred no material adverse change in the operations or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole, since December 31, 2024.

(b) There shall exist no action, suit, investigation, litigation or proceeding affecting the Company or any of its Subsidiaries pending or threatened before any court, governmental agency or arbitrator that (i) would be reasonably likely to have a Material Adverse Effect other than the matters described on Schedule 4.01(d) hereto (the “Disclosed Litigation”) or (ii) purports to affect the legality, validity or enforceability of this Agreement or any Note or the consummation of the transactions contemplated hereby, and there shall have been no material adverse change in the status, or financial effect on the Company or any of its Subsidiaries, of the Disclosed Litigation from that described on Schedule 4.01(d) hereto.

(c) [Reserved].

(d) All governmental and third party consents and approvals necessary in connection with the transactions contemplated hereby shall have been obtained (without the imposition of any conditions that are not acceptable to the Lenders) and shall remain in effect, and no law or regulation shall be applicable in the reasonable judgment of the Lenders that restrains, prevents or imposes materially adverse conditions upon the transactions contemplated hereby.

(e) The Company shall have notified the Agent in writing as to the proposed Effective Date.

(f) The Company shall have paid all reasonable and documented out-of-pocket accrued fees and expenses of the Agent and the Lenders (including the reasonable and documented accrued fees and expenses of external counsel to the Agent and the outstanding principal of the advances, accrued interest thereon, accrued fees and all other amounts payable under the Existing Credit Agreement); provided, however, that the expenses of legal counsel shall be limited to one law firm identified by the Agent (and if necessary, one local counsel identified by the Agent in any relevant material jurisdiction).

(g) On the Effective Date, the following statements shall be true and the Agent shall have received for the account of each Lender a certificate signed by a duly authorized officer of the Company, dated the Effective Date, stating that:

(i) The representations and warranties contained in Section 4.01 are correct on and as of the Effective Date in all material respects (or, with respect to representations and warranties that contain a materiality qualification, are correct in all respects) as of such date, and

(ii) No event has occurred and is continuing that constitutes a Default.

(h) The Agent shall have received on or before the Effective Date the following, each dated such day, in form and substance reasonably satisfactory to the Agent:

(i) The Notes made by the Company to the Lenders or their registered assigns to the extent requested by any Lender pursuant to Section 2.17.

(ii) Certified copies of the resolutions of the Board of Directors (or equivalent body) of the Company approving this Agreement and the Notes to be delivered by it, and of its by-laws and certificate of incorporation, together with all amendments thereto, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement and such Notes.

(iii) A certificate of the Secretary or an Assistant Secretary (or equivalent officer) of the Company certifying the names and true signatures of the officers of the Company authorized to sign this Agreement and the Notes and the other documents to be delivered by it hereunder.

(iv) A favorable opinion of Cleary Gottlieb Steen & Hamilton LLP, counsel for the Borrowers, in form and substance reasonably satisfactory to the Agent.

(i) The Agent shall have received on or before the Effective Date (i) a counterpart of this Agreement signed on behalf of each party hereto and (ii) a copy of a good standing certificate issued by the Secretary of State of the jurisdiction of the Borrower's jurisdiction of incorporation.

(j) The Lenders shall have received all documentation and other information required by regulatory authorities under applicable "know your customer" and Anti-Money Laundering Laws, including the PATRIOT Act, requested at least three Business Days prior to the Effective Date.

Section 3.02 Initial Advance to Each Designated Subsidiary. The obligation of each Lender to make an initial Advance to each Designated Subsidiary is subject to the receipt by the Agent on or before the date of such initial Advance of each of the following, in form and substance reasonably satisfactory to the Agent and dated such date:

(a) The Notes of such Designated Subsidiary to the Lenders or their registered assigns to the extent requested by any Lender pursuant to Section 2.17.

(b) Certified copies of the resolutions of the Board of Directors of such Designated Subsidiary (with a certified English translation if the original thereof is not in English) approving this Agreement and the Notes to be delivered by it, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement.

(c) A certificate of a proper officer of such Designated Subsidiary certifying the names and true signatures of the officers of such Designated Subsidiary authorized to sign its Designation Agreement and the Notes to be delivered by it and the other documents to be delivered by it hereunder.

(d) A certificate signed by a duly authorized officer of the Company, certifying that such Designated Subsidiary has obtained all governmental and third party authorizations, consents, approvals (including exchange control approvals) and licenses required under applicable laws and regulations necessary for such Designated Subsidiary to execute and

deliver its Designation Agreement and the Notes to be delivered by it and to perform its obligations hereunder and thereunder.

(e) A Designation Agreement duly executed by such Designated Subsidiary and the Company.

(f) Favorable opinions of counsel (which may be in-house counsel) to such Designated Subsidiary substantially in the form of Exhibit E hereto, and as to such other customary matters as any Lender through the Agent may reasonably request.

(g) In the case of a Designated Subsidiary that qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, a duly executed and completed Beneficial Ownership Certification with respect to such Designated Subsidiary; and

(h) Such other approvals, opinions or documents as any Lender, through the Agent may reasonably request.

Section 3.03 Conditions Precedent to Each Borrowing, Issuance, Increase Date and Commitment Extension. The obligation of each Lender to make an Advance (other than an Advance made by any Issuing Bank or any Lender pursuant to Section 2.04(c)) on the occasion of each Borrowing, the obligation of each Issuing Bank to issue a Letter of Credit (or to amend an existing Letter of Credit to increase the Available Amount thereof), each Commitment Increase and each extension of Commitments pursuant to Section 2.20 shall be subject to the conditions precedent that the Effective Date shall have occurred and on the date of such Borrowing, such issuance (or amendment to increase Available Amount), the applicable Increase Date or the applicable Extension Date, the following statements shall be true (and each of the giving of the applicable Notice of Borrowing, Notice of Issuance, request for amendment to increase Available Amount, request for Commitment Increase, request for Commitment extension and the acceptance by any Borrower of the proceeds of such Borrowing or Letter of Credit shall constitute a representation and warranty by such Borrower and the Company that on the date of such Borrowing, date of such issuance (or amendment to increase Available Amount), such Increase Date or such Extension Date such statements are true):

(i) the representations and warranties contained in Section 4.01 (except, in the case of Borrowings, the representations set forth in subsections (d), (f) and (m) thereof) and, in the case of any Borrowing made to a Designated Subsidiary, in the Designation Agreement for such Designated Subsidiary, are correct in all material respects (or, with respect to representations and warranties that contain a materiality qualification, are true and correct in all respects) as of such date on and as of such date, before and after giving effect to such Borrowing or issuance (or amendment to increase Available Amount) and to the application of the proceeds therefrom or such Increase Date or Extension Date, as though made on and as of such date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (or, with respect to representations and warranties that contain a materiality qualification, are true and correct in all respects) as of such earlier date, and

(ii) no event has occurred and is continuing, or would result from such Borrowing or issuance (or amendment to increase Available Amount) or to the application of the proceeds therefrom or such Increase Date or Extension Date, that constitutes a Default.

Section 3.04 Determinations Under Section 3.01. For purposes of determining compliance with the conditions specified in Section 3.01, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders unless an officer of the Agent responsible for the transactions contemplated by this Agreement shall have received notice from such Lender prior to the date that the Company, by notice to the Agent, designates as the proposed Effective Date or the date of the initial Advance to the applicable Designated Subsidiary, as the case may be, specifying its objection thereto. The Agent shall promptly notify the Lenders of the occurrence of the Effective Date and each date of initial Advance to a Designated Subsidiary, as applicable.

Article IV

REPRESENTATIONS AND WARRANTIES

Section 4.01 Representations and Warranties of the Company. The Company represents and warrants as follows:

(a) Corporate Status. The Company and each Domestic Subsidiary (i) is a duly organized and validly existing corporation in good standing under the laws of the jurisdiction of its incorporation, (ii) has the corporate power and authority to own its property and assets and to transact the business in which it is engaged or presently proposes to engage and (iii) has duly qualified and is authorized to do business and is in good standing as a foreign corporation in every jurisdiction (other than the jurisdiction of its incorporation) in which it owns or leases real property or in which the nature of its business requires it to be so qualified, except, in each case related to a Domestic Subsidiary and in the case of clause (iii) related to the Company, where such failure, individually or in the aggregate, may not reasonably be expected to have a Material Adverse Effect.

(b) Corporate Power and Authority. The Company has the corporate power and authority to execute, deliver and carry out the terms and provisions of this Agreement and the Notes to be delivered by it and has taken all necessary corporate action to authorize the execution, delivery and performance by the Company of this Agreement and such Notes. The Company has duly executed and delivered this Agreement, and this Agreement and each Note to be delivered by it constitutes, its legal, valid and binding obligation, enforceable in accordance with its terms, except as enforcement thereof may be subject to (i) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally and (ii) general principles of equity (regardless of whether such enforcement is sought in a proceeding in equity or at law).

(c) No Violation. Neither the execution, delivery or performance by the Company of this Agreement and the Notes to be delivered by it, nor compliance by it with the terms and provisions thereof nor the consummation of the financing transactions contemplated thereby, (i) will contravene any applicable provision of any law, statute, rule, regulation, order, writ, injunction or decree of any court or governmental instrumentality, (ii) will conflict or be inconsistent with or result in any breach of, any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of the Company or any of its Subsidiaries pursuant to the terms of any indenture, mortgage, deed of trust, agreement or other instrument to which the Company or any of its Subsidiaries is a party or by which it or any of its property or assets is bound or to which it may be subject or (iii) will violate any provision of the certificate of incorporation or by-laws of the Company, except in each case referred to in clause

(i) or (ii), to the extent that such contravention, conflict, inconsistency, breach, default, Lien, or violation would not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(d) Litigation. Except as set forth in Schedule 4.01(d) or as specifically disclosed in the Company's Annual Report on Form 10-K and any other filings with the SEC prior to the date hereof, there are no actions, suits or proceedings, or any governmental investigation or any arbitration, in each case pending or, to the knowledge of the Company, threatened which, individually or in the aggregate, may reasonably be expected to result in a Material Adverse Effect and no material adverse change has occurred with respect to any of the matters set forth in Schedule 4.01(d) that would reasonably be expected to result in a Material Adverse Effect.

(e) Financial Statements; Financial Condition; etc.

(i) The audited consolidated financial statements of the Company and its Consolidated Subsidiaries as at December 31, 2024, heretofore delivered to the Lenders were prepared in accordance with generally accepted accounting principles consistently applied and fairly present, in all material respects, the consolidated financial condition and the results of operations of the entities covered thereby on the date and for the period covered thereby, except as disclosed in the notes thereto; and

(ii) The unaudited consolidated financial statements of the Company and its Consolidated Subsidiaries as at: March 31, 2025; June 30, 2025; and September 30, 2025 heretofore delivered to the Lenders were prepared in accordance with generally accepted accounting principles consistently applied and fairly present, in all material respects, the consolidated financial condition and the results of operations of the entities covered thereby on the date and for the period covered thereby, except as disclosed in the notes thereto.

(f) Material Adverse Change. Since December 31, 2024, there has not occurred and there does not exist any event, act, condition or liability which has had, or may reasonably be expected to have, a Material Adverse Effect.

(g) Use of Proceeds; Margin Regulations. All proceeds of each Advance will be used by the Borrowers only in accordance with the provisions of Section 2.18. Neither the making of any Advance nor the use of the proceeds thereof will violate or be inconsistent with the provisions of Regulations U or X.

(h) Governmental Approvals. No order, consent, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, any governmental or public body or authority, or any subdivision thereof, is required for the due execution, delivery and performance of this Agreement or the Notes or the consummation of any of the transactions contemplated thereby.

(i) Tax Returns and Payments. The Company and each of its Subsidiaries has filed all tax returns required to be filed by it and has paid all taxes shown on such returns and assessments payable by it which have become due, other than those (i) not yet delinquent or those that are in the aggregate adequately reserved against in accordance with generally accepted accounting principles which are being diligently contested in good faith by appropriate proceedings or (ii) where any failure thereof would not reasonably be expected to result in a Material Adverse Effect. Except as set forth in Schedule 4.01(i), there are and will be no tax-sharing or similar arrangements with any Person (other than the Company and its Subsidiaries).

(j) [Reserved].

(k) Investment Company Act. Neither the Company nor any of its Subsidiaries is (i) an “investment company” or a company controlled” by an “investment company,” within the meaning of the Investment Company Act of 1940, as amended, (ii) a “holding company” or a “subsidiary company” of a “holding company” or an “affiliate” of either a “holding company” or (ii) subject to any other federal or state law or regulation which purports to restrict or regulate its ability to borrow money.

(l) True and Complete Disclosure. All factual information (taken as a whole) furnished by or on behalf of the Company by a Responsible Officer in writing to the Agent or any Lender on or prior to the Effective Date, for purposes of or in connection with this Agreement or any of the transactions contemplated hereby is, and all other such factual information (taken as a whole) hereafter furnished by or on behalf of the Company by a Responsible Officer in writing to the Agent or any Lender will be, true and accurate in all material respects on the date as of which such information is dated or furnished and not incomplete by knowingly omitting to state any material fact necessary to make such information (taken as a whole) not misleading at such time. As of the Effective Date, there are no facts, events, conditions or liabilities known to the Company which, individually or in the aggregate, have or may reasonably be expected to have a Material Adverse Effect.

(m) [Reserved].

(n) [Reserved].

(o) No Default. The Company is not in default under or with respect to any agreement, instrument or undertaking to which it is a party or by which it or any of its property is bound in any respect which may reasonably be expected to result in a Material Adverse Effect. No Default exists.

(p) [Reserved].

(q) Compliance With Law. The Company and each of its Subsidiaries is in compliance with all laws, rules, regulations, orders, judgments, writs and decrees including, without limitation, ERISA and Environmental Laws, other than (a) such requirements of law, rules, statutes, decrees or restrictions being contested in good faith by appropriate proceedings diligently conducted and (b) except where such non-compliance, individually or in the aggregate, may not reasonably be expected to have a Material Adverse Effect.

(r) Anti-Corruption Laws and Sanctions. The Company has implemented and maintains in effect policies and procedures that are reasonably designed to promote compliance by the Company, its Subsidiaries and their respective directors, officers, employees and agents in all material respects with Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions, and the Company, its Subsidiaries and their respective directors, officers and employees and to the knowledge of the Company its agents, are in compliance with Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions in all material respects. None of (a) the Company, any Subsidiary or to the knowledge of the Company or such Subsidiary any of their respective directors, officers or employees, or (b) to the knowledge of the

Company, any agent of the Company or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person.¹

Article V

COVENANTS OF THE COMPANY

Section 5.01 Affirmative Covenants. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder:

(a) Information Covenants. The Company shall furnish to the Agent (for delivery to each Lender):

(i) Quarterly Financial Statements. Within sixty days after the close of each quarterly accounting period in each fiscal year of the Company (other than the final quarter), the consolidated balance sheet of the Company and its Subsidiaries as at the end of such quarterly period and the related consolidated statements of income, cash flow and retained earnings for such quarterly period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and in each case setting forth comparative figures for the related periods in the prior fiscal year.

(ii) Annual Financial Statements. Within ninety days after the close of each fiscal year of the Company, the consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year and the related consolidated statements of income, cash flow and retained earnings for such fiscal year, setting forth comparative figures for the preceding fiscal year and, with respect to such consolidated financial statements, certified with an unqualified opinion by independent certified public accountants of recognized national standing selected by the Company.

(iii) Officer's Certificate. At the time of the delivery of the financial statements under clauses (i) and (ii) above, a certificate of the chief financial officer or treasurer of the Company which certifies (A) that such financial statements fairly present, in all material respects, the financial condition and the results of operations of the Company and its Subsidiaries on the dates and for the periods indicated in accordance with generally accepted accounting principles, subject, in the case of interim financial statements, to normally recurring year-end adjustments and the absence of footnotes, (B) that such officer has reviewed the terms of this Agreement and has made, or caused to be made under his or her supervision, a review in reasonable detail of the business and condition of the Company and its Subsidiaries during the accounting period covered by such financial statements, and that as a result of such review such officer has concluded that no Default has occurred during the period commencing at the beginning of the accounting period covered by the financial statements accompanied by such certificate and ending on the date of such certificate or, if any Default has occurred, specifying the nature and extent thereof and, if continuing, the action the Company proposes to take in respect thereof and (C) in reasonable detail the calculations necessary to demonstrate compliance with Section 5.03. Such certificate shall be substantially in the form of Exhibit F.

¹ **Note to CSGH:** The terms in 2.18 and 5.02(e) speak to the use of proceeds, rather than the status of the Company, its Subsidiaries, and its employees as Sanctioned Persons. We wouldn't view the proposed language as consistent with the other terms.

(iv) Notice of Default or Material Adverse Effect. Promptly after the Company obtains knowledge of the occurrence of (a) any Default or (b) any matter that has resulted or would reasonably be expected to result in a Material Adverse Effect, a certificate of the chief financial officer or treasurer of the Company specifying the nature thereof and the Company's proposed response thereto.

(v) Other Developments. Promptly and in any event within ten Business Days after the existence of any of the following conditions, prompt written notice of any of the following development that results in, or could reasonably be expected to result in, a Material Adverse Effect: (i) any dispute, litigation, investigation, proceeding or suspension between the Company or any Subsidiary and any governmental authority; and (ii) the commencement of, or any material development in, any litigation or proceeding affecting the Company or any Subsidiary, including any Environmental Claim.

(vi) Other Information. From time to time with reasonable promptness, such other information or documents (financial or otherwise) as the Agent or any Lender through the Agent may reasonably request.

In lieu of furnishing to the Agent paper copies of the documents required to be delivered pursuant to Sections 5.01(a)(i) and (ii), to the extent such documents are filed with the SEC or, in the case of clause (vii), posted on the Company's Internet website, the documents shall be deemed to have been delivered on the date on which the Company posts such documents on its Internet website or on the SEC's EDGAR system. Notwithstanding the foregoing, the Company shall deliver paper copies of such documents to any Lender that requests the Company to deliver such paper copies.

(b) Books, Records and Inspections. The Company shall, and shall cause each of its Domestic Subsidiaries to, keep proper books of record and account in conformity with generally accepted accounting principles. The Company shall, and shall cause each of its Subsidiaries to, permit officers and designated representatives of any Lender to visit and inspect any of the properties of the Company or any of its Subsidiaries, and to examine the books of record and account of the Company or any of its Subsidiaries, and discuss the affairs, finances and accounts of the Company or any of its Subsidiaries with, and be advised as to the same by, its and their officers and independent accountants, all upon reasonable notice, at such reasonable times and to such reasonable extent as such Lender may desire, and not more than once each fiscal year; provided that if an Event of Default has occurred and is continuing, such representatives and independent contractors may do any of the foregoing at the expense of the Company at any time during normal business hours and with reasonable prior notice; and provided, further, that any information obtained as the result of such inspection, examination or discussion shall be deemed to constitute Confidential Information.

(c) Maintenance of Insurance. On and after the Effective Date until the Termination Date, the Company shall, and shall cause each of its Material Subsidiaries to, maintain with financially sound and reputable insurance companies or through self-insurance programs, insurance on itself and its properties in at least such amounts (in such types and with such deductibles) and against at least such risks as are customarily insured against in the same general area by companies engaged in the same or a similar business similarly situated.

