

EASTMAN CHEMICAL CO  
Form 11-K  
June 20, 2018

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C. 20549

FORM 11-K

(Mark  
One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-12626

A. Full Title of the plan and the address of the plan, if different from that of the issuer named below:

EASTMAN INVESTMENT AND EMPLOYEE STOCK OWNERSHIP PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

EASTMAN CHEMICAL COMPANY  
200 S. Wilcox Drive  
Kingsport, Tennessee 37662

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Eastman Investment and Employee Stock Ownership Plan

Table of Contents

Report of Independent Registered Public Accounting Firm 1

Basic Financial Statements:

Statements of Net Assets Available for Benefits at December 31, 2017 and 2016 2

Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2017 and 2016 3

Notes to Financial Statements 4-15

Additional Information (Note A):

Schedule of Assets (Held at End of Year) at December 31, 2017 17-29

Signatures 30

Exhibits 31

Note A: Other supplemental schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Plan Participants, Investment Plan Committee, and Plan Administrator of the  
Eastman Investment and Employee Stock Ownership Plan

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of the Eastman Investment and Employee Stock Ownership Plan (the "Plan") as of December 31, 2017 and 2016, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes and schedule (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Eastman Investment and Employee Stock Ownership Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan's financial statements 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 Plan 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

Supplemental Information

The supplemental information contained in the schedule of assets (held at end of year) as of December 31, 2017 has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Brown Smith Wallace, LLP

We have served as the Company's auditor since 2014.

St. Louis, Missouri  
June 20, 2018



Eastman Investment and Employee Stock Ownership Plan  
 Statements of Net Assets Available for Benefits  
 December 31, 2017 and 2016  
 (in thousands)

|                                    | 2017        |             |             | 2016        |             |             |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                    | Participant | Non-        |             | Participant | Non-        |             |
|                                    | Directed    | participant | Total       | Directed    | participant | Total       |
|                                    | Directed    | Directed    |             | Directed    | Directed    |             |
| <b>Assets</b>                      |             |             |             |             |             |             |
| Investments at fair value          | \$2,077,072 | \$199,046   | \$2,276,118 | \$1,754,765 | \$165,472   | \$1,920,237 |
| Investments at contract value      | 836,262     | —           | 836,262     | 902,221     | —           | 902,221     |
| Total investments                  | 2,913,334   | 199,046     | 3,112,380   | 2,656,986   | 165,472     | 2,822,458   |
| <b>Receivables:</b>                |             |             |             |             |             |             |
| Plan sponsor contributions         | 32,251      | 15,336      | 47,587      | 32,168      | 15,705      | 47,873      |
| Notes receivable from participants | 52,277      | —           | 52,277      | 51,769      | —           | 51,769      |
| Other receivables                  | 4,248       | 1,197       | 5,445       | 3,499       | 1,198       | 4,697       |
| Total assets                       | 3,002,110   | 215,579     | 3,217,689   | 2,744,422   | 182,375     | 2,926,797   |
| <b>Liabilities</b>                 |             |             |             |             |             |             |
| Accrued expenses                   | —           | 16          | 16          | 19          | 16          | 35          |
| Other liabilities                  | 2,202       | 1,238       | 3,440       | 3,262       | 1,670       | 4,932       |
| Total liabilities                  | 2,202       | 1,254       | 3,456       | 3,281       | 1,686       | 4,967       |
| Net assets available for benefits  | \$2,999,908 | \$214,325   | \$3,214,233 | \$2,741,141 | \$180,689   | \$2,921,830 |

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

Eastman Investment and Employee Stock Ownership Plan  
 Statements of Changes in Net Assets Available for Benefits  
 For the Years Ended December 31, 2017 and 2016  
 (in thousands)