(d) Taxes.

(i) The Company shall pay or cause to be paid or discharged, and shall cause each of its Subsidiaries to pay or cause to be paid or discharged, when due, all taxes, charges and assessments and all other lawful claims required to be paid by the Company or such Subsidiaries, except (i) as contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves have been established with respect thereto in accordance with generally accepted accounting principles or (ii) where any failure thereof would not reasonably be expected to result in a Material Adverse Effect.

(ii) Except as set forth in Schedule 5.01(d), the Company shall not, and shall not permit any of its Subsidiaries to, file or consent to the filing of any consolidated tax return with any Person (other than the Company and its Subsidiaries).

(e) Corporate Franchises. The Company shall, and shall cause each of its Material Subsidiaries to, do or cause to be done, (i) all things necessary to preserve, renew and keep in full force and effect its legal existence and, (ii) the rights, licenses, permits, privileges, franchises, patents, copyrights, trademarks and trade names material to the conduct of its business except to the extent that the failure to do so would not reasonably be expected to result in a Material Adverse Effect; provided that the foregoing shall not prohibit any transaction otherwise permitted under this Agreement or any change in the form of organization (by merger or otherwise) of any Material Subsidiary.

(f) Compliance with Law. The Company shall, and shall cause each of its Subsidiaries to, comply with all applicable laws, rules, statutes, regulations, decrees and orders of, and all applicable restrictions imposed by, all governmental bodies, domestic or foreign, in respect of the conduct of their business and the ownership of their property, including, without limitation, ERISA and all Environmental Laws, other than those (a) requirements of law, rules, statutes, decrees or restriction being contested in good faith by appropriate proceedings diligently conducted or (b) the non-compliance with which, individually or in the aggregate, may not reasonably be expected to have a Material Adverse Effect. The Company shall maintain in effect and enforce policies and procedures that are reasonably designed to promote compliance by the Company, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions in all material respects.

(g) Maintenance of Properties. The Company shall, and shall cause each of its Subsidiaries to, ensure that its material properties used or useful in its business are kept in good repair, working order and condition, normal wear and tear excepted and except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 5.02 Negative Covenants. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder:

(a) Liens. The Company shall not, and shall not permit any of its Subsidiaries to, create, incur, assume or suffer to exist, directly or indirectly, any Lien on any of its or their property (whether real or personal, including, without limitation, accounts receivable and inventory) or any interest it or they may have therein, whether owned at the date hereof or hereafter acquired (unless, in the case of any Lien of or upon the property of any of its Subsidiaries, all obligations and indebtedness thereby secured are held by the Company or any of its Subsidiaries); provided that the provisions of this Section 5.02(a) shall not prevent or restrict the existence or creation of:

(i) Liens on cash collateral or other assets pursuant to this Agreement or any related agreement entered into in connection with this Agreement;

(ii) customary rights of setoff upon deposit accounts and securities accounts of cash in favor of banks or other depository institutions and securities intermediaries;

(iii) Liens on the assets of the Company or any of its Subsidiaries existing on the date hereof and set forth on Schedule 5.02(a) and any renewals, replacements or extensions thereof; provided that (a) the property covered thereby is not changed (other than any improvements thereto and proceeds thereof) and (b) the aggregate principal amount of Indebtedness secured thereby is not increased above the commitment or limits as in effect on the date hereof except in an amount equal to the fees and expenses of such renewal, replacement or extension;

(iv) Licenses (including licenses of patents, trademarks, copyrights, and other intellectual property rights), operating leases or subleases permitted hereunder granted to other Persons in the ordinary course of business not interfering in any material respect with the business of the Company or any of its Subsidiaries;

(v) Liens arising pursuant to any hedging arrangement, swap arrangement or similar arrangements entered into in the ordinary course of business;

(vi) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business, and any products or proceeds thereof to the extent covered by such Liens;

(vii) Liens for taxes or assessments or governmental charges or levies or securing judgements for the payment of money not constituting a Default not then due and delinquent or the validity of which is being contested in good faith;

(viii) materialmen's, mechanic's, carrier's, workmen's, repairmen's, landlord's or other like Liens, or deposits to obtain the release of such Liens;

(ix) pledges or deposits to secure the performance of bids, trade contracts (other than for borrowed money), insurance contracts, leases, statutory obligations, worker's compensation, unemployment insurance and other social security legislation, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business (including deposits to secure letters of credit issued to secure any such obligation);

(x) licenses, easements, rights of way and other similar encumbrances imposed by law or arising in the ordinary course of business that do not secure any monetary obligations, or zoning or other restrictions as to the use of real properties, the existence of which, in the aggregate, does not materially interfere with the operation of the business of the Company or its Subsidiaries;

(xi) Liens of or upon (A) any property or assets acquired by the Company or any of its Subsidiaries (whether by purchase, merger or otherwise) after the date hereof and not theretofore owned by the Company or any of its Subsidiaries, or (B) improvements made on any property or assets now owned or hereafter acquired, securing the purchase price thereof or created or incurred simultaneously with, or within 180 days after, such acquisition or the making of such improvements or existing at the time of such acquisition (whether or not assumed) or the making of such improvements, if (x) such Lien shall be limited to the property or assets so acquired or the improvements so made, (y) the amount of the obligations or indebtedness secured by such Liens shall not be

increased after the date of the acquisition of such property or assets or the making of such improvements, except to the extent improvements are made to such property or assets after the date of the acquisition or the making of the initial improvements, and (z) in each instance where the obligation or indebtedness secured by such Lien constitutes an obligation or indebtedness of, or is assumed by, the Company or any of its Subsidiaries, the principal amount of the obligation or indebtedness secured by such Lien shall not exceed 100% of the cost or fair value (which may be determined in good faith by the Board of Directors of the Company), whichever is lower, of the property or assets or improvements at the time of the acquisition or making thereof;

(xii) Liens arising under operating leases, purchase money indebtedness existing on the date hereof and Capitalized Leases;

(xiii) Liens on property of a Person existing at the time such corporation is merged into or consolidated with the Company or any of its Subsidiaries or at the time of a sale, lease or other disposition of the properties of a corporation as an entirety or substantially as an entirety to the Company or any of its Subsidiaries, which Liens were not incurred in anticipation of such transaction;

(xiv) Liens on or other conveyances of property owned by the Company or any of its Subsidiaries in favor of the United States of America or any State thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any State thereof, or in favor of any other country, or any political subdivision thereof, to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of construction of the property subject to such mortgages;

(xv) Liens on accounts receivable sold to Eastman Chemical Financial Corporation, a Delaware corporation and a wholly owned (directly or indirectly) special purpose entity of the Company or any other wholly owned (directly or indirectly) special purpose entity of the Company, arising under the Company's securitization program or precautionary liens on accounts receivable sold by the Company or any of its Subsidiaries to a third party factor;

(xvi) Liens (including Liens to secure judgments) not otherwise permitted by this Section 5.02(a) securing obligations of the Company or any Subsidiary thereof in an aggregate principal amount outstanding at any one time not to exceed an amount equal to 15% of Consolidated Net Tangible Assets at such time; and

(xvii) renewals, extensions or replacements of the Liens referred to in clauses (ii) through (xvi) for amounts which shall not exceed the principal amount of the obligations or Indebtedness so renewed or replaced at the time of the renewal or replacement thereof and applying only to the same property or assets theretofore subject to such Liens.

(b) Restriction on Fundamental Changes. The Company shall not, and shall not permit any of its Subsidiaries to, enter into any merger or consolidation, or liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), discontinue its business or convey, lease, sell, transfer or otherwise dispose of, in one transaction or series of transactions, all or substantially all of the property of the Company, or, in the case of a Subsidiary of the Company, the business or property of the Company and its Subsidiaries taken as a whole, whether now or hereafter acquired; provided that any such merger or consolidation shall be permitted if (i) the

Company shall be the continuing corporation (in the case of a merger or consolidation), or the successor, if other than the Company, shall (A) be a corporation organized and existing under the laws of the United States of America, any State thereof or the District of Columbia, (B) deliver all documentation and other information required by regulatory authorities under applicable “know your customer” and Anti-Money Laundering Laws, including the PATRIOT Act, requested by any Lender, (C) deliver to the Agent documents of the type described in Section 3.01(h)(ii), (iii) and (iv) and (D) such corporation shall expressly assume to the satisfaction of the Agent the due and punctual performance and observance of all of the covenants and obligations contained in this Agreement and the Notes to be performed by the Company, and (ii) immediately after giving effect to such merger or consolidation, no Default shall have occurred and be continuing; and provided, further that (x) any Subsidiary of the Company may merge into or convey, sell, lease or transfer all or substantially all of its assets to, the Company or any Subsidiary of the Company, (y) any Subsidiary may merge, consolidate, amalgamate, liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), or discontinue its business and (z) any Subsidiary may convey, lease, sell or transfer its assets, in each case so long as doing so does not result, directly or indirectly, in the disposition (in one or a series of transactions) of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole.

(c) [Reserved].

(d) Limitations on Restricted Subsidiary Indebtedness. The Company shall not permit any Restricted Subsidiary that has not provided a guaranty of the Obligations to incur or assume any indebtedness of the type that would constitute Consolidated Funded Indebtedness except:

5.02(a); (i) Indebtedness that is or could be secured by a Lien permitted pursuant to Section

(ii) Indebtedness outstanding on the Effective Date;

(iii) Indebtedness issued to and held by the Company or another Subsidiary;

(iv) Indebtedness incurred by a Person prior to the time (A) such Person became a Restricted Subsidiary, (B) such Person merges into or consolidates with a Restricted Subsidiary or (C) another Restricted Subsidiary merges into or consolidates with such Person (in a transaction in which such Person becomes a Restricted Subsidiary), which Indebtedness was not incurred in anticipation of such transaction and was outstanding prior to such transaction;

(v) Indebtedness incurred in the ordinary course of business and maturing within one year;

(vi) Guarantees or other support obligations of Indebtedness of the Company or Indebtedness otherwise permitted under this Section 5.02(d);

(vii) Indebtedness in the form of purchase price adjustments, earn-outs, reimbursement obligations and other deferred payments incurred in connection with any acquisition or joint venture investments;

(viii) other Indebtedness at any time outstanding only to the extent that the aggregate amount of such Indebtedness of all Restricted Subsidiaries does not exceed 15% of Consolidated Net Tangible Assets;

(ix) endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business; and

(x) advances and deposits received in the ordinary course of business.

(e) Use of Proceeds. No Borrower will request any Borrowing or Letter of Credit, or use, or permit its Subsidiaries and its or their respective directors, officers, employees and agents to use, the proceeds of any Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or Anti-Money Laundering Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permissible for a Person in compliance with Sanctions, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 5.03 Financial Covenant. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Company will maintain a Consolidated Leverage Ratio, commencing with the fiscal quarter ending after the Effective Date, of not greater than:

(a) For the period commencing on the Effective Date and through the fiscal quarter ending December 31, 2026, 4.00 to 1.00;

(b) For the period commencing on January 1, 2027 and through the fiscal quarter ending June 30, 2027, 3.75 to 1.00; and

(c) At any time thereafter, 3.50 to 1.00;

(d) provided that, at any time that the Consolidated Leverage Ratio of the Company is less than 3.50 to 1.00, upon written notice (such notice, an “Increase Leverage Notice”) to the Agent from the Company that a Qualified Acquisition has been consummated, the Company will be permitted to maintain a Consolidated Leverage Ratio of not greater than 4.00 to 1.00 for the period of four consecutive fiscal quarters immediately following the consummation of such acquisition; provided, further, that following such four consecutive fiscal quarters for which the maximum Consolidated Leverage Ratio is increased, the maximum Consolidated Leverage Ratio shall revert to 3.50 to 1.00 for not fewer than two fiscal quarters before a subsequent Increase Leverage Notice is delivered to the Agent.

Article VI

EVENTS OF DEFAULT

Section 6.01 Events of Default. If any of the following events (“Events of Default”) shall occur and be continuing:

(a) Failure to Make Payments. The Company or any other Borrower shall (i) default in the payment when due of any principal of the Advances, and such default shall continue unremedied for one or more Business Days or (ii) default, and such default shall continue unremedied for ten or more days, in the payment when due of any interest on the Advances or (iii) default, and such default shall continue unremedied for thirty or more days

from the date of notice of such default, in the payment when due of any fees or any other amounts owing hereunder; or

(b) Breach of Representation or Warranty. Any representation or warranty made by the Company or any Designated Subsidiary herein, in any Designation Agreement or in any certificate or statement delivered pursuant hereto or thereto shall prove to be false or misleading in any material respect on the date as of which made or deemed made; or

(c) Breach of Covenants. (i) The Company shall fail to perform or observe any agreement, covenant or obligation arising under this Agreement (except those described in subsections (a) or (b) above), and such failure shall remain unremedied for thirty days after written notice thereof shall have been given to the Company by the Agent; or (ii) the Company shall fail to perform or observe any agreement, covenant or obligation arising under Section 5.01(e) (as to the Company's existence). 5.01(a)(iv), Section 5.02 or 5.03; or

(d) Default Under Other Agreements. The Company or any of its Material Subsidiaries shall (i) default in the payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) of any amount owing in respect of any Indebtedness in the principal amount of \$200,000,000 or more and such default shall continue beyond any applicable grace period; or (ii) default in the performance or observance of any obligation or condition or any other event shall occur or condition exist, in each case with respect to any Indebtedness in the principal amount of \$200,000,000 or more, if the effect of such default, event or condition is to accelerate the maturity of any such Indebtedness or to permit the holder or holders thereof, or any trustee or agent for such holders, to accelerate the maturity of any such Indebtedness, unless, in each case, waived by such holder or holders, or any such Indebtedness shall become or be declared to be due and payable prior to its stated maturity other than as a result of a regularly scheduled payment, and the principal amount of such Indebtedness exceeds \$200,000,000; provided that this clause (ii) shall not apply to (A) any repurchase, prepayment, defeasance or redemption, or any offer therefor, of any Indebtedness of any Person acquired by the Company or any Subsidiary required to be made solely as a result of a "change of control" of such Person as a result of the consummation of such acquisition, (B) any mandatory prepayment of any bridge financing required to be made with the proceeds of any other Indebtedness incurred by the Company or any Subsidiary or the proceeds of any dispositions of assets or issuance of equity interests consummated by the Company or any Subsidiary, (C) any repurchase, repayment, defeasance or redemption, or any offer therefor, of any Indebtedness of the Company or any Subsidiary incurred to finance, in whole or in part, an Acquisition and any related transactions required to be made pursuant to a "special mandatory redemption" provision (or other similar provision) as a result of such Acquisition not having been consummated, (D) any secured Indebtedness becoming due as a result of the voluntary sale or transfer of the assets securing such Indebtedness, (E) any Indebtedness becoming due as a result of a voluntary refinancing thereof permitted hereunder, (F) in the event that a lender under any revolving loan facility becomes a "defaulting lender" (as defined therein), a prepayment or cash collateralization by the Company or such Material Subsidiary of any unallocated portion of such defaulting lender's outstanding swing line loans under any such revolving loan facility, and (G) for the avoidance of any doubt, any right of a holder or holders of any Indebtedness that is convertible into equity interests (1) to require the repurchase, repayment or redemption of such Indebtedness on a predetermined date provided in the definitive documentation governing such Indebtedness, (2) to require an offer to repurchase, repay or redeem such Indebtedness on such date or the delivery of a notice with respect thereto or (3) to convert such Indebtedness into equity interests, together with any cash settlement thereof, in each case under this clause (G), so long as such right (other than the right to convert such Indebtedness into equity interests of the Borrower, settled solely in such equity interests and cash in lieu of fractional shares thereof) does

not result from any “change of control”, “fundamental change” or a similar event (however defined) under the definitive documentation governing such Indebtedness; or

(e) Bankruptcy, etc. (i) The Company, any other Borrower or any Material Subsidiary shall commence a voluntary case concerning itself under the Bankruptcy Code; or (ii) an involuntary case is commenced against the Company or any Material Subsidiary and the petition is not controverted within thirty days or is not dismissed within sixty days, after commencement of the case; or (iii) a custodian (as defined in the Bankruptcy Code) is appointed for, or takes charge of, all or substantially all of the property of the Company or any Material Subsidiary or the Company or any Material Subsidiary commences any other proceedings under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to the Company or any Material Subsidiary or there is commenced against the Company or any Material Subsidiary any such proceeding which remains undismissed for a period of sixty days; or (iv) any order of relief or other order approving any such case or proceeding is entered; or (v) the Company or any Material Subsidiary is adjudicated insolvent or bankrupt; or (vi) the Company or any Material Subsidiary suffers any appointment of any custodian or the like for it or any substantial part of its property to continue undischarged or unstayed for a period of sixty days; or (vii) the Company or any Material Subsidiary makes a general assignment for the benefit of creditors; or (viii) the Company or any Material Subsidiary shall fail to pay, or shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; or (ix) the Company or any Material Subsidiary shall by any act or failure to act consent to, approve of or acquiesce in any of the foregoing; or (x) any corporate action is taken by the Company or any Material Subsidiary for the purpose of effecting any of the foregoing; or

(f) ERISA. The Company or any member of its ERISA Controlled Group shall fail to pay when due an amount or amounts aggregating in excess of \$200,000,000 for which it shall have become liable under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Benefit Liabilities in excess of \$200,000,000 shall be filed under Title IV of ERISA by the Company or any member of its ERISA Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate, to impose liability (other than for premiums under Section 4007 of ERISA) in respect of, or to cause a trustee to be appointed to administer, any Plan or Plans having aggregate Unfunded Benefit Liabilities in excess of \$200,000,000 or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Plan or Plans having aggregate Unfunded Benefit Liabilities in excess of \$200,000,000 must be terminated; or there shall occur a complete or partial withdrawal from, or a default within the meaning of Section 4219(c)(5) of ERISA with respect to, one or more Multiemployer Plans which could cause the Company or one or more members of the ERISA Controlled Group to incur a current payment obligation in excess of \$200,000,000 if not paid when due; or

(g) Judgments. One or more judgments or decrees in an aggregate amount of \$200,000,000 or more shall be entered by a court against the Company or any of its Subsidiaries and (i) any such judgments or decrees shall not be stayed, discharged, paid, bonded or vacated within sixty days or (ii) enforcement proceedings shall be commenced by any creditor on any such judgments or decrees; provided, however, that any such judgment or order shall not be an Event of Default under this Section 6.01(g) if and for so long as (i) the amount of such judgment or order is covered by a valid and binding policy of insurance, with deductible or self-insured retention consistent with industry practices, between the defendant and the insurer covering payment thereof and (ii) such insurer has been notified of, and has not rejected the claim made for payment of, the amount of such judgment or order; or

(h) Change in Control. At any time on or after the Effective Date a Change in Control shall have occurred; or

(i) Guaranty. So long as any Subsidiary of the Company is a Designated Subsidiary, any provision of Article VII shall for any reason cease to be valid and binding on or enforceable against the Company, or the Company shall so state in writing;

then, and in any such event, the Agent (i) shall at the request, or may with the consent, of the Required Lenders, by written notice to the Company and the other Borrowers, declare the obligation of each Lender to make Advances (other than Advances deemed to have been made by an Issuing Bank or a Lender pursuant to Section 2.04(c)) and of the Issuing Banks to issue Letters of Credit to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Required Lenders, by written notice to the Company and the other Borrowers, declare the Advances, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by each Borrower; provided, however, that in the event of an actual or deemed entry of an order for relief with respect to any Borrower under the Bankruptcy Code, (A) the obligation of each Lender to make Advances (other than Advances deemed to have been made by an Issuing Bank or a Lender pursuant to Section 2.04(c)) and of the Issuing Banks to issue Letters of Credit shall automatically be terminated and (B) the Advances, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by each Borrower.

Section 6.02 Actions in Respect of Letters of Credit Upon Default. If any Event of Default shall have occurred and be continuing, the Agent may with the consent, or shall at the request, of the Required Lenders, irrespective of whether it is taking any of the actions described in Section 6.01 or otherwise, make demand upon the Borrowers to, and forthwith upon such demand the Borrowers will, (a) pay to the Agent on behalf of the Lenders in same day funds at the Agent's office designated in such demand, for deposit in the L/C Cash Deposit Account, an amount equal to the aggregate Available Amount of all Letters of Credit then outstanding, together with the reasonably anticipated amount of fees, expenses and other amounts related thereto as specified by the applicable Issuing Bank (the "Required Amount") or (b) make such other arrangements in respect of the outstanding Letters of Credit as shall be acceptable to the Required Lenders. If at any time the Agent determines that any funds held in the L/C Cash Deposit Account are subject to any right or interest of any Person other than the Agent and the Lenders or that the total amount of such funds is less than the aggregate Available Amount of all Letters of Credit, the Borrowers will, forthwith upon demand by the Agent, pay to the Agent, as additional funds to be deposited and held in the L/C Cash Deposit Account, an amount equal to the excess of (a) such aggregate applicable Required Amount over (b) the total amount of funds, if any, then held in the L/C Cash Deposit Account that are free and clear of any such right and interest. Upon the drawing of any Letter of Credit, to the extent funds are on deposit in the L/C Cash Deposit Account, such funds shall be applied to reimburse the Issuing Banks to the extent permitted by applicable law, and if so applied, then such reimbursement shall be deemed a repayment of the corresponding Advance in respect of such Letter of Credit. After all such Letters of Credit shall have expired or been fully drawn upon and all other obligations of the Borrowers hereunder and under the Notes shall have been paid in full, the balance, if any, in such L/C Cash Deposit Account shall be promptly returned to the Borrowers or to such other Persons as shall be legally entitled thereto.

Article VII

GUARANTY

Section 7.01 Guaranty. The Company hereby absolutely, unconditionally and irrevocably guarantees, as a guarantee of payment and not of collection, the punctual payment when due, whether at scheduled maturity or on any date of a required prepayment or by acceleration, demand or otherwise, all obligations of each other Borrower now or hereafter existing under or in respect of this Agreement and the Notes (including, without limitation, any extensions, modifications, substitutions, amendments or renewals of any or all of the foregoing obligations), whether direct or indirect, absolute or contingent, and whether for principal, interest, premiums, fees, indemnities, contract causes of action, costs, expenses or otherwise (such obligations being the “Guaranteed Obligations”), and agrees to pay any and all expenses (including, without limitation, reasonable and documented fees and expenses of external counsel provided, however, that the expenses of legal counsel shall be limited to one law firm identified by the Agent (and if necessary, one local counsel identified by the Agent in any relevant material jurisdiction)) incurred by the Agent or any other Lender in enforcing any rights under this Article VII. Without limiting the generality of the foregoing, the Company's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by any such Borrower to the Agent or any Lender under or in respect of this Agreement or the Notes but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving such Borrower.

Section 7.02 Guaranty Absolute. The Company guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of this Agreement and the Notes, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Lender with respect thereto. The obligations of the Company under or in respect of this Article VII are independent of the Guaranteed Obligations or any other obligations of any other Borrower under or in respect of this Agreement and the Notes, and a separate action or actions may be brought and prosecuted against the Company to enforce this Article VII, irrespective of whether any action is brought against any Borrower or whether any Borrower is joined in any such action or actions. The liability of the Company under this Article VII shall be irrevocable, absolute and unconditional irrespective of, and the Company hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to, any or all of the following:

- (a) any lack of validity or enforceability of this Agreement (other than this Article VII), the Notes or any agreement or instrument relating thereto;
- (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations or any other obligations of any Borrower under or in respect of this Agreement or the Notes, or any other amendment or waiver of or any consent to departure from this Agreement or the Notes, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to any Borrower or any of its Subsidiaries or otherwise;
- (c) any taking, exchange, release or non-perfection of any collateral, or any taking, release or amendment or waiver of, or consent to departure from, any other guaranty, for all or any of the Guaranteed Obligations;
- (d) any manner of application of collateral, or proceeds thereof, to all or any of the Guaranteed Obligations, or any manner of sale or other disposition of any collateral for all

or any of the Guaranteed Obligations or any other obligations of any Borrower under this Agreement or the Notes or any other assets of any Borrower or any of its Subsidiaries;

(e) any change, restructuring or termination of the corporate structure or existence of any Borrower or any of its Subsidiaries;

(f) any failure of any Lender or the Agent to disclose to the Company any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any Borrower now or hereafter known to such Lender or the Agent (the Company waiving any duty on the part of the Lenders and the Agent to disclose such information); or

(g) any other circumstance (including, without limitation, any statute of limitations) or any existence of or reliance on any representation by any Lender or the Agent that might otherwise constitute a defense available to, or a discharge of, the Company (in its capacity as guarantor), any Borrower or any other guarantor or surety.

This Article VII shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by any Lender or the Agent or any other Person upon the insolvency, bankruptcy or reorganization of any Borrower or otherwise, all as though such payment had not been made.

Section 7.03 Waivers and Acknowledgments.

(a) The Company hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of nonperformance, default, acceleration, protest or dishonor and any other notice with respect to any of the Guaranteed Obligations and this Article VII and any requirement that any Lender or the Agent protect, secure, perfect or insure any Lien or any property subject thereto or exhaust any right or take any action against any Borrower or any other Person or any collateral.

(b) The Company hereby unconditionally and irrevocably waives any right to revoke this Article VII and acknowledges that the guaranty under this Article VII is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

(c) The Company hereby unconditionally and irrevocably waives (i) any defense arising by reason of any claim or defense based upon an election of remedies by any Lender or the Agent that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement, exoneration, contribution or indemnification rights of the Company or other rights of the Company to proceed against any Borrower, any other guarantor or any other Person or any collateral and (ii) any defense based on any right of set-off or counterclaim against or in respect of the obligations of the Company hereunder.

(d) The Company hereby unconditionally and irrevocably waives any duty on the part of any Lender or the Agent to disclose to the Company any matter, fact or thing relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any Borrower or any of its Subsidiaries now or hereafter known by such Lender or the Agent.

(e) The Company acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by this Agreement and the Notes

and that the waivers set forth in Section 7.02 and this Section 7.03 are knowingly made in contemplation of such benefits.

Section 7.04 Subrogation. The Company hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or hereafter acquire against any Borrower or any other insider guarantor that arise from the existence, payment, performance or enforcement of the Guaranteed Obligations under or in respect of this Article VII, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Lender or the Agent against any Borrower or any other insider guarantor or any collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any Borrower or any other insider guarantor, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right, unless and until all of the Guaranteed Obligations and all other amounts payable under this Article VII shall have been paid in full in cash and such Borrower's status as a Designated Subsidiary shall have expired or been terminated. If the Company exercises rights of subrogation and receives any amounts from any Designated Subsidiary in violation of the immediately preceding sentence (it being understood that transfers between the Company and a Designated Subsidiary in the ordinary course of business pursuant to the operation of the Company's cash management system shall not constitute such a violation) at any time prior to the later of (a) the payment in full in cash of the Guaranteed Obligations and all other amounts payable under this Article VII and (b) the expiration or termination of such Borrower's status as a Designated Subsidiary, such amounts shall be received and held in trust for the benefit of the Lenders and the Agent, shall be segregated from other property and funds of the Company and shall forthwith be paid or delivered to the Agent in the same form as so received (with any necessary endorsement or assignment) to be credited and applied to the Guaranteed Obligations and all other amounts payable under this Article VII, whether matured or unmatured, in accordance with the terms of this Agreement, or to be held as collateral for any Guaranteed Obligations or other amounts payable under this Article VII thereafter arising. If (i) the Company shall make payment to any Lender or the Agent of all or any part of the Guaranteed Obligations in respect of a Designated Subsidiary, (ii) all of the Guaranteed Obligations and all other amounts payable under this Article VII shall have been paid in full in cash and (iii) such Borrower's status as a Designated Subsidiary shall have expired or been terminated, the Lenders and the Agent will, at the Company's request and expense, execute and deliver to the Company appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to the Company of an interest in the Guaranteed Obligations resulting from such payment made by the Company in respect of such Designated Subsidiary pursuant to this Article VII.

Section 7.05 Continuing Guaranty; Assignments. The guaranty under this Article VII is a continuing guaranty and shall (a) remain in full force and effect until the later of (i) the payment in full in cash of the Guaranteed Obligations and all other amounts payable under this Article VII and (ii) the Termination Date, (b) be binding upon the Company, its successors and assigns and (c) inure to the benefit of and be enforceable by the Lenders and the Agent and their successors, transferees and assigns. Without limiting the generality of clause (c) of the immediately preceding sentence, any Lender may assign or otherwise transfer all or any portion of its rights and obligations under this Agreement (including, without limitation, all or any portion of its Commitments, the Advances owing to it and the Note or Notes held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise, in each case as and to the extent provided in Section 9.07. The Company shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Lenders.

Article VIII

THE AGENT

Section 8.01 Appointment and Authority. Each of the Lenders and the Issuing Banks hereby irrevocably appoints Citibank to act on its behalf as the Agent hereunder and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Agent and the Lenders and the Issuing Banks, and the Borrowers shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein (or any other similar term) with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 8.02 Rights as a Lender. The Person serving as the Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent, and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Company or any Subsidiary or other Affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Lenders.

Section 8.03 Exculpatory Provisions.

(a) The Agent shall not have any duties or obligations except those expressly set forth herein, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Agent is required to exercise as directed in writing by the Required Lenders; provided that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to this Agreement or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(iii) shall not, except as expressly set forth herein, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Company or any of its Affiliates that is communicated to or obtained by the Person serving as the Agent or any of its Affiliates in any capacity.

(b) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary,

under the circumstances as provided in Sections 9.01 and Article VI), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgment. The Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Agent in writing by a Borrower or a Lender.

(c) The Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement, (ii) the contents of any certificate, report or other document delivered hereunder or in connection herewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article III or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

(d) The Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Agent shall not (i) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (ii) have any liability with respect to or arising out of any assignment or participation of Advances, or disclosure of confidential information, to any Disqualified Institution.

Section 8.04 Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of an Advance, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an Issuing Bank, the Agent may presume that such condition is satisfactory to such Lender or Issuing Bank unless the Agent shall have received notice to the contrary from such Lender or Issuing Bank prior to the making of such Advance or the issuance of such Letter of Credit. The Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 8.05 Indemnification.

(a) Each Lender severally agrees to indemnify the Agent (to the extent not promptly reimbursed by the Company) from and against such Lender's Ratable Share of any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Agent under this Agreement (collectively, the "Indemnified Costs"), provided that no Lender shall be liable for any portion of the Indemnified Costs resulting from such Person's gross negligence or willful misconduct. Without limitation of the foregoing, each Lender agrees to reimburse the Agent promptly upon demand for its Ratable Share of any out-of-pocket expenses (including reasonable counsel fees) incurred by the Agent in connection with the

preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that the Agent is not reimbursed for such expenses by the Company. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Costs, this Section 8.05 applies whether any such investigation, litigation or proceeding is brought by the Agent, any Lender or a third party.

(b) Each Lender severally agrees to indemnify the Issuing Banks (to the extent not promptly reimbursed by the Company) from and against such Lender's Ratable Share of any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against any such Issuing Bank in any way relating to or arising out of this Agreement or any action taken or omitted by such Issuing Bank hereunder or in connection herewith; provided, however, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Issuing Bank's gross negligence or willful misconduct. Without limitation of the foregoing, each Lender agrees to reimburse any such Issuing Bank promptly upon demand for its Ratable Share of any costs and expenses (including, without limitation, fees and expenses of counsel) payable by the Company under Section 9.04, to the extent that such Issuing Bank is not promptly reimbursed for such costs and expenses by the Company.

(c) The failure of any Lender to reimburse the Agent or any Issuing Bank promptly upon demand for its Ratable Share of any amount required to be paid by the Lenders to the Agent as provided herein shall not relieve any other Lender of its obligation hereunder to reimburse the Agent or any Issuing Bank for its Ratable Share of such amount, but no Lender shall be responsible for the failure of any other Lender to reimburse the Agent or any Issuing Bank for such other Lender's Ratable Share of such amount. Without prejudice to the survival of any other agreement of any Lender hereunder, the agreement and obligations of each Lender contained in this Section 8.05 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the Notes. Each of the Agent and each Issuing Bank agrees to return to the Lenders their respective Ratable Shares of any amounts paid under this Section 8.05 that are subsequently reimbursed by the Company.

Section 8.06 Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder by or through any one or more sub-agents appointed by the Agent. The Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Commitments as well as activities as Agent. The Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 8.07 Resignation of Agent.

(a) The Agent may at any time give notice of its resignation to the Lenders, the Issuing Banks and the Company. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Company, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty days after the retiring Agent

gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the “Resignation Effective Date”), then the retiring Agent may (but shall not be obligated to), on behalf of the Lenders and the Issuing Banks, appoint a successor Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Company and such Person remove such Person as Agent and, in consultation with the Company, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty days (or such earlier day as shall be agreed by the Required Lenders) (the “Removal Effective Date”), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Agent shall be discharged from its duties and obligations hereunder (except that in the case of any collateral security held by the Agent on behalf of the Lenders or the Issuing Banks, the retiring or removed Agent shall continue to hold such collateral security until such time as a successor Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring or removed Agent all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender and Issuing Bank directly, until such time, if any, as the Required Lenders appoint a successor Agent as provided for above. Upon the acceptance of a successor’s appointment as Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Agent (other than any rights to indemnity payments owed to the retiring or removed Agent), and the retiring or removed Agent shall be discharged from all of its duties and obligations hereunder. The fees payable by the Company to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Company and such successor. After the retiring or removed Agent’s resignation or removal hereunder, the provisions of this Article and Section 9.04 shall continue in effect for the benefit of such retiring or removed Agent its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as Agent.

(d) Any resignation pursuant to this Section by a Person acting as Agent shall, unless such Person shall notify the Company and the Lenders otherwise, also act to relieve such Person and its Affiliates of any obligation to issue new, or extend existing, Letters of Credit where such issuance or extension is to occur on or after the effective date of such resignation. Upon the acceptance of a successor’s appointment as Agent hereunder, (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Bank, (ii) the retiring Issuing Bank shall be discharged from all of its duties and obligations hereunder and (iii) the successor Issuing Bank shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangement satisfactory to the retiring Issuing Bank to effectively assume the obligations of the retiring Issuing Bank with respect to such Letters of Credit.

Section 8.08 Non-Reliance on Agent and Other Lenders. Each Lender and Issuing Bank acknowledges that it has, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and Issuing Bank also acknowledges that it will, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on

such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement or any related agreement or any document furnished hereunder. Each Lender and each Issuing Bank represents and warrants that (i) this Agreement sets forth the terms of a commercial lending facility and certain other facilities set forth herein and (ii) it is engaged in making, acquiring or holding commercial loans, issuing or participating in letters of credit or providing other similar facilities in the ordinary course and is entering into this Agreement as a Lender or Issuing Bank for the purpose of making, acquiring or holding commercial loans, issuing or participating in letters of credit and providing other facilities set forth herein as may be applicable to such Lender or Issuing Bank, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument, and each Lender and each Issuing Bank agrees not to assert a claim in contravention of the foregoing. Each Lender and each Issuing Bank represents and warrants that it is sophisticated with respect to decisions to make, acquire or hold commercial loans, issue or participate in letters of credit and to provide other facilities set forth herein, as may be applicable to such Lender or such Issuing Bank, and either it, or the Person exercising discretion in making its decision to make, acquire or hold such commercial loans, issue or participate in letters of credit or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans, issue or participate in letters of credit or providing such other facilities.

Section 8.09 Other Agents. Each Lender hereby acknowledges that no Arranger, no syndication agent and no documentation agent nor any other Lender designated as any “Agent” (other than the Agent) on the signature pages or the cover hereof has any obligation, responsibility or liability hereunder other than in its capacity as a Lender.

Section 8.10 Certain ERISA Matters.

(a) Each Lender(x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of any Borrower, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets”(within the meaning of Section 3(42) of ERISA or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Advances, the Letters of Credit, the Commitments or this Agreement,

(ii) the prohibited transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts),PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable so as to exempt from the prohibitions of Section 406 of ERISA and Section 4975 of the Code such Lender’s entrance into, participation in, administration of and performance of the Advances, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager”(within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such

Lender to enter into, participate in, administer and perform the Advances, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Advances, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84- 14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Advances, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of any Borrower, that the Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Advances, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Agent under this Agreement or any documents related hereto).

As used in this Section:

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

Section 8.11 Erroneous Payment.

(a) If the Agent (x) notifies a Lender or Issuing Bank, or any Person who has received funds on behalf of a Lender or Issuing Bank (any such Lender or Issuing Bank or other recipient (and each of their respective successors and assigns), a “Payment Recipient”) that the Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds (as set forth in such notice from the Agent) received by such Payment Recipient from the Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Issuing Bank or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an “Erroneous Payment”) and (y) demands in writing the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Agent pending its return or repayment as contemplated below in this Section 8.11 and held in trust for the benefit of the Agent, and such Lender or Issuing Bank shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to)

promptly, but in no event later than two Business Days thereafter (or such later date as the Agent may, in its sole discretion, specify in writing), return to the Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent in same day funds at the greater of (1) the Federal Funds Rate in the case of Advances denominated in Dollars or (ii) the cost of funds incurred by the Agent in respect of such amount in the case of Advances denominated in Alternative Currencies and (2) a rate determined by the Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender, Issuing Bank or any Person who has received funds on behalf of a Lender or Issuing Bank (and each of their respective successors and assigns), agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates), or (z) that such Lender or Issuing Bank, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:

(i) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made (absent written confirmation from the Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender or Issuing Bank shall (and shall use commercially reasonable efforts to cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify the Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Agent pursuant to this Section 8.11(b).

For the avoidance of doubt, the failure to deliver a notice to the Agent pursuant to this Section 8.11(b) shall not have any effect on a Payment Recipient's obligations pursuant to Section 8.11(a) or on whether or not an Erroneous Payment has been made.

(c) Each Lender or Issuing Bank hereby authorizes the Agent to set off, net and apply any and all amounts at any time owing to such Lender or Issuing Bank under this Agreement, or otherwise payable or distributable by the Agent to such Lender or Issuing Bank under this Agreement with respect to any payment of principal, interest, fees or other amounts, against any amount that the Agent has demanded to be returned under immediately preceding clause (a).