|  | 2017        |             |             | 2016        |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
|  | Participant | Non-        |             | Participant | Non-        |             |
|  | Directed    | participant | Total       | Directed    | participant | Total       |
|  |             | Directed    |             |             | Directed    |             |
| Additions to net assets:   |             |             |             |             |             |             |
| Investment income  |             |             |             |             |             |             |
| Interest   | \$16,346    | \$—         | \$16,346    | \$16,220    | \$—         | \$16,220    |
| Dividends  | 45,042      | 4,661       | 49,703      | 34,307      | 4,324       | 38,631      |
| Net appreciation in fair value of investments                        | 314,102     | 38,518      | 352,620     | 99,375      | 19,544      | 118,919     |
| Net investment gain  | 375,490     | 43,179      | 418,669     | 149,902     | 23,868      | 173,770     |
| Interest income from notes receivable                                | 2,382       | —           | 2,382       | 2,272       | —           | 2,272       |
| Participant contributions  | 100,752     | —           | 100,752     | 101,291     | —           | 101,291     |
| Plan sponsor contributions   | 47,541      | 15,336      | 62,877      | 46,807      | 15,688      | 62,495      |
| Total additions  | 526,165     | 58,515      | 584,680     | 300,272     | 39,556      | 339,828     |
| Deductions from net assets:  |             |             |             |             |             |             |
| Distributions to and withdrawals by participants                     | 280,891     | 10,810      | 291,701     | 303,601     | 12,113      | 315,714     |
| Administrative expenses (refunds)                                    | 576         | —           | 576         | (12         | ) —         | (12         |
| Total deductions   | 281,467     | 10,810      | 292,277     | 303,589     | 12,113      | 315,702     |
| Net increase (decrease) in net assets                                | 244,698     | 47,705      | 292,403     | (3,317      | ) 27,443    | 24,126      |
| Transfers from non-participant directed Plan transfers (see Note 15) | 14,069      | (14,069     | ) —         | 10,820      | (10,820     | ) —         |
|  | —           | —           | —           | 36,103      | —           | 36,103      |
| Net assets available for benefits at beginning of year               | 2,741,141   | 180,689     | 2,921,830   | 2,697,535   | 164,066     | 2,861,601   |
| Net assets available for benefits at end of year                     | \$2,999,908 | \$214,325   | \$3,214,233 | \$2,741,141 | \$180,689   | \$2,921,830 |

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

Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

1. DESCRIPTION OF PLAN

The Eastman Investment and Employee Stock Ownership Plan (the "Plan") is a defined contribution plan of a controlled group of corporations consisting of Eastman Chemical Company and certain of its wholly-owned subsidiaries operating in the United States ("Eastman", the "Company" or the "Plan Sponsor"). The Plan is organized pursuant to Sections 401(a) and (k) and Section 4975(e) (7) of the Internal Revenue Code ("IRC"). All United States employees of Eastman, with the exception of certain limited service and special program employees, and employees covered by a collective bargaining agreement with the Company, unless the collective bargaining agreement or the Plan specifically provides for participation, are eligible to participate in the Plan on their first day of employment with Eastman. The Plan was adopted by Eastman, the Plan Sponsor, on January 1, 1994 and is subject to the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan is administered by the Investment Plan Committee ("IPCO"), which is the Plan Administrator and is comprised of Eastman employees. The Plan has trusts which are administered by the Fidelity Management Trust Company (the "Trustee"). The trusts include the Eastman Chemical Trust and the Eastman Stock Ownership Plan ("ESOP") Trust.

Money in the forfeiture account of the Plan is available to be used both to offset future Company contributions and for various administrative expenses of the Plan. The balance of the forfeiture account at December 31, 2017 and 2016 was \$378,536 and \$170,609, respectively. There were no forfeitures used in 2017 and 2016.

On or after January 1, 2007, each eligible employee hired by the Company will, in addition to the Retirement Savings Contribution ("RSC"), be automatically enrolled as a participant in the Eastman Investment Plan ("EIP") portion of the Plan. The participants will be deemed to have elected to defer 7% of their qualifying compensation each pay period to the EIP portion of the Plan, unless they affirmatively decline or they elect to contribute a percentage other than 7%. Each participant will also be eligible to receive a matching contribution from the Company equal to 50% of the first 7% of their pay that they contribute to the Plan each pay period. Plan participants may elect to enroll in an automatic annual increase program with an increase to deferral rates each year until the participant's deferral reaches 40%. Their contributions will be invested in a Vanguard Target Date Fund, effective April 1, 2017, that has a target retirement date closest to the year in which the participant reaches age 65 until changed by the participant.

For additional information regarding the Plan, see the complete Plan documents.

Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

Contributions and vesting

Contributions to the Plan are made through two separate provisions: (1) deferral of qualifying compensation and (2) contributions by the Plan Sponsor of cash or its common stock to the participants' accounts as determined by the Compensation and Management Development Committee of the Board of Directors of Eastman.

The Plan includes a salary deferral provision allowing eligible employees to defer up to 40% of qualifying compensation, as defined in the Plan, up to the statutory limit of \$18,000 for 2017 and 2016 as permitted by the IRC. For the catch-up salary deferral, an eligible employee who attained age 50 before the close of the calendar year was allowed to defer up to an additional \$6,000 for 2017 and 2016 of qualifying compensation, as defined in the Plan, up to certain IRC limitations. Plan Sponsor contributions are also subject to certain other limitations. Participants' salary deferrals are contributed to the Plan by Eastman on behalf of the participants. The Plan's Trustee invests amounts contributed to the Plan, as designated by the participant, in common stock of Eastman, various mutual funds, and/or interest in a guaranteed investment contract fund (see Notes 6 and 7). Generally, participants may transfer amounts among the funds on any business day. Additionally, participants may diversify amounts from their ESOP Fund account within the Plan (see Note 10). Each participant is at all times 100% vested in their account, with the exception of amounts transferred from other plans, which continue to be subject to the former plans' vesting requirements.

The Plan requires for the RSC to be contributed either to the employee's ESOP Fund accounts for employee's first five RSC contributions or into other Plan funds, as directed by the participant, for participants with more than five RSC contributions. For participants with more than five RSC contributions, the RSC is allocated to participant-directed funds in accordance with each participant's investment elections at such time as the RSC is made.

Plan Sponsor contributions may be paid at any time during the plan year and subsequent to such plan year through the due date for filing the Company's federal income tax return, including any extensions. Contributions may be paid to the ESOP Trust in cash or shares of Eastman common stock and are deposited in the Company contribution account. Allocations to the participants' accounts from the Company contribution account will be made each plan year to participants who are eligible employees on the date designated by the Company. Participants are not permitted to make contributions to the ESOP Trust.

Employees may elect to transfer, into any of the Plan's fund options, balances received from (1) lump sum payouts from the Eastman Retirement Assistance Plan, a qualified defined benefit plan also sponsored by Eastman Chemical Company, (2) a former employer's 401(a) and 401(k) plan, or (3) an employee's individual retirement account containing amounts received from a qualified defined contribution plan under Section 401(a) and 401(k) of the IRC. All rollover contributions into the Plan must meet the applicable IRC requirements.



Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

Notes receivable from participants

The IPCO may grant a note receivable (loan) of at least \$1,000 to a participant provided that the aggregate of the participant's notes receivable does not exceed the lesser of (1) \$50,000 reduced by the excess, if any, of (a) the participant's highest notes receivable balance from the preceding 12 months over (b) the outstanding total notes receivable balance from the Plan on the date on which the notes receivable was made, or (2) 50% of the non-forfeitable portion of the participant's account. In accordance with the Plan provisions, the rate of interest on new participant notes receivable approximates current market rates. The term of any notes receivable from participants is determined by IPCO and shall not exceed five years. Notes receivable from participants transferred to the Plan from acquisitions carry terms applicable under that plan. Notes receivable from participants are valued at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2017 or 2016. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan is reduced and a benefit payment is recorded. At December 31, 2017, \$52.3 million in notes receivable from participants were outstanding with interest rates ranging from 3.25% to 5.75% and various maturity dates through November 2023. At December 31, 2016, \$51.8 million in notes receivable from participants were outstanding for terms from 4 to 72 months and interest rates ranging from 3.25% to 5.25%.

Distributions

Distributions from the Plan require the approval of IPCO or its designee and are made under the following circumstances:

Upon attaining age 59½, a participant may elect to receive a lump sum cash distribution of their total or partial account value while still actively employed.

Upon separation of service from Eastman for any reason except death, the full value of a participant's account is distributed in a lump sum payment for those participants whose account value is less than or equal to \$1,000. Separated participants with accounts in excess of \$1,000 may elect either (1) to defer distribution until a later date but, in no event, later than April 1 of the calendar year following the year a participant attains age 70½ or (2) an immediate lump-sum distribution of the participant's account or, at the election of the participant, distributions in monthly or annual installments. Participants in the Eastman Stock Fund or ESOP Fund may elect a lump sum distribution in Eastman common stock.