(d) (i) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion

thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an “Erroneous Payment Return Deficiency”), upon the Agent’s notice to such Lender at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Lender shall be deemed to have assigned its Advances (but not its Commitments) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Agent may specify) (such assignment of the Advances (but not Commitments), the “Erroneous Payment Deficiency Assignment”) (on a cashless basis and such amount calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Agent in such instance)), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to the Platform as to which the Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Notes evidencing such Advances to the Borrower or the Agent (but the failure of such Person to deliver any such Notes shall not affect the effectiveness of the foregoing assignment), (B) the Agent as the assignee Lender shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Agent as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender, (D) the Agent and the Borrower shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) the Agent will reflect in the Register its ownership interest in the Advances subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement.

(i) Subject to Section 9.07 (but excluding, in all events, any assignment consent or approval requirements (whether from the Borrower or otherwise)), the Agent may, in its discretion, sell any Advances acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Advances (or portion thereof), and the Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Lender (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by the Agent on or with respect to any such Advances acquired from such Lender pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Advances are then owned by the Agent) and (y) may, in the sole discretion of the Agent, be reduced by any amount specified by the Agent in writing to the applicable Lender from time to time.

(e) The parties hereto agree that (x) irrespective of whether the Agent may be equitably subrogated, in the event that an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Agent shall be subrogated to all the rights and interests of such Payment Recipient (and, in the case of any Payment Recipient who has received funds on behalf of a Lender or Issuing Bank, to the rights and interests of such Lender or Issuing Bank, as the case may be) under this Agreement with respect to such amount (the “Erroneous Payment Subrogation Rights”) (provided that the Loan Parties’ Obligations under this Agreement in

respect of the Erroneous Payment Subrogation Rights shall not be duplicative of such Obligations in respect of Advances that have been assigned to the Agent under an Erroneous Payment Deficiency Assignment) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Company or any other Loan Party; provided that this Section 8.11 shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the Obligations of the Borrower relative to the amount (and/or timing for payment) of the Obligations that would have been payable had such Erroneous Payment not been made by the Agent; provided, further, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Agent from the Borrower for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on “discharge for value” or any similar doctrine.

(g) Each party’s obligations, agreements and waivers under this Section 8.11 shall survive the resignation or replacement of the Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Issuing Bank, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under this Agreement.

Article IX

MISCELLANEOUS

Section 9.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or the Notes, nor consent to any departure by the Company or any other Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall, unless in writing and signed by all the Lenders affected thereby, do any of the following: (a) waive any of the conditions specified in Section 3.01 or 3.02, (b) increase or extend the Commitments of the Lenders (other than in accordance with Section 2.19 or Section 2.20) or subject the Lenders to any additional obligations, (c) reduce the principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (d) postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder (other than in accordance with Section 2.20), (e) change the percentage of the Revolving Credit Commitments or of the aggregate unpaid principal amount of the Advances, or the number of Lenders, that shall be required for the Lenders or any of them to take any action hereunder, (f) release or otherwise limit the Company's liability with respect to its obligations under Article VII, (g) contractually subordinate the Obligations hereunder to any other indebtedness or other obligation or (h) amend this Section 9.01; and provided further that (i) no amendment, waiver or consent shall, unless in writing and signed by the Agent in addition to the Lenders required above to take such action, affect the rights or duties of the Agent under this Agreement or any Note, (ii) no amendment, waiver or consent shall, unless in writing and signed by each of the Issuing Banks in addition to the Lenders required above to take such action, affect the rights or duties of any of the Issuing Banks in their capacities as such under this Agreement; (iii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment,

waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (A) the Commitment of any Defaulting Lender may not be increased or extended, nor amounts owed to such Defaulting Lender reduced, or the final maturity thereof extended, without the consent of such Defaulting Lender, and (B) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender; (iv) this Agreement may be amended with the written consent of the Agent, each Issuing Bank, the Company and the Lenders affected thereby to amend the definition of "Alternative Currency" or "Alternative Currency Daily Rate" or "Alternative Currency Term Rate" or Section 2.03 solely to add additional currency options and the applicable interest rate with respect thereto, in each case solely to the extent permitted pursuant to Section 2.03; (v) in order to implement any Commitment Increase pursuant to Section 2.19, this Agreement may be amended for such purpose (but solely to the extent necessary to implement such increase and otherwise in accordance with Section 2.19) by the Company, the Agent and the Lenders providing such increase; (vi) in order to implement any extension approved pursuant to Section 2.20, this Agreement and any Notes may be amended for such purpose (but solely to the extent necessary to implement such extension and otherwise in accordance with Section 2.20) by the Company and the Agent; (vii) this Agreement may be amended by the Company, the applicable Designated Subsidiary and the Agent to add such provisions as are deemed necessary, in the sole discretion of the Agent, to facilitate the addition of any Designated Subsidiary designated pursuant to Section 9.09; (viii)(A) each L/C Issuing Bank's Letter of Credit Commitment may be amended from time to time by the Company, the Agent and such Issuing Bank, and (B) with respect to any Lender that becomes an Issuing Bank pursuant to this Agreement, this Agreement may be amended by the Company, the Agent and such Issuing Bank to add the Letter of Credit Commitment of such Issuing Bank; and (ix) if the Agent and the Company acting together identify any ambiguity, omission, mistake, typographical error or other defect in any provision of this Agreement or any Note (including the schedules and exhibits thereto), then the Agent and the Company shall be permitted to amend, modify or supplement such provision to cure such ambiguity, omission, mistake, typographical error or other defect, and such amendment shall become effective without any further action or consent of any other party to this Agreement.

Section 9.02 Notices, Etc.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows:

(i) if to the Company or any other Borrower, to it at 200 South Wilcox Drive, Kingsport, Tennessee 37662, Attention of Treasurer (Facsimile No. 423-224-0165; Telephone No. 423-229-2000);

(ii) if to the Agent, to Citibank, N.A. at One Penns Way, Building Ops II, New Castle, Delaware 19720, Attention of Lending Agency; (Email: usagency servicing@citi.com);

(iii) [Reserved];

(iv) if to any Issuing Bank, to it at the address provided in writing to the Agent and the Company at the time of its appointment as an Issuing Bank hereunder; and

(v) if to a Lender, to it at its address (or facsimile number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications, to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the Issuing Banks hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Agent, provided that the foregoing shall not apply to notices to any Lender or Issuing Bank pursuant to Article II if such Lender or Issuing Bank, as applicable, has notified the Agent that it is incapable of receiving notices under such Article by electronic communication. The Agent or any Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) Change of Address, etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(d) Platform.

(i) Each Borrower agrees that the Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Issuing Banks and the other Lenders by posting the Communications on DebtDomain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the "Platform"). The Company acknowledges and agrees that the DQ List shall be deemed suitable for posting and may be posted by the Agent on the Platform, including the portion of the Platform that is designated for "public side" Lenders.

(ii) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or

freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Agent or any of its Related Parties (collectively, the “Agent Parties”) have any liability to any Borrower, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Borrower’s or the Agent’s transmission of communications through the Platform. “Communications” means, collectively, any notice, demand, communication, information, document or other material that any Borrower provides to the Agent pursuant to this Agreement or the transactions contemplated therein which is distributed to the Agent any Lender or any Issuing Bank by means of electronic communications pursuant to this Section, including through the Platform.

Section 9.03 No Waiver; Remedies. No failure on the part of any Lender or the Agent to exercise, and no delay in exercising, any right hereunder or under any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 9.04 Costs and Expenses; Indemnification.

(a) The Company agrees to pay on demand all reasonable and documented out-of-pocket costs and expenses of the Agent in connection with the preparation, execution, delivery, administration, modification and amendment of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, (A) all reasonable due diligence, syndication (including printing, distribution and bank meetings), transportation, computer, duplication, appraisal, consultant, and audit expenses and (B) the reasonable and documented fees and expenses of external counsel for the Agent with respect thereto and with respect to advising the Agent as to its rights and responsibilities under this Agreement provided, however, that the expenses of legal counsel shall be limited to one law firm identified by the Agent (and if necessary, one local counsel identified by the Agent in any relevant material jurisdiction). The Company further agrees to pay on demand all reasonable and documented out-of-pocket costs and expenses of the Agent and the Lenders, if any (including, without limitation, reasonable counsel fees and expenses of one primary counsel to the Agent and Lenders (and if necessary, one local counsel identified by the Agent and Lenders in any relevant material jurisdiction and in the case of an actual or perceived conflict of interest, one additional counsel to the affected parties that are similarly situated in each relevant jurisdiction)), in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, reasonable fees and expenses of counsel for the Agent and each Lender in connection with the enforcement of rights under this Section 9.04(a).

(b) The Company agrees to indemnify and hold harmless the Agent and each Lender and each of their Related Parties (each, an “Indemnified Party”) from and against any and all claims, damages, losses, liabilities and reasonable and documented out-of-pocket expenses (including, without limitation, reasonable and documented out-of-pocket fees and expenses of one primary counsel to the Indemnified Parties, one specialty counsel to the Indemnified Parties in each relevant specialty, one local counsel to the Indemnified Parties in each relevant local jurisdiction and in the case of an actual or perceived conflict of interest, one additional counsel to the affected Indemnified Parties that are similarly situated in each relevant jurisdiction) incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of (including, without limitation, in connection with any investigation, litigation or proceeding or preparation of a defense in connection therewith) (i) the

Notes, this Agreement, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Advances or (ii) the actual or alleged presence of any Material of Environmental Concern on any property of the Company or any of its Subsidiaries or any Environmental Claim or other liability relating to any Environmental Law relating in any way to the Company or any of its Subsidiaries, except to the extent such claim, damage, loss, liability or expense is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from (i) such Indemnified Party's gross negligence or willful misconduct or material breach in bad faith of its obligations under this Agreement or any other Loan Documents or (ii) any dispute solely among the Indemnified Parties (other than any claims against an Indemnified Party in its capacity as an agent or arranger or any similar role hereunder) and not directly resulting from any act or omission of the Company or any the Company's subsidiaries or affiliates. In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 9.04(b) applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by the Company, its directors, shareholders or creditors or an Indemnified Party or any other Person or any Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated. Paragraph (b) of this Section shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) If any payment of principal of, or Conversion of, any Term SOFR Rate Advance or Alternative Currency Term Rate Advance is made by any Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Advance, as a result of a payment or Conversion pursuant to Section 2.09(d) or (e), 2.11 or 2.13, acceleration of the maturity of the Notes pursuant to Section 6.01 or for any other reason, or by an Eligible Assignee to a Lender other than on the last day of the Interest Period for such Advance upon an assignment of rights and obligations under this Agreement pursuant to Section 9.07 as a result of a demand by the Company pursuant to Section 9.07(a), such Borrower shall, upon demand by such Lender (with a copy of such demand to the Agent), pay to the Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that it may reasonably incur as a result of such payment or Conversion, including, without limitation, any loss (including loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance. A certificate as to the amount of such compensation, submitted to the Company and the Agent by such Lender, shall be conclusive and binding for all purposes, absent manifest error.

(d) Each Borrower also agrees not to assert any claim for special, indirect, consequential or punitive damages against the Agent, any Lender or any of their Related Parties, on any theory of liability, arising out of or otherwise relating to the Notes, this Agreement, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Advances. None of the Agent, any Lender nor any of their Related Parties shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the transactions contemplated hereby except to the extent such damage is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Agent's, Lender's or Related Parties' gross negligence or willful misconduct or material breach in bad faith of its obligations under this Agreement or any other Loan Documents.

(e) Without prejudice to the survival of any other agreement of the Borrowers hereunder, the agreements and obligations of the Borrowers contained in Sections 2.12, 2.15 and 9.04 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the Notes.

Section 9.05 Right of Set-off. Upon the occurrence and during the continuance of any Event of Default, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Lender or such Affiliate to or for the credit or the account of the Company or any Borrower against any and all of the obligations of the Company or any Borrower now or hereafter existing under this Agreement and the Note held by such Lender, whether or not such Lender shall have made any demand under this Agreement or such Note and although such obligations may be unmatured. Each Lender agrees promptly to notify the applicable Borrower after any such set-off and application, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender and its Affiliates under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) that such Lender and its Affiliates may have.

Section 9.06 Binding Effect. This Agreement shall become effective when it shall have been executed by the Borrower and the Agent and when the Agent shall have been notified by each Initial Lender that such Initial Lender has executed it and upon satisfaction of the conditions precedent set forth in Section 3.01 and thereafter shall be binding upon and inure to the benefit of the Borrower, the Agent and each Lender and their respective successors and assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of all of the Lenders (and any other attempted assignment or transfer by the Borrower shall be null and void).

Section 9.07 Assignments and Participations.

(a) Successors and Assigns Generally. No Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Agent, the Lenders and Issuing Bank) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Advances at the time owing to it); provided that (in each case with respect to any Commitment) any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Advances at the time owing to it (in each case with respect to any Commitment) or contemporaneous assignments to related Approved Funds (determined after giving effect to such assignments) that equal at least the amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Advances outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Advances of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Agent or, if “Trade Date” is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$10,000,000 and an integral multiple of \$1,000,000 in excess thereof unless each of the Agent and, so long as no Event of Default has occurred and is continuing, the Company otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender’s rights and obligations under this Agreement with respect to the Advance or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate facilities on a non-pro rata basis.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(A) the consent of the Company (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Company shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Agent within ten Business Days after having received notice thereof;

(B) the consent of the Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of the Revolving Credit Commitments if such assignment is to a Person that is not a Lender with a Revolving Credit Commitment, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C) the consent of each Issuing Bank (such consent not to be unreasonably withheld or delayed) shall be required for any assignment in respect of the Revolving Credit Commitments.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; provided that the Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Company or any of the Company’s Affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute a Defaulting Lender or a Subsidiary thereof.

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person).

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Company and the Agent, the applicable pro rata share of Advances previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent, each Issuing Bank and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Advances and participations in Letters of Credit in accordance with its Ratable Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Agent pursuant to paragraph (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.13 and 9.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section.

(c) Register. The Agent, acting solely for this purpose as an agent of the Borrowers, shall maintain at one of its offices in the United States a copy of each Assignment and Assumption delivered to it and a register for the recordation of (and shall record in such register) the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Advances owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Company and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Company, the Agent or any Issuing Bank, sell participations to any Person (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person, or the Company or any of the Company's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Advances owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrowers, the Agent, the Issuing Banks and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 8.05 with respect to any payments made by such Lender to its Participant(s).

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the proviso to Section 9.01 that affects such Participant. Each Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.12 and 2.15 (subject to the requirements and limitations therein, including the requirements under Section 2.15(g) (it being understood that the documentation required under Section 2.15(g) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 2.22 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 2.12 or 2.15, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a change in law that occurs after the Participant acquired the applicable participation.

Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Company to effectuate the provisions of Section 2.22 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.05 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.16 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Advances or other obligations hereunder (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under this Agreement) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the

owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

(e) Disqualified Institutions.

(i) No assignment or, to the extent the DQ List has been posted on the Platform for all Lenders, participation shall be made to any Person that was a Disqualified Institution as of the date (the “Trade Date”) on which the applicable Lender entered into a binding agreement to sell and assign or participate all or a portion of its rights and obligations under this Agreement to such Person (unless the Company has consented to such assignment as otherwise contemplated by this Section 9.07, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment). For the avoidance of doubt, with respect to any assignee or participant that becomes a Disqualified Institution after the applicable Trade Date (including as a result of the delivery of a notice pursuant to, and/or the expiration of the notice period referred to in, the definition of “Disqualified Institution”), (A) such assignee shall not retroactively be disqualified from becoming a Lender or participant, and (B) the execution by the Company of an Assignment and Assumption with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Institution. Any assignment in violation of this Section 9.07(e)(i) shall not be void, but the other provisions of this Section 9.07(e) shall apply.

(ii) If any assignment is made to any Disqualified Institution without the Company’s prior consent in violation of Section 9.07(e)(i), or if any Person becomes a Disqualified Institution after the applicable Trade Date, the Company may, at its sole expense and effort, upon notice to the applicable Disqualified Institution and the Agent, (A) terminate any Commitment of such Disqualified Institution and repay all obligations of the Borrowers owing to such Disqualified Institution in connection with such Commitment, and/or (B) require such Disqualified Institution to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in this Section 9.07), all of its interest, rights and obligations under this Agreement to an Eligible Assignee that shall assume such obligations at the lesser of (x) the principal amount thereof, and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder; provided that (1) the Company shall have paid to the Agent the assignment fee (if any) specified in Section 9.07(b), and (2) such assignment does not conflict with Applicable Laws.

(iii) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions (A) will not (x) have the right to receive information, reports or other materials provided to Lenders by the Company, the Agent or any other Lender, (y) attend or participate in meetings attended by the Lenders and the Agent, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Agent or the Lenders, and (B) (x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter, and (y) for purposes of voting on any plan of reorganization or plan of liquidation pursuant to any Debtor Relief Laws (“Plan of Reorganization”), each Disqualified Institution party hereto hereby agrees (1) not to vote on such Plan of Reorganization, (2) if such Disqualified

Institution does vote on such Plan of Reorganization notwithstanding the restriction in the foregoing clause (1), such vote will be deemed not to be in good faith and shall be “designated” pursuant to Section 1126(e) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such Plan of Reorganization in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws), and (3) not to contest any request by any party for a determination by the bankruptcy court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

(iv) The Agent shall have the right, and the Company hereby expressly authorizes the Agent, to (A) post the list of Disqualified Institutions provided by the Company and any updates thereto from time to time (collectively, the “DQ List”) on the Platform, including that portion of the Platform that is designated for public lenders, and (B) provide the DQ List to each Lender requesting the same.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority having jurisdiction over such lender; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 9.08 Confidentiality. Each of the Agent, the Lenders and the Issuing Banks agree to maintain the confidentiality of the Confidential Information (as defined below), except that Confidential Information may be disclosed on a confidential basis (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Confidential Information and instructed to keep such information confidential); (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process; (d) to any other party hereto; (e) in connection with the exercise of any remedies hereunder or any action or proceeding relating to this Agreement or the enforcement of rights hereunder; (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement, or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to any Borrower and its obligations, this Agreement or payments hereunder and credit insurers; (g) on a confidential basis to (i) any rating agency in connection with rating the Company or its Subsidiaries or this Agreement or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to this Agreement; (h) with the consent of the Company; or (i) to the extent such Confidential Information (x) becomes available to the Agent, any Lender, any Issuing Bank or any of their respective Affiliates on a nonconfidential basis from a source other than the Company or (y) becomes publicly available other than as a result of a breach of confidentiality obligations known to the Agent, such Lender or such Issuing Bank. In addition, the Agent, the Issuing Banks and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Agent or any Issuing Bank or Lender in connection with the administration of this Agreement and the Commitments.

For purposes of this Section, “Confidential Information” means all information received from the Company or any of its Subsidiaries relating to the Company or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Agent, any Lender or any Issuing Bank on a nonconfidential basis prior to disclosure by the Company or any of its Subsidiaries. Any Person required to maintain the confidentiality of Confidential Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Confidential Information as such Person would accord to its own confidential information.

Each of the Agent, the Lenders and the Issuing Banks acknowledges that (a) the Confidential Information may include material non-public information concerning the Company or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information, and (c) it will handle such material non-public information in accordance with applicable Law, including Federal and state securities Laws.

For the avoidance of doubt, nothing in this Section 9.08 shall prohibit any individual from communicating or disclosing information regarding suspected violations of laws, rules, or regulations to a governmental, regulatory, or self-regulatory authority without any notification to any person.

Section 9.09 Designated Subsidiaries.

(a) Designation. The Company may at any time, and from time to time, upon not less than fifteen Business Days’ notice in the case of any Subsidiary so designated after the Effective Date, notify the Agent that the Company intends to designate a Subsidiary as a “Designated Subsidiary” for purposes of this Agreement. On or after the date that is fifteen Business Days after such notice, upon delivery to the Agent and each Lender of a Designation Agreement duly executed by the Company and the respective Subsidiary and substantially in the form of Exhibit F hereto, such Subsidiary shall thereupon become a “Designated Subsidiary” for all purposes of this Agreement, and, upon fulfillment of the applicable conditions set forth in Section 3.02 and after such Designation Agreement is accepted by the Agent, such Subsidiary shall thereupon become a Designated Subsidiary for all purposes of this Agreement and, as such, shall have all of the rights and obligations of a Borrower hereunder. The Agent shall promptly notify each Lender of the Company’s notice of such pending designation by the Company and the identity of the respective Subsidiary. Following the giving of any notice pursuant to this Section 9.09(a), if the designation of such Designated Subsidiary obligates the Agent or any Lender to comply with “know your customer”, the Beneficial Ownership Regulation or similar identification procedures in circumstances where the necessary information is not already available to it, the Company shall, promptly upon the request of the Agent or any Lender, supply such documentation and other evidence as is reasonably requested by the Agent or any Lender in order for the Agent or such Lender to carry out and be satisfied it has complied with the results of all necessary “know your customer”, the Beneficial Ownership Regulation or other similar checks under all applicable laws and regulations.

If the Company shall designate as a Designated Subsidiary hereunder any Subsidiary not organized under the laws of the United States or any State thereof, any Lender may, with notice to the Agent and the Company, fulfill its Commitment by causing a branch or an Affiliate of such Lender to act as the Lender in respect of such Designated Subsidiary.

As soon as practicable after receiving notice from the Company or the Agent of the Company's intent to designate a Subsidiary as a Designated Borrower, and in any event no later than ten Business Days after the delivery of such notice, for a Designated Subsidiary that is organized under the laws of a jurisdiction other than of the United States or a political subdivision thereof, any Lender that may not legally lend to, establish credit for the account of and/or do any business whatsoever with such Designated Subsidiary directly or through an Affiliate of such Lender as provided in the immediately preceding paragraph or for which such Designated Subsidiary is against such Lender's internal policies (a "Protesting Lender") shall so notify the Company and the Agent in writing. With respect to each Protesting Lender, the Company shall, effective on or before the date that such Designated Subsidiary shall have the right to borrow hereunder, either (A) notify the Agent and such Protesting Lender that the Commitments of such Protesting Lender shall be terminated; provided that such Protesting Lender shall have received payment of an amount equal to the outstanding principal of its Advances and/or Letter of Credit reimbursement obligations, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Company or the relevant Designated Subsidiary (in the case of all other amounts), or (B) cancel its request to designate such Subsidiary as a "Designated Subsidiary" hereunder.

(b) Termination. Upon the request of the Company and the payment and performance in full of all of the indebtedness, liabilities and obligations under this Agreement of any Designated Subsidiary, then, so long as at the time no Notice of Borrowing or Notice of Issuance is outstanding, such Subsidiary's status as a "Designated Subsidiary" shall terminate upon notice to such effect from the Agent to the Lenders (which notice the Agent shall give promptly, and only upon its receipt of a request therefor from the Company). Thereafter, the Lenders shall be under no further obligation to make any Advances hereunder to such Designated Subsidiary.

Section 9.10 Governing Law. This Agreement, each other Loan Document and any claims, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement, the other Loan Documents and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of New York.

Section 9.11 Counterparts; Integration; Effectiveness; Electronic Execution.

(a) Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and any separate letter agreements with respect to fees payable to the Agent, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 3.01, this Agreement shall become effective when it shall have been executed by the Agent and when the Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement or any other Loan Document by facsimile or in electronic (e.g., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Documents. The words “execution,” “signed,” “signature,” and words of like import in this Agreement and the other Loan Documents including any Assignment and Assumption shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 9.12 Judgment.

(a) If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in Dollars into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Agent could purchase Dollars with such other currency at Citibank’s principal office in London at 11:00 A.M. (London time) on the Business Day preceding that on which final judgment is given.

(b) If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in a Committed Currency into Dollars, the parties agree to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Agent could purchase such Committed Currency with Dollars at Citibank’s principal office in London at 11:00 A.M. (London time) on the Business Day preceding that on which final judgment is given.

(c) The obligation of the Company and each other Borrower in respect of any sum due from it in any currency (the “Primary Currency”) to any Lender or the Agent hereunder shall, notwithstanding any judgment in any other currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Agent (as the case may be), of any sum adjudged to be so due in such other currency, such Lender or the Agent (as the case may be) may in accordance with normal banking procedures purchase the applicable Primary Currency with such other currency; if the amount of the applicable Primary Currency so purchased is less than such sum due to such Lender or the Agent (as the case may be) in the applicable Primary Currency, the Company and each other Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Agent (as the case may be) against such loss, and if the amount of the applicable Primary Currency so purchased exceeds such sum due to any Lender or the Agent (as the case may be) in the applicable Primary Currency, such Lender or the Agent (as the case may be) agrees to remit to the Company or such other Borrower such excess.

Section 9.13 Jurisdiction, Etc.

(a) Each of the parties hereto irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Agent, any Lender or any Related Party of the foregoing in any way relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York sitting in New York County, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in

any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Agent or any Lender or may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Borrower or its properties in the courts of any jurisdiction. Each Designated Subsidiary hereby agrees that service of process in any such action or proceeding brought in the any such New York State court or in such federal court may be made upon the Company at its address set forth in Section 9.02 and each such Borrower hereby irrevocably appoints the Company its authorized agent to accept such service of process, and agrees that the failure of the Company to give any notice of any such service shall not impair or affect the validity of such service or of any judgment rendered in any action or proceeding based thereon. The Company hereby further irrevocably consents to the service of process in any action or proceeding in such courts by the mailing thereof by any parties hereto by registered or certified mail, postage prepaid, to the Company at its address specified pursuant to Section 9.02. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that any party may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents in the courts of any jurisdiction.

(b) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Document in any New York State or federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

Section 9.14 No Liability of the Issuing Banks. Each Borrower assumes all risks of the acts or omissions of any beneficiary or transferee of any Letter of Credit with respect to its use of such Letter of Credit. Neither an Issuing Bank nor any of its officers or directors shall be liable or responsible for: (a) the use that may be made of any Letter of Credit or any acts or omissions of any beneficiary or transferee in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsement thereon, even if such documents should prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by such Issuing Bank against presentation of documents that do not comply with the terms of a Letter of Credit, including failure of any documents to bear any reference or adequate reference to the Letter of Credit; or (d) any other circumstances whatsoever in making or failing to make payment under any Letter of Credit, except that the applicable Borrower shall have a claim against such Issuing Bank, and such Issuing Bank shall be liable to such Borrower, to the extent of any direct, but not consequential, damages suffered by such Borrower that such Borrower proves were caused by (i) such Issuing Bank's willful misconduct or gross negligence as determined in a final, non-appealable judgment by a court of competent jurisdiction in determining whether documents presented under any Letter of Credit comply with the terms of such Letter of Credit or (ii) such Issuing Bank's willful failure to make lawful payment under a Letter of Credit after the presentation to it of a draft and certificates strictly complying with the terms and conditions of the Letter of Credit. In furtherance and not in limitation of the foregoing, such Issuing Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

Section 9.15 Substitution of Currency. If a change in any Committed Currency occurs pursuant to any applicable law, rule or regulation of any governmental, monetary or multi-national authority, this Agreement will be amended to the extent determined by the Agent (acting reasonably and in consultation with the Company) to be necessary to reflect the change in

currency and to put the Lenders and the Borrowers in the same position, so far as possible, that they would have been in if no change in such Committed Currency had occurred.

Section 9.16 Power of Attorney. Each Subsidiary of the Company may from time to time authorize and appoint the Company as its attorney-in-fact to execute and deliver (a) any amendment, waiver or consent in accordance with Section 9.01 on behalf of and in the name of such Subsidiary and (b) any notice or other communication hereunder, on behalf of and in the name of such Subsidiary. Such authorization shall become effective as of the date on which such Subsidiary delivers to the Agent a power of attorney enforceable under applicable law and any additional information to the Agent as necessary to make such power of attorney the legal, valid and binding obligation of such Subsidiary.

Section 9.17 Patriot Act. Each Lender hereby notifies the Company, each other Borrower and each other obligor or grantor (each a “Loan Party”) that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the “Act”), that it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender to identify each Loan Party in accordance with the Act.

Section 9.18 No Fiduciary Duties. Each Borrower agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, such Borrower and its Affiliates, on the one hand, and the Agent, the Arrangers, the syndication agent, the documentation agents, the Issuing Banks, the Lenders and their respective Affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Agent, the Issuing Banks, the Lenders and or respective Affiliates and no such duty will be deemed to have arisen in connection with any such transactions or communications.

Section 9.19 Waiver of Jury Trial. Each of the Company, each other Borrower, the Agent and the Lenders hereby irrevocably waives all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the other Loan Documents or the actions of the Agent or any Lender in the negotiation, administration, performance or enforcement thereof.

Section 9.20 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary herein or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising hereunder to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder that may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it,

and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Section 9.21 Acknowledgement Regarding Any Supported QFCs.

(a) To the extent that any Loan Documents provide support, through a guarantee or otherwise, for Swap Contracts or any other agreement or instrument that is a QFC (such support, “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York or of the United States or any other state of the United States):

(b) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and this Agreement were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(c) As used in this Section 9.21, the following terms have the meanings specified below:

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b)
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, that are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

EASTMAN CHEMICAL COMPANY

By: ___
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

CITIBANK, N.A.,
as Agent

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

Initial Lenders

CITIBANK, N.A.

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

BANK OF AMERICA, N.A.

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

JPMORGAN CASE BANK, N.A.

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

MIZUHO BANK, LTD.

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

BARCLAYS BANK PLC

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

BNP PARIBAS

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

MORGAN STANLEY BANK, N.A.

By: —
Name:
Title:

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TRUIST BANK

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

WELLS FARGO BANK, N.A.

By: —
Name:
Title:

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PNC BANK, NATIONAL ASSOCIATION

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

ROYAL BANK OF CANADA

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

THE BANK OF NOVA SCOTIA, HOUSTON BRANCH

By: ___
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

THE NORTHERN TRUST COMPANY

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

UNICREDIT BANK GMBH, NEW YORK BRANCH

By: —
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

U.S. BANK NATIONAL ASSOCIATION

By: _____
Name:
Title:

[Eastman Chemical Credit Agreement – Signature Page]

EASTMAN CHEMICAL COMPANY
AWARD NOTICE FOR GRANT OF PERFORMANCE SHARES

Grantee: [NAME]

Performance Period: January 1, 2026 through December 31, 2028

Number of Performance Shares Granted ("Target Award"): [X]

Grant Date: February [], 2026

This Award Notice for the Grant of Performance Shares (this "Award Notice") by and between Eastman Chemical Company ("Company") and the Grantee named above (referred to below as "you") evidences the grant by the Company of performance shares ("Performance Shares" or the "Award") to you on the date stated above (the "Grant Date") and your acceptance of such Performance Shares in accordance with the provisions of the Eastman Chemical Company 2021 Omnibus Stock Compensation Plan, as amended from time to time (the "Plan") and the provisions of the 2026-2028 Performance Share Award Subplan (the "Subplan"). For purposes of this Award Notice, any references to the Plan shall include the Subplan.

The Performance Shares are subject to the terms and conditions set forth in the Plan (which is incorporated herein by reference), any rules and regulations adopted by the Board of Directors of the Company or the Compensation and Management Development Committee (collectively, the "Committee"), and this Award Notice. In the event of any conflict between the provisions of the Plan and the provisions of this Award Notice, the terms, conditions, and provisions of the Plan shall control, and this Award Notice shall be deemed to be modified accordingly. Capitalized terms used in this Award Notice that are not defined herein shall have the meanings set forth in the Plan. For purposes of this Award Notice, "Employer" means the Subsidiary that employs you, if you are not employed directly by the Company.

1. Performance Share Grant. You have been granted the number of Performance Shares specified above as the Target Award. Each Performance Share represents the right to receive a number of shares of the Company's \$.01 par value Common Stock ("Common Stock") upon the attainment of specified performance conditions by the Company; provided, however, that any fractional share of Common Stock shall be paid in cash in an amount representing the market value of such fractional share at the time of payment.

2. Performance Conditions. The Performance Shares are subject to the attainment of the following performance conditions as defined in Section 6(c) of the Subplan and as specifically set forth in Exhibit A of this Award Notice (the "Performance Conditions"):

(a) a comparison of the total stockholder return (referred to in the Subplan as "TSR," and reflecting both the change in stock price and the amount of dividends declared) of the Company during the Performance Period, to the TSRs of the companies in the Comparison Group (defined as the group of companies within the Standard and Poor's "Materials Sector" that are classified as chemical companies excluding The Chemours Company and Rayonier Advanced Materials and also including Celanese Corporation, Westlake Chemical Corporation, and Huntsman Corporation; the S&P "Materials Sector" index, identified as Global Industry Classification Standard 15, is an index of industrial companies selected from the S&P "Super Composite 1500" index); and

(b) the arithmetic average for each of the Performance Years during the Performance Period of the Company's average Return on Invested Capital.

3. Vesting of Performance Shares. Subject to Sections 7 and 8 of this Award Notice, if you remain in Continuous Status as a Participant (as further defined in the Plan) with your Employer, the Company or one of its Subsidiaries during the Performance Period, you shall become vested in the number of Performance Shares that is equal to (x) the Target Award multiplied by (y) the multiplier as set forth in Exhibit A of this Award Notice corresponding to the Company's achievement of the Performance Conditions ("Actual Earned Shares").

4. Settlement of Performance Shares. The Company shall direct its transfer agent to issue you one (1) share of Common Stock for each Actual Earned Share in your name or a nominee in book entry, as soon as administratively practicable after the end of the Performance Period and final approval by the Committee, and in any event within 2.5 months after the end of the Performance Period.

5. Non-transferability of Performance Shares; Limitation on Issuance of Shares. The Performance Shares are not transferable except by will or by the laws of descent and distribution, and may not be sold, assigned, pledged or encumbered in any way, whether by operation of law or otherwise. Following the Performance Period, certificates for the shares of Common Stock underlying the Actual Earned Shares may be issued during your lifetime only to you, except in the case of a permanent disability involving mental incapacity. Upon your death, any unissued shares of Common Stock underlying the Actual Earned Shares may be transferred to your legal representative as determined under applicable law, subject to the terms set forth in Section 7 of this Award Notice.

6. Limitation of Rights. You will not have any rights as a stockholder with respect to the shares of Common Stock underlying the Performance Shares until you become the holder of record of such shares following the determination of the Actual Earned Shares upon conclusion of the Performance Period and the issuance of such shares to you pursuant to Section 4 of this Award Notice.

7. Termination of Continuous Status as a Participant.

(a) Upon a termination of your Continuous Status as a Participant (as defined in the Plan) with your Employer, the Company or any of its Subsidiaries by reason of a Qualifying Termination (as defined below) or by reason of death or Disability, or for another approved reason as determined by the Committee (in the case of the executive officers) or the executive officer responsible for Human Resources (in the case of non-executive employees), you (or your legal representative, as applicable) will receive within 2.5 months after the end of the Performance Period, subject to the terms and conditions of the Plan, a pro-rata portion of the Actual Earned Shares that you otherwise would have received had you remained in Continuous Status as a Participant with your Employer, the Company or one of its Subsidiaries during the entire Performance Period based upon the number of full months in which you were in Continuous Status as a Participant during the Performance Period. For purposes of this Award Notice, a “Qualifying Termination” means a termination of your Continuous Status as a Participant by reason of resignation or without Cause when:

- your combined age and years of service with your Employer, the Company and its Subsidiaries equals or exceeds 75;
- you have attained age 55 and 10 years of service with your Employer, the Company and its Subsidiaries;
- you had attained age 50 or greater as of your hire date and you have attained 5 years of service with your Employer, the Company and its Subsidiaries; or
- you have attained age 65.

(b) Notwithstanding the foregoing Section 7(a), if you provide Advance Notice of Intent to Retire, as defined below, and there is a termination of your Continuous Status as a Participant by reason of termination without Cause during the twelve (12) to thirty-six (36) month notice period following such Advance Notice of Intent to Retire, then you (or your legal representative, as applicable) will receive within 2.5 months after the end of the Performance Period, subject to the terms and conditions of the Plan, the Actual Earned Shares that you otherwise would have received had you remained in Continuous Status as a Participant with your Employer, the Company or one of its Subsidiaries during the entire Performance Period.

(i) *Advance Notice of Intent to Retire.* The Participant must provide at twelve (12) to thirty-six (36) months’ advance written notice to the Company of the Participant’s intent to retire. Such notice shall be provided to the Company’s Chief Human Resources Officer (or such other officer as the Committee may designate from time to time) and shall specify the general timeframe within which the Participant intends to retire. (Form attached in Addendum 2 of this document.)

(ii) *Formal Notice of Commitment to Retire.* The Participant must provide at least ninety (90) days' advance written notice to the Company of the Participant's commitment to retire, setting forth a formal retirement date. Such notice shall be provided to the Company's Chief Human Resources Officer (or such other officer as the Committee may designate from time to time) and shall specify the exact date on which the Participant will retire. (Form attached in Addendum 2 of this document.)

(c) Upon termination of your Continuous Status as a Participant with your Employer, the Company or any of its Subsidiaries for reasons other than those described in Section 7(a) above, including termination for Cause, your Performance Shares shall be immediately canceled and forfeited. In such event, neither you nor any of your successors, heirs, assigns or personal representatives will thereafter have any further rights or interest in such shares or otherwise in this Award. For purposes of the foregoing, "Cause" shall have the same meaning as set forth in the Plan.

8. Income Tax and Social Insurance Contributions Withholding.

(a) Regardless of any action the Company or your Employer takes with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and your Employer: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Shares, including the grant of the Performance Shares, settlement or payment of the Performance Shares pursuant to the attainment of the performance objectives, and the subsequent sale of any shares of Common Stock acquired pursuant to the Performance Shares and the receipt of any dividends; and (ii) do not commit to structure the terms of the grant or any aspect of the Performance Shares to reduce or eliminate your liability for Tax-Related Items.

(b) Prior to the delivery of shares of Common Stock upon settlement or payment of the Performance Shares pursuant to the attainment of the performance objectives, if your country of residence (and/or your country of employment, if different) requires withholding of Tax-Related Items, the Company shall withhold a sufficient number of whole shares of Common Stock otherwise issuable under the Performance Shares that have an aggregate Fair Market Value sufficient to pay the Tax-Related Items required to be withheld. In cases where the Fair Market Value of the number of whole shares of Common Stock withheld is greater than the Tax-Related Items required to be withheld, the Company shall make a cash payment to you equal to the difference as soon as administratively practicable. The cash equivalent of the shares of Common Stock withheld will be used to settle the obligation to withhold the Tax-Related Items. Alternatively, the Company or your Employer may withhold the Tax-Related Items required to be withheld with respect to the shares of Common Stock in cash from your regular salary/wages, or from any other amounts payable to you. In the event the withholding requirements are not satisfied through the withholding of shares of Common Stock by the Company or through the withholding of cash from your regular salary/wages or any other amounts payable to you, no shares of Common Stock will be issued to you (or your estate) upon settlement or payment of the Performance Shares unless and until satisfactory arrangements (as determined by the Board of Directors) have been made by you with respect to the payment of any Tax-Related Items which the Company and your Employer determine, in their sole discretion, must be withheld or collected with respect to such Award. If you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company or your Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. By accepting the Performance Shares, you expressly consent to the withholding of shares of Common Stock and/or the withholding of cash from your regular salary/wages or other amounts payable to you as provided for hereunder. All other Tax-Related Items related to the Performance Shares and any shares of Common Stock delivered in payment thereof are your sole responsibility.

9. Noncompetition; Confidentiality. You will not, without the written consent of the Company, either during your employment with your Employer, the Company or any of its Subsidiaries or thereafter, disclose to anyone or make use of any confidential information which you have acquired during your employment relating to any of the business of your Employer, the Company or any of its Subsidiaries, except as such disclosure or use may be required in

connection with your work as an employee of the Company. Nothing in this Agreement shall prohibit an employee from disclosing Confidential Information that (1) is made by me (a) in confidence to a federal, state or local government official; and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. See Eastman's "Notice to Employees Concerning Immunity from Liability for Confidential Disclosure of a Trade Secret to the Government or in a Court Filing." During your employment with your Employer, the Company, or any of its Subsidiaries, and for a period of two (2) years after the termination of such employment, you will not, either as principal, agent, consultant, employee or otherwise, engage in any work or other activity in competition with the Company in the field or fields in which you have worked for your Employer, the Company or any of its Subsidiaries. The provisions in this Section 9 apply separately in the United States and in other countries but only to the extent that its application shall be reasonably necessary for the protection of your Employer, the Company or any of its Subsidiaries. You will forfeit all rights under this Award Notice to or related to the Performance Shares if, in the determination of the Committee (in the case of executive officers) or of the executive officer responsible for Human Resources (in the case of non-executive employees), you have violated any of the provisions of this Section 9, and in that event any payment or other action with respect to the Performance Shares shall be made or taken, if at all, in the sole discretion of the Committee or the executive officer responsible for Human Resources.

10. Restrictions on Issuance of Shares. If at any time the Company determines that listing, registration or qualification of the shares of Common Stock covered by an Award upon any securities exchange or under any state or federal law, or the approval of any governmental agency, is necessary or advisable prior to the delivery of Common Stock subject to the Performance Shares, no such Common Stock may be delivered unless and until such listing, registration, qualification or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

11. Change in Ownership; Change in Control. Sections 13.5 and 13.6 of the Plan contain certain special provisions that will apply in the event of a Change in Ownership or Change in Control, respectively.

12. Adjustment of Terms. If the number of outstanding shares of Common Stock changes through the declaration of stock dividends or stock splits prior to the settlement of the Performance Shares, the shares of Common Stock subject to this Award automatically will be adjusted, according to the provisions of Article 14 of the Plan. In the event of any other change in the capital structure of the shares of Common Stock or other corporate events or transactions involving the Company, the Committee is authorized to make appropriate adjustments to this Award.

13. Adjustment of Actual Grant Amount. The Committee may, in its sole discretion, adjust the Actual Earned Shares to reflect any unusual or infrequent event affecting overall Company performance and business and financial conditions not anticipated when the Performance Conditions were initially determined, such as a merger, acquisition or divestiture involving the Company or its subsidiaries.

14. Reimbursement of Certain Compensation. The Award (including any shares of Common Stock received upon payout of the Award and any amount received for the sale of such shares) is subject to the provisions of the Plan and any applicable law (including the Sarbanes-Oxley Act of 2002, the Dodd-Frank Act, and implementing rules and regulations of the Securities and Exchange Commission (the "SEC") and the New York Stock Exchange (the "NYSE")) or Company policy (including the Eastman Chemical Company Incentive Pay Clawback Policy as adopted by the Committee on October 4, 2023, and the Eastman Chemical Company Compensation Clawback Policy for Detrimental Conduct as adopted by the Committee on December 4, 2024, each as may be amended from time to time consistent with and to conform to SEC and NYSE rules and regulations or otherwise) requiring reimbursement to the Company of certain incentive-based compensation following an accounting restatement due to material non-compliance by the Company with any financial reporting requirement or due to other events or conditions. For purposes of the foregoing, you expressly and explicitly authorize the Company to issue instructions, on your behalf, to any brokerage firm or third-party administrator engaged by the Company to hold your shares of Common Stock and other amounts acquired under the Plan to re-convey, transfer, or otherwise return such shares of Common Stock and/or other amounts to the Company.

15. Repatriation and Legal/Tax Compliance Requirements. If you are a resident of or employed in a country other than the United States, you agree, as a condition of the grant of the Performance Shares, to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan (including, but not limited to,

dividends and any proceeds derived from the sale of the shares of Common Stock acquired pursuant to this Award) in accordance with local foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you agree to take any and all actions, and consent to any and all actions taken by your Employer, the Company or any of its Subsidiaries as may be required to allow your Employer, the Company or any of its Subsidiaries to comply with local laws, rules and regulations in your country of residence (and country of employment, if different). Finally, you agree to take any and all actions that may be required to comply with your personal legal and tax obligations under local laws, rules and regulations in your country of residence (and country of employment, if different).

If you are resident or employed in a country that is a member of the European Union, the grant of the Performance Shares and this Award Notice is intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the "Age Discrimination Rules"). To the extent that a court or tribunal of competent jurisdiction determines that any provision of this Award Notice is invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

16. No Guarantee of Employment. The grant of the Performance Shares shall not create any employment relationship with the Company or any of its Subsidiaries. Further, the grant of the Performance Shares shall not confer upon you any right of continued employment with your Employer nor limit in any way the right of your Employer to terminate your employment at any time.

17. Discretionary Nature of Grant; No Vested Rights. You acknowledge and agree that the Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of the Performance Shares under the Plan does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of any grant, the number of shares of Common Stock subject to the grant, and the vesting provisions. Any amendment, modification or termination of the Plan or the Subplan shall not constitute a change or impairment of the terms and conditions of your employment with your Employer.

18. Currency Fluctuation. Neither the Company nor any Affiliate shall be liable for any foreign exchange rate fluctuation between the local currency of your country of residence and the U.S. dollar that may affect the value of the Performance Shares or of any amounts due to you pursuant to the settlement of the Performance Shares or the subsequent sale of any shares of Common Stock acquired upon settlement of the Performance Shares.

19. Termination Indemnities. Your participation in the Plan and Subplan is voluntary. The value of the Performance Shares and any other awards granted under the Plan and Subplan is an extraordinary item of compensation outside the scope of your employment (and your employment contract, if any). Any grant under the Plan or Subplan, including the grant of the Performance Shares, is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.

20. Data Privacy. The Company is located at 200 South Wilcox Drive, Kingsport, Tennessee 37662, U.S.A. and grants Performance Shares under the Plan to employees of the Company and its Affiliates and Subsidiaries in its sole discretion. In conjunction with the Company's grant of the Performance Shares under the Plan and its ongoing administration of such awards, the Company is providing the following information about its data collection, processing and transfer practices ("Personal Data Activities"). In accepting the grant of the Performance Shares, you expressly and explicitly consent to the Personal Data Activities as described herein.

(a) Data Collection, Processing and Usage. The Company collects, processes and uses your personal data, including your name, home address, email address, and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any shares of Common Stock or directorships held in the Company, and details of all Performance Shares or any other equity compensation awards granted, canceled, exercised, vested, or outstanding in your favor, which the Company receives from you or your Employer. In granting the Performance Shares under the Plan, the Company will collect your personal data for purposes of allocating shares of Common Stock and

implementing, administering and managing the Plan. The Company's legal basis for the collection, processing and usage of your personal data is your consent.

(b) Stock Plan Administration Service Provider. The Company transfers your personal data to Fidelity Stock Plan Services LLC, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan (the "Stock Plan Administrator"). In the future, the Company may select a different Stock Plan Administrator and share your personal data with another company that serves in a similar manner. The Stock Plan Administrator will open an account for you to receive and trade shares of Common Stock acquired under the Plan. You will be asked to agree on separate terms and data processing practices with the Stock Plan Administrator, which is a condition to your ability to participate in the Plan.

(c) International Data Transfers. The Company and the Stock Plan Administrator are based in the United States. You should note that your country of residence may have enacted data privacy laws that are different from the United States. The Company's legal basis for the transfer of your personal data to the United States is your consent.

(d) Voluntary Participation and Consequences of Consent Denial or Withdrawal. Your participation in the Plan and your grant of consent is purely voluntary. You may deny or withdraw your consent at any time. If you do not consent, or if you withdraw your consent, you may be unable to participate in the Plan. This would not affect your existing employment or salary; instead, you merely may forfeit the opportunities associated with the Plan.

(e) Data Subjects Rights. You may have a number of rights under the data privacy laws in your country of residence. For example, your rights may include the right to (i) request access or copies of personal data the Company processes, (ii) request rectification of incorrect data, (iii) request deletion of data, (iv) place restrictions on processing, (v) lodge complaints with competent authorities in your country of residence, and/or (vi) request a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding your rights or to exercise your rights, you should contact your local HR manager or the Company's Human Resources Department.

21. Private Placement. If you are a resident and/or employed outside of the United States, the grant of the Performance Shares is not intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filing with the local securities authorities (unless otherwise required under local law), and the Performance Shares are not subject to the supervision of the local securities authorities.

22. Insider Trading/Market Abuse Laws. By participating in the Plan, you agree to comply with the Company's policy on insider trading (to the extent that it is applicable to you). You further acknowledge that, depending on your or your broker's country of residence or where the shares of Common Stock are listed, you may be subject to insider trading restrictions and/or market abuse laws which may affect your ability to accept, acquire, sell or otherwise dispose of the shares of Common Stock, rights to shares of Common Stock (e.g., Performance Shares) or rights linked to the value of shares of Common Stock, during such times you are considered to have "inside information" regarding the Company (as defined by the laws or regulations in your country of employment (and country of residence, if different)). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you place before you possess inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. You understand that third parties include fellow employees. Any restriction under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions and that you should therefore consult your personal advisor on this matter.

23. Electronic Delivery. The Company, in its sole discretion, may decide to deliver any documents related to the Performance Shares to you under the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

24. English Language. If you are resident outside of the United States, you acknowledge and agree that it is your express intent that the Award Notice, the Plan, the Subplan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Performance Shares, be drawn up in English. You acknowledge that you are sufficiently proficient in English, or have consulted with an advisor who is sufficiently proficient in English, so as to allow you to understand the terms and conditions of this Award Notice. If you have received the Award Notice, the Plan or any other documents related to the Performance Shares translated into a language other than English, and if the meaning of the translated version is different from the English version, the meaning of the English version shall control.

25. Addendum. Notwithstanding any provisions of the Award Notice to the contrary, the Performance Shares shall be subject to any special terms and conditions for your country of residence (and country of employment, if different), as set forth in the applicable Addendum to the Award Notice. Further, if you transfer residence and/or employment to another country reflected in an Addendum to the Award Notice, the special terms and conditions for such country will apply to you to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local law, rules and regulations or to facilitate the operation and administration of the Performance Shares, the Plan, and the Subplan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate your transfer). Any applicable Addendum shall constitute part of the Performance Shares Notice.

26. Additional Requirements. The Company reserves the right to impose other requirements on the Performance Shares, any payment made pursuant to the Performance Shares, and your participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law, rules and regulations or to facilitate the operation and administration of the Performance Shares and the Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

27. Governing Law. This Award Notice shall be construed, administered and governed in all respects under and by the applicable laws of the State of Delaware (USA), excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation to the substantive law of another jurisdiction.

28. Venue. In accepting the Performance Shares grant, you are deemed to submit to the exclusive jurisdiction and venue of the federal or state courts of the State of Tennessee of the United States of America to resolve any and all issues that may arise out of or relate to the Performance Shares and the Award Notice.

29. Binding Effect. This Award Notice shall be binding upon the Company and you and its and your respective heirs, executors, administrators and successors.

30. Conflict. To the extent the terms of the Award Notice are inconsistent with the Plan, the provisions of the Plan shall control and supersede any inconsistent provision of the Award Notice.

31. Non-Negotiable Terms. The terms of the Award Notice are not negotiable, but you may refuse to accept the Performance Shares by notifying the Company's executive officer responsible for Human Resources in writing; any such refusal of acceptance will immediately cancel and forfeit the award.

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EXHIBIT A

2026-2028 Performance Share Performance Measure Goals

On file with Eastman Chemical Company

2026 Unit Performance Plan -- Corporate Performance Measures and Named Executive Officer Target Variable Pay Opportunities

On December 3, 2025 the Compensation and Management Development Committee (the "Compensation Committee") of the Board of Directors of Eastman Chemical Company (the "Company") approved the corporate performance measures, eligible employees (including the executive officers), and target variable pay opportunities for the 2026 Unit Performance Plan (the "UPP").

For 2026, UPP corporate performance will be measured by: (i) GAAP earnings before interest and taxes, adjusted by the Committee to exclude non-core and any unusual or non-recurring items (typically the same non-core and any unusual or non-recurring items as those excluded from earnings in the non-GAAP financial measures disclosed by the Company in its public financial results disclosures) ("adjusted EBIT"); (ii) "modified operating cash flow," defined as GAAP net cash provided by operating activities, subject to adjustment by the Committee for any unusual, non-core, or non-recurring cash sources or uses distortive of operating cash flow; and (iii) strategic measures related to safety, new business from innovation, and engagement. Weightings for each of the performance measures will be determined at a later date.

The target 2026 adjusted EBIT and operating cash flow and corresponding target UPP payout amount will be approved by the Board of Directors. The Compensation Committee will approve the 2026 UPP cash payout amount in early 2027 based upon actual adjusted EBIT, operating cash flow, and strategic measures compared to performance against the pre-set targets.

The UPP payout for the executive officers will be determined by aggregating their individual target variable pay amounts multiplied by a "performance factor" corresponding to the Committee's evaluation of overall performance compared to pre-established organizational and personal performance objectives. For 2026, the target variable pay for performance that meets the pre-established objectives under the UPP (expressed as a percentage of annual base salary) for the principal executive officer, the principal financial officer, and the current other executive officers for whom executive compensation disclosure was provided in the Company's 2026 Annual Meeting Proxy Statement (the "named executive officers") will be 150% for Mark J. Costa, Chief Executive Officer, and 100% for each of William T. McLain, Jr., Executive Vice President and Chief Financial Officer, Brad A. Lich, Executive Vice President and Chief Commercial Officer, and B. Travis Smith, Executive Vice President, Additives and Functional Products, Manufacturing, Worldwide Engineering & Construction, and Health, Safety and Environment. Christopher M. Killian, former Senior Vice President and Chief Technology and Sustainability Officer, retired effective December 31, 2025, and will not participate in the UPP.

After the conclusion of 2026, in connection with the determination of the amount of the total UPP award available to the executive officers, the Chief Executive Officer will assess the other executives' individual performance against pre-established goals and expectations and recommend to the Compensation Committee the amounts of the individual payouts. Based on the Chief Executive Officer's assessment, the Compensation Committee will determine the UPP payouts to the executive officers for 2026 in early 2027. The Compensation Committee will review the CEO's performance against his individual financial, organizational, and strategic objectives and determine his payout for 2026 in early 2027. The UPP payouts, if any, to the CEO and other executive officers for 2026 will be disclosed in the Company's Proxy Statement for its 2027 Annual Meeting of Stockholders.

EASTMAN CHEMICAL COMPANY
AWARD NOTICE FOR GRANT OF RESTRICTED STOCK UNITS

Grantee: [NAME]

Number of Restricted Stock Units: [X]

Grant Date: February XX, 2026

This Award Notice for the Grant of Restricted Stock Units (this "Award Notice") by and between Eastman Chemical Company ("Company") and the Grantee named above (referred to below as "you") evidences the grant by the Company of Restricted Stock Units ("RSUs" or the "Award") to you on the date stated above (the "Grant Date") and your acceptance of such RSUs in accordance with the provisions of the Eastman Chemical Company 2021 Omnibus Stock Compensation Plan, as amended from time to time (the "Plan").

The RSUs are subject to the terms and conditions set forth in the Plan (which is incorporated herein by reference), any rules and regulations adopted by the Board of Directors of the Company or the Compensation and Management Development Committee (collectively, the "Committee"), and this Award Notice. In the event of any conflict between the provisions of the Plan and the provisions of this Award Notice, the terms, conditions, and provisions of the Plan shall control, and this Award Notice shall be deemed to be modified accordingly. Capitalized terms used in this Award Notice that are not defined herein shall have the meanings set forth in the Plan. For purposes of this Award Notice, "Employer" means the Subsidiary that employs you, if you are not employed directly by the Company.

1. RSU Grant. You have been granted the number of RSUs specified above, representing the right to receive the same number of unrestricted shares of the Company's \$.01 par value Common Stock ("Common Stock"), upon satisfaction of the vesting provisions set forth in Section 2 of the Award Notice.

2. Vesting of RSUs. Subject to Section 7 of this Award Notice, the RSUs will vest and settle in accordance with the following vesting schedule so long as you remain in Continuous Status as a Participant with your Employer, the Company or one of its Subsidiaries up to and including the applicable Vesting Date:

Vesting Date	Vesting Percentage of RSUs
Third Anniversary of Grant Date	100%

3. Settlement of RSUs. Subject to the other terms of this Award Notice and upon or as soon as practicable (and in any event, within 2.5 months) after the Vesting Date, the Company shall direct its transfer agent to issue you one (1) share of Common Stock for each vested RSU in your name or a nominee in book entry, or to issue one or more physical stock certificates representing such shares of Common Stock in your name.

4. Nontransferability of RSUs; Limitation on Issuance of shares of Common Stock. The RSUs are not transferable except by will or by the laws of descent and distribution, and may not be sold, assigned, pledged or encumbered in any way, whether by operation of law or otherwise. After the Vesting Date, certificates for the shares of Common Stock underlying the vested RSUs may be issued during your lifetime only to you, except in the case of a permanent disability involving mental incapacity. Upon your death, any unissued shares of Common Stock underlying vested RSUs may be transferred to your legal representative as determined under applicable law, subject to the terms set forth in Section 7 of the Award Notice.

5. Limitation of Rights. You will not have any rights as a stockholder with respect to the shares of Common Stock underlying the RSUs until you become the holder of record of such shares following the applicable Vesting Date.

6. Dividend Equivalents. Each unvested RSU entitles you to a cash payment equal to any cash dividend that the Company pays with respect to its shares of Common Stock ("Dividend Equivalents"). All accrued Dividend Equivalents shall be payable in cash by the Company or your Employer upon or as soon as practicable (and in any event, within 2.5 months) after the Vesting Date of the RSUs giving rise to such Dividend Equivalents. Until payment, the Dividend Equivalents shall be subject to the same terms and conditions as the RSUs to which such Dividend Equivalents relate and shall be forfeited and shall not be paid in the event that such RSUs become cancelled and forfeited.

7. Termination of Continuous Status as a Participant.

(a) Upon a termination of your Continuous Status as a Participant with your Employer, the Company or any of its Subsidiaries by reason of a Qualifying Termination (as defined below) or by reason of death or Disability, or for another approved reason as determined by the Committee (in the case of the executive officers) or the executive officer responsible for Human Resources (in the case of non-executive employees), you (or your legal representative, as applicable) will receive, subject to the terms and conditions of the plan, a pro-rata portion of RSUs that you otherwise would have received had you remained in Continuous Status as a Participant with your Employer, the Company or one of its Subsidiaries based on the number of full months in which you were in Continuous Status as a Participant during the vesting period and such RSUs will vest and be settled upon or as soon as practicable (but in any event, subject to Section 8(c) of this Award Notice, within 2.5 months) after the applicable Vesting Date. For purposes of this Award Notice, a "Qualifying Termination" means a termination of your Continuous Status as a Participant by reason of resignation or termination without Cause when:

- your combined age and years of service with your Employer, the Company and its Subsidiaries equals or exceeds 75;
- you have attained age 55 and 10 years of service with your Employer, the Company and its Subsidiaries;
- you had attained age 50 or greater as of your hire date and you have attained 5 years of service with your Employer, the Company and its Subsidiaries; or
- you have attained age 65.

(b) Notwithstanding the foregoing Section 7(a), if you provide Advance Notice of Intent to Retire, as defined below, and there is a termination of your Continuous Status as a Participant by reason of termination without Cause during the twelve (12) to thirty-six (36) month notice period following such Advance Notice of Intent to Retire, then you will receive, subject to the terms and conditions of the plan, the number of RSUs that you otherwise would have received had you remained in Continuous Status as a Participant with your Employer, the Company or one of its Subsidiaries during the vesting period and such RSUs will vest and be settled upon or as soon as practicable (but in any event, subject to Section 8(c) of this Award Notice, within 2.5 months) after the applicable Vesting Date.

(i) *Advance Notice of Intent to Retire*. The Participant must provide twelve (12) to thirty-six (36) months' advance written notice to the Company of the Participant's intent to retire. Such notice shall be provided to the Company's Chief Human Resources Officer (or such other officer as the Committee may designate from time to time) and shall specify the general timeframe within which the Participant intends to retire. (Form attached in Addendum 2 of this document.)

(ii) *Formal Notice of Commitment to Retire*. The Participant must provide at least ninety (90) days' advance written notice to the Company of the Participant's commitment to retire, setting forth a formal retirement date. Such notice shall be provided to the Company's Chief Human Resources Officer (or such other officer as the Committee may designate from time to time) and shall specify the exact date on which the Participant will retire. (Form attached in Addendum 2 of this document.)

(c) Upon a termination of your Continuous Status as a Participant with your Employer, the Company or any of its Subsidiaries for any reason prior to a Vesting Date other than for one of the reasons described in Section 7(a) above, including termination for Cause, you shall cease vesting in the RSUs as of your termination date and the RSUs shall be immediately canceled and forfeited. In such event, neither you nor any of your successors, heirs, assigns or personal representatives will thereafter have any further rights or interest in such shares or otherwise in this Award. For purposes of the foregoing, "Cause" shall have the same meaning as set forth in the Plan.

8. Income Tax and Social Insurance Contributions Withholding.

(a) Regardless of any action the Company or your Employer takes with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and your Employer: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including the grant of the RSUs, the vesting of the RSUs, and the subsequent sale of any shares of Common Stock acquired pursuant to the RSUs and the receipt of any dividends or dividend equivalents; and (ii) do not commit to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate your liability for Tax-Related Items.

(b) Prior to the delivery of shares of Common Stock upon vesting of your RSU, if your country of residence (and/or your country of employment, if different) requires withholding of Tax-Related Items, the Company shall withhold a sufficient number of whole shares of Common Stock otherwise issuable upon vesting of the RSUs that have an aggregate Fair Market Value sufficient to pay the Tax-Related Items required to be withheld. In cases where the Fair Market Value of the number of whole shares of Common Stock withheld is greater than the Tax-Related Items required to be withheld, the Company shall make a cash payment to you equal to the difference as soon as administratively practicable. The cash equivalent of the shares of Common Stock withheld will be used to settle the obligation to withhold the Tax-Related Items. Alternatively, the Company or your Employer may withhold the Tax-Related Items required to be withheld with respect to the shares of Common Stock in cash from your regular salary/wages, or from any other amounts payable to you. In the event the withholding requirements are not satisfied through the withholding of shares of Common Stock by the Company or through the withholding of cash from your regular salary/wages or any other amounts payable to you, no shares of Common Stock will be issued to you (or your estate) upon vesting of the RSUs unless and until satisfactory arrangements (as determined by the Board of Directors) have been made by you with respect to the payment of any Tax-Related Items which the Company and your Employer determine, in their sole discretion, must be withheld or collected with respect to such RSUs. If you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company or your Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. By accepting the RSUs, you expressly consent to the withholding of shares of Common Stock and/or the withholding of cash from your regular salary/wages or other amounts payable to you as provided for hereunder. All other Tax-Related Items related to the RSUs and any shares of Common Stock delivered in payment thereof are your sole responsibility.

(c) The RSUs are intended to be exempt from, or alternatively to comply with, the requirements of Code Section 409A (or any successor provision which may be enacted). The Plan and the Award Notice shall be administered and interpreted in a manner consistent with this intent. If the Company determines that this Award Notice is subject to Code Section 409A (or any successor provision which may be enacted), then, notwithstanding anything in this Award Notice to the contrary, this Award Notice shall be subject to the terms and conditions set forth in Section 16.3 of the Plan. If the Company determines that this Award Notice has failed to comply with the requirements of that Section, the Company may, at the Company's sole discretion, and without your consent, amend this Award Notice to cause it to comply with Code Section 409A or be exempt from Code Section 409A (or any successor provision which may be enacted).

9. Change in Ownership; Change in Control. Sections 13.5 and 13.6 of the Plan contain certain special provisions that will apply to this Award in the event of a Change in Ownership or Change in Control;

provided that, to the extent necessary to comply with Code Section 409A, in order for such sections of the Plan to apply to this Award, such Change in Ownership or Change in Control event must also constitute a change in the ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, as defined in Treasury Regulation Sections 1.409A-3(i)(5)(v), (vi) and (vii).

10. Adjustment of Shares of Common Stock. If the number of outstanding shares of Common Stock changes through the declaration of stock dividends or stock splits prior to the Vesting Date, the units of Common Stock subject to this Award automatically will be adjusted, according to the provisions of Article 14 of the Plan. In the event of any other change in the capital structure of the shares of Common Stock or other corporate events or transactions involving the Company, the Committee is authorized to make appropriate adjustments to this Award.

11. Restrictions on Issuance of shares of Common Stock. If at any time the Company determines that listing, registration or qualification of the shares of Common Stock subject to this Award upon any securities exchange or under any state or federal law, or the approval of any governmental agency, is necessary or advisable as a condition to the award or issuance of certificate(s) for the shares of Common Stock subject to this Award, such award or issuance may not be made in whole or in part unless and until such listing, registration, qualification or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

12. Noncompetition; Confidentiality. You will not, without the written consent of the Company, either during your employment with your Employer, the Company or any of its Subsidiaries or thereafter, disclose to anyone or make use of any confidential information which you have acquired during your employment relating to any of the business of your Employer, the Company or any of its Subsidiaries, except as such disclosure or use may be required in connection with your work as an employee of the Company. Nothing in this Agreement shall prohibit an employee from disclosing Confidential Information that (1) is made by me (a) in confidence to a federal, state or local government official; and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. See Eastman's "Notice to Employees Concerning Immunity from Liability for Confidential Disclosure of a Trade Secret to the Government or in a Court Filing." During your employment with your Employer, the Company, or any of its Subsidiaries, and for a period of two (2) years after the termination of such employment, you will not, either as principal, agent, consultant, employee or otherwise, engage in any work or other activity in competition with the Company in the field or fields in which you have worked for your Employer, the Company or any of its Subsidiaries. The provisions in this Section 12 apply separately in the United States and in other countries but only to the extent that its application shall be reasonably necessary for the protection of your Employer, the Company or any of its Subsidiaries. You will forfeit all rights under this Award Notice to or related to the RSUs if, in the determination of the executive officer responsible for Human Resources, you have violated any of the provisions of this Section 12, and in that event any payment or other action with respect to the RSUs shall be made or taken, if at all, in the sole discretion of the executive officer responsible for Human Resources.

13. Reimbursement of Certain Compensation. The Award (including any shares of Common Stock and any cash received upon payout of the Award and any amount received for the sale of such shares) is subject to the provisions of the Plan and any applicable law (including the Sarbanes-Oxley Act of 2002, the Dodd-Frank Act, and implementing rules and regulations of the Securities and Exchange Commission (the "SEC") and the New York Stock Exchange (the "NYSE")) or Company policy (including the Eastman Chemical Company Incentive Pay Clawback Policy as adopted by the Committee on October 4, 2023, and the Eastman Chemical Company Compensation Clawback Policy for Detrimental Conduct as adopted by the Committee on December 4, 2024, each as may be amended from time to time consistent with and to conform to SEC and NYSE rules and regulations or otherwise) requiring reimbursement to the Company of certain incentive-based compensation following an accounting restatement due to material non-compliance by the Company with any financial reporting requirement or due to other events or conditions. For purposes of the foregoing, you expressly and explicitly authorize the Company to issue instructions, on your behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold your shares of Common Stock and other amounts acquired under the Plan to re-convey, transfer, or otherwise return such shares of Common Stock and/or other amounts to the Company.

14. Repatriation and Legal/Tax Compliance Requirements. If you are a resident of or employed in a country other than the United States, you agree, as a condition of the grant of the RSUs, to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the shares of Common Stock acquired pursuant to the RSUs) in accordance with local foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you agree to take any and all actions, and consent to any and all actions taken by your Employer, the Company or any of its Subsidiaries as may be required to allow your Employer, the Company or any of its Subsidiaries to comply with local laws, rules and regulations in your country of residence (and country of employment, if different). Finally, you agree to take any and all actions that may be required to comply with your personal legal and tax obligations under local laws, rules and regulations in your country of residence (and country of employment, if different).

If you are resident or employed in a country that is a member of the European Union, the grant of the RSUs and this Award Notice is intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the "Age Discrimination Rules"). To the extent that a court or tribunal of competent jurisdiction determines that any provision of this Award Notice is invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

15. No Guarantee of Employment. The grant of the RSUs shall not create any employment relationship with the Company or any of its Subsidiaries. Further, the grant of the RSUs shall not confer upon you any right of continued employment with your Employer nor limit in any way the right of your Employer to terminate your employment at any time.

16. Discretionary Nature of Grant; No Vested Rights. You acknowledge and agree that the Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of the RSUs under the Plan does not create any contractual or other right to receive a grant of RSUs or benefits in lieu of RSUs in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of any grant, the number of shares of Common Stock subject to the grant, and the vesting provisions. Any amendment, modification or termination of the Plan shall not constitute a change or impairment of the terms and conditions of your employment with your Employer.

17. Currency Fluctuation. Neither the Company nor any Affiliate shall be liable for any foreign exchange rate fluctuation between the local currency of your country of residence and the U.S. dollar that may affect the value of the RSUs or of any amounts due to you pursuant to the settlement of the RSUs or the subsequent sale of any shares of Common Stock acquired upon settlement of the RSUs.

18. Termination Indemnities. Your participation in the Plan is voluntary. The value of the RSUs and any other awards granted under the Plan is an extraordinary item of compensation outside the scope of your employment (and your employment contract, if any). Any grant under the Plan, including the grant of the RSUs, is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.

19. Data Privacy. The Company is located at 200 South Wilcox Drive, Kingsport, Tennessee 37662, U.S.A. and grants RSUs under the Plan to employees of the Company and its Affiliates and Subsidiaries in its sole discretion. In conjunction with the Company's grant of the RSUs under the Plan and its ongoing administration of such awards, the Company is providing the following information about its data collection, processing and transfer practices ("Personal Data Activities"). In accepting the grant of the RSUs, you expressly and explicitly consent to the Personal Data Activities as described herein.

(a) Data Collection, Processing and Usage. The Company collects, processes and uses your personal data, including your name, home address, email address, and telephone number, date of birth, social insurance

number or other identification number, salary, citizenship, job title, any shares of Common Stock or directorships held in the Company, and details of all RSUs or any other equity compensation awards granted, canceled, exercised, vested, or outstanding in your favor, which the Company receives from you or your Employer. In granting the RSUs under the Plan, the Company will collect your personal data for purposes of allocating shares of Common Stock and implementing, administering and managing the Plan. The Company's legal basis for the collection, processing and usage of your personal data is your consent.

(b) Stock Plan Administration Service Provider. The Company transfers your personal data to Fidelity Stock Plan Services LLC, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan (the "Stock Plan Administrator"). In the future, the Company may select a different Stock Plan Administrator and share your personal data with another company that serves in a similar manner. The Stock Plan Administrator will open an account for you to receive and trade shares of Common Stock acquired under the Plan. You will be asked to agree on separate terms and data processing practices with the Stock Plan Administrator, which is a condition to your ability to participate in the Plan.

(c) International Data Transfers. The Company and the Stock Plan Administrator are based in the United States. You should note that your country of residence may have enacted data privacy laws that are different from the United States. The Company's legal basis for the transfer of your personal data to the United States is your consent.

(d) Voluntariness and Consequences of Consent Denial or Withdrawal. Your participation in the Plan and your grant of consent is purely voluntary. You may deny or withdraw your consent at any time. If you do not consent, or if you withdraw your consent, you may be unable to participate in the Plan. This would not affect your existing employment or salary; instead, you merely may forfeit the opportunities associated with the Plan.

(e) Data Subjects Rights. You may have a number of rights under the data privacy laws in your country of residence. For example, your rights may include the right to (i) request access or copies of personal data the Company processes, (ii) request rectification of incorrect data, (iii) request deletion of data, (iv) place restrictions on processing, (v) lodge complaints with competent authorities in your country of residence, and/or (vi) request a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding your rights or to exercise your rights, you should contact your local HR manager or the Company's Human Resources Department.

20. Private Placement. If you are a resident and/or employed outside of the United States, the grant of the RSUs is not intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filing with the local securities authorities (unless otherwise required under local law), and the RSUs are not subject to the supervision of the local securities authorities.

21. Insider Trading/Market Abuse Laws. By participating in the Plan, you agree to comply with the Company's policy on insider trading (to the extent that it is applicable to you). You further acknowledge that, depending on your or your broker's country of residence or where the shares of Common Stock are listed, you may be subject to insider trading restrictions and/or market abuse laws which may affect your ability to accept, acquire, sell or otherwise dispose of the shares of Common Stock, rights to shares of Common Stock (e.g., RSUs) or rights linked to the value of shares of Common Stock, during such times you are considered to have "inside information" regarding the Company (as defined by the laws or regulations in your country of employment (and country of residence, if different)). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you place before you possess inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. You understand that third parties include fellow employees. Any restriction under these laws or regulations are separate from and in addition to any restrictions that may be imposed

under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions and that you should therefore consult your personal advisor on this matter.

22. Electronic Delivery. The Company, in its sole discretion, may decide to deliver any documents related to the RSUs to you under the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

23. English Language. If you are resident outside of the United States, you acknowledge and agree that it is your express intent that this Award Notice, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the RSUs, be drawn up in English. You acknowledge that you are sufficiently proficient in English, or have consulted with an advisor who is sufficiently proficient in English, so as to allow you to understand the terms and conditions of this Award Notice. If you have received this Award Notice, the Plan or any other documents related to the RSUs translated into a language other than English, and if the meaning of the translated version is different from the English version, the meaning of the English version shall control.

24. Addendum. Notwithstanding any provisions of this Award Notice to the contrary, the RSUs shall be subject to any special terms and conditions for your country of residence (and country of employment, if different), as set forth in the applicable Addendum to this Award Notice. Further, if you transfer residence and/or employment to another country reflected in an Addendum to this Award Notice, the special terms and conditions for such country will apply to you to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local law, rules and regulations or to facilitate the operation and administration of the RSUs and the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate your transfer). Any applicable Addendum shall constitute part of this Award Notice.

25. Additional Requirements. The Company reserves the right to impose other requirements on the RSUs, any payment made pursuant to the RSUs, and your participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law, rules and regulations or to facilitate the operation and administration of the RSUs and the Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

26. Governing Law. This Award Notice shall be construed, administered and governed in all respects under and by the applicable laws of the State of Delaware, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation to the substantive law of another jurisdiction.

27. Venue. In accepting the RSUs grant, you are deemed to submit to the exclusive jurisdiction and venue of the federal or state courts of the State of Tennessee of the United States of America to resolve any and all issues that may arise out of or relate to the RSUs and this Award Notice.

28. Binding Effect. This Award Notice shall be binding upon the Company and you and its and your respective heirs, executors, administrators and successors.

29. Conflict. To the extent the terms of this Award Notice are inconsistent with the Plan, the provisions of the Plan shall control and supersede any inconsistent provision of this Award Notice.

30. Non-Negotiable Terms. The terms of this Award Notice are not negotiable, but you may refuse to accept the RSUs by notifying the Company's executive officer responsible for Human Resources in writing; any such refusal of acceptance will immediately cancel and forfeit the award.

EASTMAN CHEMICAL COMPANY SUBSIDIARIES

NAME OF SUBSIDIARY	JURISDICTION OF INCORPORATION OR ORGANIZATION
3F Feed and Food, S.L.U.	Spain
Accoya USA, LLC	Delaware
AI-Red Technology (Dalian) Co., Ltd.	China
Appalachian Resource Investments, LLC	Delaware
C.E.N	France
CP Films Vertriebs GmbH	Germany
Crown Operations International, LLC	Delaware
Eastman Acetyls, LLC	Delaware
Eastman Adhesives Holding B.V.	Netherlands
Eastman Belgium Finance BV	Belgium
Eastman Chemical (Barbados) SRL	Barbados
Eastman Chemical (China) Co., Ltd.	China
Eastman Chemical (China) Co., Ltd. - Guangzhou Branch	China
Eastman Chemical (Malaysia) Sdn. Bhd.	Malaysia
Eastman Chemical (Nanjing) Co., Ltd.	China
Eastman Chemical (PPU) Pte. Ltd.	Singapore
Eastman Chemical Adhesives (Hong Kong) Limited	Hong Kong
Eastman Chemical Advanced Materials B.V.	Netherlands
Eastman Chemical AMI GmbH	Switzerland
Eastman Chemical AMI LLC	Switzerland
Eastman Chemical AP Holdings B.V.	Netherlands
Eastman Chemical Argentina S.R.L.	Argentina
Eastman Chemical Australia Pty. Ltd.	Australia
Eastman Chemical B.V.	Netherlands
Eastman Chemical B.V. - Czech Republic Representative Office	Czech Republic
Eastman Chemical B.V. - Denmark Branch	Denmark
Eastman Chemical B.V. - Hungarian Commercial Representative Office	Hungary
Eastman Chemical B.V. - Poland Representative Office	Poland
Eastman Chemical B.V. - South Africa Representative Office	South Africa
Eastman Chemical B.V., The Hague, Zug Branch	Switzerland
Eastman Chemical Barcelona, S.L.	Spain
Eastman Chemical Canada, Inc.	Ontario
Eastman Chemical Company Investments, Inc.	Delaware
Eastman Chemical de Chile SpA	Chile
Eastman Chemical do Brasil Ltda.	Brazil
Eastman Chemical EMEA B.V.	Netherlands
Eastman Chemical Europe S A R L (Branch)	United Arab Emirates
Eastman Chemical Europe S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical Fibers IP GmbH	Switzerland
Eastman Chemical Finance CN S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical Finance EUR S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical Finance GBP S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical Finance SGD S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical Finance USD S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical Financial Corporation	Delaware
Eastman Chemical GDL S.a.r.l.	Grand Duchy of Luxembourg

Eastman Chemical Germany Holdings GmbH & Co. KG	Germany
Eastman Chemical Germany Management GmbH & Co. KG	Germany
Eastman Chemical Germany Verwaltungs-GmbH	Germany
Eastman Chemical Global Holdings S A R L (Branch)	United Arab Emirates
Eastman Chemical Global Holdings S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical GmbH	Germany
Eastman Chemical HK Limited	Hong Kong
Eastman Chemical Hong Kong B.V.	Netherlands
Eastman Chemical HTF GmbH	Germany
Eastman Chemical Iberica, S.L.	Spain
Eastman Chemical India Private Limited	India
Eastman Chemical Intermediates (Hong Kong) Limited	Hong Kong
Eastman Chemical International GmbH	Switzerland
Eastman Chemical Japan Ltd.	Japan
Eastman Chemical Korea B.V.	Netherlands
Eastman Chemical Korea, Ltd.	Korea (the Republic of)
Eastman Chemical Ltd.	New York
Eastman Chemical Ltd. - Australia Branch	Australia
Eastman Chemical Ltd. - Singapore Branch	Singapore
Eastman Chemical Ltd. - Taiwan Branch	Taiwan (Province of China)
Eastman Chemical Luxembourg Finance S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical Luxembourg Holdings 1 S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical Luxembourg Holdings LLC	Delaware
Eastman Chemical Luxembourg Holdings S.a.r.l.	Grand Duchy of Luxembourg
Eastman Chemical Malaysia B.V.	Netherlands
Eastman Chemical Netherlands Limited	United Kingdom
Eastman Chemical Products Singapore Pte. Ltd.	Singapore
Eastman Chemical Regional UK	England
Eastman Chemical Resins, Inc.	Delaware
Eastman Chemical Singapore Pte. Ltd.	Singapore
Eastman Chemical Switzerland GmbH	Switzerland
Eastman Chemical Technology BV	Belgium
Eastman Chemical Uruapan, S.A. de C.V.	Mexico
Eastman Chemical US Finance LLC	Delaware
Eastman Chemical Workington Limited	England
Eastman Chemical, Asia Pacific Pte. Ltd.	Singapore
Eastman Chemical, Asia Pacific Pte. Ltd. - Vietnam Representative Office	Viet Nam
Eastman Chemical, Europe, Middle East and Africa LLC	Delaware
Eastman Circular Solutions France SARL	France
Eastman Circular Ventures, LLC	Delaware
Eastman Cogen Management L.L.C.	Texas
Eastman Cogeneration L.P.	Texas
Eastman Company UK Limited	England
Eastman de Argentina S.R.L.	Argentina
Eastman Europe B.V.	Netherlands
Eastman Fibers Holdings S.a.r.l.	Grand Duchy of Luxembourg
Eastman Fibers Korea Limited	Korea (the Republic of)
Eastman Fibers Singapore Pte. Ltd.	Singapore
Eastman Foundation	Tennessee

Eastman France SARL	France
Eastman Global Holdings, Inc.	Delaware
Eastman Interlayers (M) SDN BHD	Malaysia
Eastman International Holdings, LLC	Delaware
Eastman International Management Company	Tennessee
Eastman Italia S.r.l.	Italy
Eastman Kimya Sanayi ve Ticaret Limited Sirketi	Turkey
Eastman LAR Distribucion, S. de R.L. de C.V.	Mexico
Eastman Mazzucchelli Hong Kong Limited	Hong Kong
Eastman Mazzucchelli Plastics (Shenzhen) Company Limited	China
Eastman MFG Japan Ltd.	Japan
Eastman Middelburg Holding B.V.	Netherlands
Eastman OneSource, LLC	Delaware
Eastman Opportunity Zone Holding Corporation	Delaware
Eastman Performance Films Canada, Inc.	British Columbia
Eastman Performance Films, LLC	Delaware
Eastman Portugal, Unipessoal Lda.	Portugal
Eastman Shuangwei Fibers Company Limited	China
Eastman Spain L.L.C.	Delaware
Eastman Specialties Corporation	Delaware
Eastman Specialties Holdings Corporation	Delaware
Eastman Specialties OU	Estonia
Eastman Specialties S.a.r.l.	Grand Duchy of Luxembourg
Eastman Specialties Wuhan Youji Chemical Co., Ltd	China
Eastman Tennessee Qualified Investments, Inc.	Delaware
Eastman Verwaltungs- und Beteiligungsgesellschaft mbH	Germany
Ecuataminco S.A.	Ecuador
Holston Defense Corporation	Virginia
Huper Optik International Pte. Ltd.	Singapore
Kingsport Hotel, L.L.C.	Tennessee
Knowlton Technologies, LLC	Delaware
Monchem International LLC	Delaware
Mustang Pipeline Company	Texas
Novomatrix, Inc.	Delaware
Qilu Eastman Specialty Chemicals, Ltd.	China
S E Investment LLC	Delaware
Sakra Hyco Pte. Ltd.	Singapore
Solutia (Thailand) Ltd.	Thailand
Solutia Brasil Ltda.	Brazil
Solutia Canada Inc.	Ontario
Solutia Chemicals India Private Limited	India
Solutia Deutschland GmbH	Germany
Solutia Europe BV	Belgium
Solutia Europe BV - Portugal Representative Office	Portugal
Solutia Greater China, LLC	Delaware
Solutia Hong Kong Limited	Hong Kong
Solutia Inc.	Delaware
Solutia International Trading (Shanghai) Co., Ltd.	China
Solutia International Trading (Shanghai) Co., Ltd., Beijing Branch	China

Solutia Performance Products (Suzhou) Co., Ltd.	China
Solutia Performance Products Solutions, Ltd	Mauritius
Solutia Singapore Pte. Ltd.	Singapore
Solutia Therminol Co., Ltd. Suzhou	China
Solutia Therminol Co., Ltd. Suzhou, Branch	China
Solutia Tlaxcala, S.A. de C.V.	Mexico
Solutia UK Holdings Limited	United Kingdom
Solutia UK Investments Limited	United Kingdom
Solutia UK Limited	United Kingdom
Solutia Venezuela, S.R.L.	Venezuela
Southwall Europe GmbH	Germany
Southwall Insulating Glass, LLC	Delaware
Southwall Technologies Inc.	Delaware
St. Gabriel CC Company, LLC	Delaware
Sunspot Farms LLC	Texas
SunTek UK Limited	United Kingdom
Taminco BV	Belgium
Taminco BV - The Philippines	Philippines
Taminco Choline Chloride (Shanghai) Co., Ltd.	China
Taminco Corporation	Delaware
Taminco de Guatemala, S.A.	Guatemala
Taminco do Brasil Comercio de Aminos Ltda.	Brazil
Taminco do Brasil Produtos Quimicos Ltda.	Brazil
Taminco Finland Oy	Finland
Taminco Germany GmbH	Germany
Taminco Group BV	Belgium
Taminco Group Holdings S.a.r.l.	Grand Duchy of Luxembourg
Taminco Holding Netherlands B.V.	Netherlands
Taminco Limitada	Costa Rica
Taminco Uruguay S.A.	Uruguay
Taminco US LLC	Delaware
TX Energy, LLC	Delaware
V-Kool International Pte. Ltd.	Singapore
Zhejiang Fiman Specialty Fiber Company Limited	China

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (333-280083) and in the Registration Statements on Form S-8 (No. 333-291290 and No. 333-264126) of Eastman Chemical Company of our report dated February 13, 2026 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Charlotte, North Carolina
February 13, 2026

EASTMAN CHEMICAL COMPANY AND SUBSIDIARIES**Rule 13a - 14(a)/15d - 14(a) Certifications**

I, Mark J. Costa, certify that:

1. I have reviewed this Annual Report on Form 10-K of Eastman Chemical Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2026

/s/ Mark J. Costa

Mark J. Costa

Chief Executive Officer

EASTMAN CHEMICAL COMPANY AND SUBSIDIARIES**Rule 13a - 14(a)/15d - 14(a) Certifications**

I, William T. McLain, Jr., certify that:

1. I have reviewed this Annual Report on Form 10-K of Eastman Chemical Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2026

/s/ William T. McLain, Jr.

William T. McLain, Jr.

Executive Vice President and Chief Financial Officer

EASTMAN CHEMICAL COMPANY AND SUBSIDIARIES**Section 1350 Certifications**

In connection with the Annual Report of Eastman Chemical Company (the "Company") on Form 10-K for the period ending December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to Eastman Chemical Company and will be retained by Eastman Chemical Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: February 13, 2026

/s/ Mark J. Costa

Mark J. Costa
Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of the Report or as a separate disclosure document.

EASTMAN CHEMICAL COMPANY AND SUBSIDIARIES**Section 1350 Certifications**

In connection with the Annual Report of Eastman Chemical Company (the "Company") on Form 10-K for the period ending December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to Eastman Chemical Company and will be retained by Eastman Chemical Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: February 13, 2026

/s/ William T. McLain, Jr.

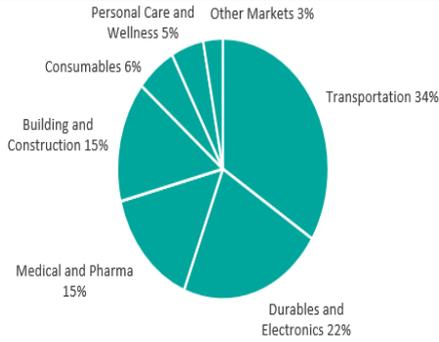
William T. McLain, Jr.

Executive Vice President and Chief Financial Officer

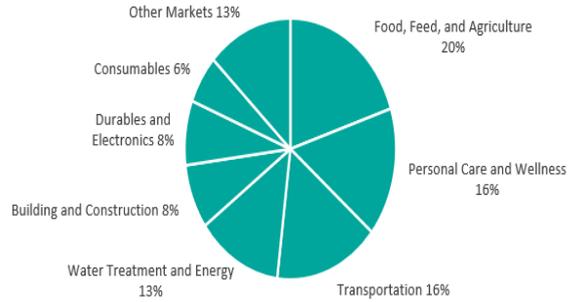
The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of the Report or as a separate disclosure document.

2025 company and segment revenue by end-use market

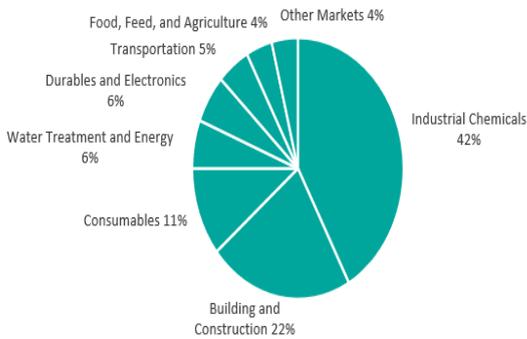
Advanced Materials



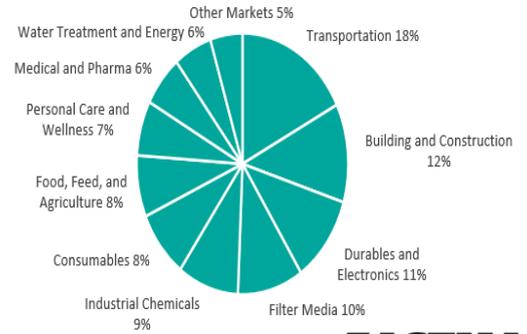
Additives & Functional Products



Chemical Intermediates



Total Eastman

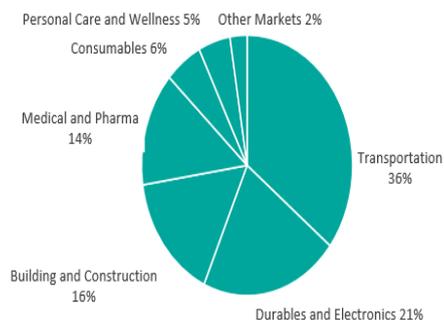


*2025 revenue by end-use market includes an updated coding of some products from "Other Markets" into markets ultimately associated with the products' end use, particularly in Chemical Intermediates. To improve year-over-year comparability, 2024 revenue by end-use market is being shared using the same updated coding.

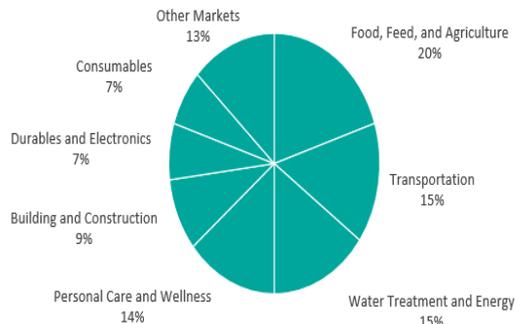


2024 company and segment revenue by end-use market

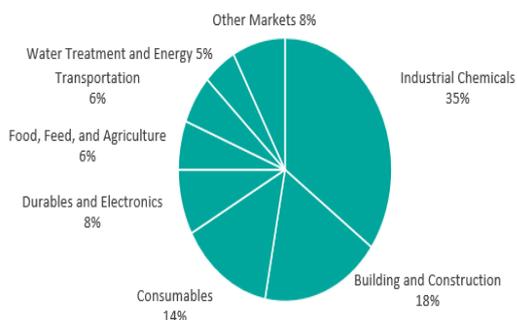
Advanced Materials



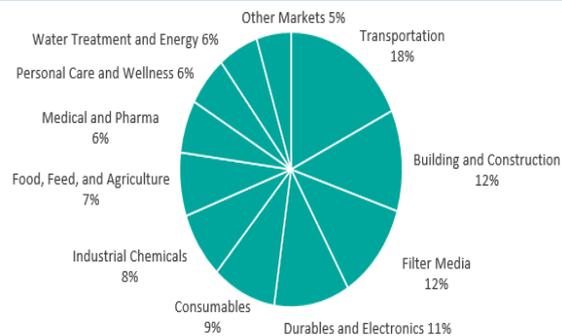
Additives & Functional Products



Chemical Intermediates



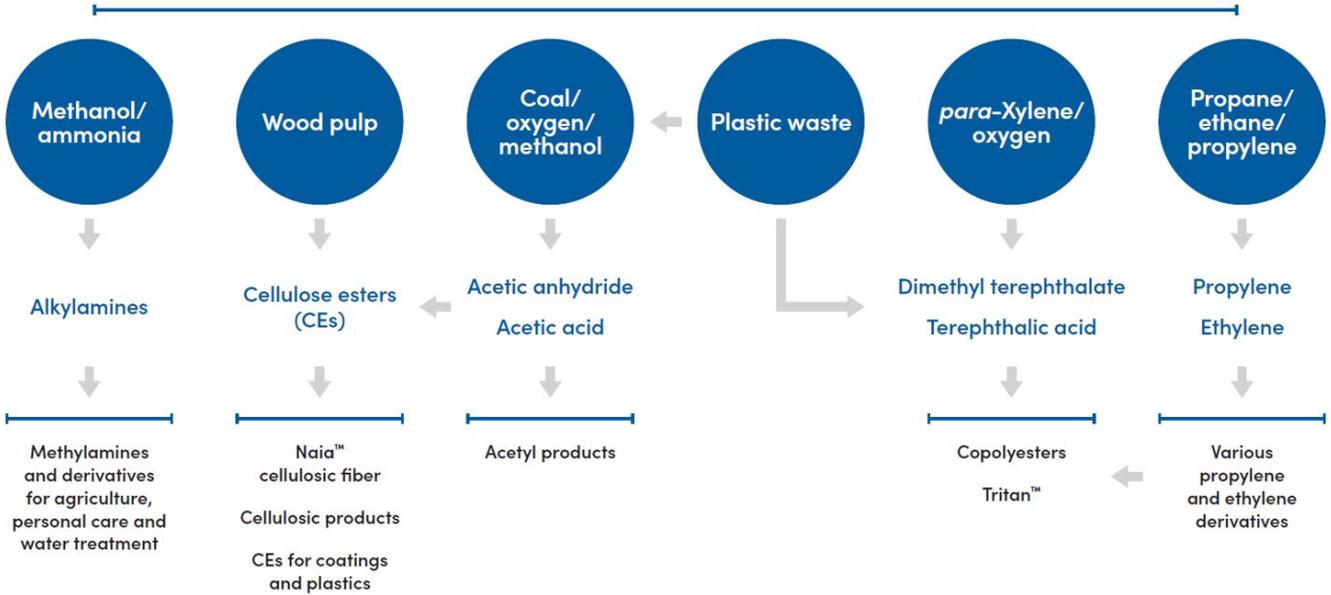
Total Eastman



*2025 revenue by end-use market includes an updated coding of some products from "Other Markets" into markets ultimately associated with the products' end use, particularly in Chemical Intermediates. To improve year-over-year comparability, 2024 revenue by end-use market is being shared using the same updated coding.

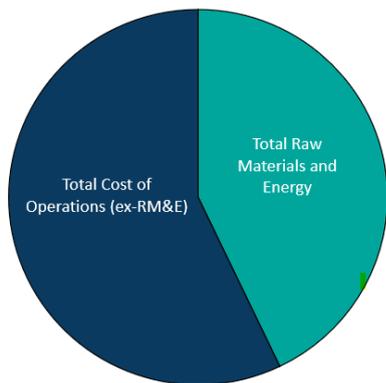


Eastman key materials flow

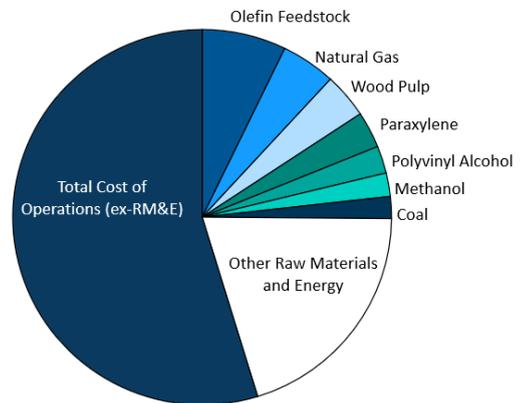


2025 Total Cost of Operations

Total Cost of Operations



Total Raw Materials and Energy



*Total Cost of Operations defined as sales less earnings before interest and taxes excluding non-core items. Non-core and unusual items are defined in "Management's Discussion and Analysis of Financial Condition Results of Operations - Non-GAAP Financial Measures" in Part II, Item 7 of the 2025 Annual Report on Form 10-K.