In the event of death, the value of a participant's account is paid in a lump sum if the designated beneficiary is not the surviving spouse or if the account value is less than or equal to \$1,000. If the beneficiary is a surviving spouse and the participant account value exceeds \$1,000, payment will be made in either a lump-sum amount or, at the election of the surviving spouse, in monthly or annual installments.

Distributions to participants shall commence in the year following the year a participant attains age 70½, unless the participant is still actively employed with the Company.

Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

Approval of hardship withdrawals will only be granted in order to meet obligations relating to the payment of substantial out-of-pocket medical expenses, the purchase of a primary residence, the payment of tuition or other post-secondary educational expenses, or payments to prevent eviction or foreclosure. They are also granted for payment of funeral expenses for a deceased parent, spouse or child of the participant, or payment of expenses for repair or damage to the participant's principal residence. Hardship withdrawals may not exceed the value of the participant's accounts in the Plan on the date of withdrawal.

The Trustee is authorized to honor qualified domestic relation orders issued and served in accordance with Section 414(p) of the IRC.

#### Investment of ESOP Fund Assets

ESOP Fund assets are invested primarily in Eastman common stock. However, at IPCO's discretion, funds may also be invested in other securities or held in cash.

Investment assets can be acquired by the ESOP Fund in three ways:

The Company may make a direct contribution of cash to the ESOP Fund, which would then be used to purchase Eastman common stock or other securities.

The Company may contribute shares of Eastman common stock directly to the ESOP Fund.

The Company may direct the Trustee to obtain a loan to purchase securities (i.e., leveraged ESOP). Until the loan is repaid, securities acquired with the respective loan proceeds are not available to be allocated to participants' accounts and are maintained in a "Loan Suspense Account". On the last day of each plan year, a proportionate share of securities relating to loan amounts which have been repaid will be transferred out of the Loan Suspense Account and allocated to the accounts of ESOP Fund participants. The ESOP Fund currently is not a leveraged ESOP.

#### Dividends attributable to the ESOP Fund

IPCO may direct that Eastman common stock dividends attributable to the non-participant directed ESOP Fund be (a) allocated to the accounts of participants, (b) paid in cash to the participants on a nondiscriminatory basis, or (c) paid by the Company directly to participants. Alternatively, dividends received from Eastman common stock maintained in the Loan Suspense Account may be applied to reduce the related loan balance.

#### Allocations to participants' ESOP Fund accounts

Separate participant accounts are established to reflect each participant's interest in the ESOP Fund and are maintained under the unit value method of accounting. The ESOP Fund account maintained for each participant consists of:

Plan Sponsor contributions made or invested in shares of Eastman common stock.

Shares of Eastman common stock purchased with assets transferred to the ESOP Fund pursuant to the spin-off from Eastman Kodak Company and/or acquired with the proceeds of a loan released from the Loan Suspense Account.



Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

An allocable share of short-term interest and money market funds held in the ESOP Fund for purposes of payment of expenses and similar purposes.

After-tax contributions transferred to the ESOP Fund pursuant to the spin-off from Eastman Kodak Company (such after-tax contributions are no longer permitted under the ESOP provisions).

The number of units allocated to a participant's account in any year is based on the ratio of the participant's compensation to the total compensation of all eligible employees entitled to share in the allocation for that plan year. In any year in which a Company contribution is made, a participant's allocation will not be less than one share of stock.

Federal law limits the total annual contributions that may be made on a participant's behalf to all defined contribution and defined benefit plans offered by the Company. Participants will be notified if their total annual contribution is limited by this legal maximum.

## 2. SUMMARY OF ACCOUNTING POLICIES

The following accounting policies, which conform to accounting principles generally accepted in the United States of America ("USGAAP"), have been used consistently in the preparation of the Plan's financial statements.

### Basis of accounting

The Plan's financial statements are prepared on the accrual basis of accounting.

### Use of estimates

The preparation of financial statements in conformity with USGAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

### Investment policy and valuation

The Plan's investments are stated at fair value except for its fully benefit responsive investment contract, which is valued at contract value (see Note 7). If available, quoted market prices are used to value investments. IPCO determines the Plan's valuation policies utilizing information provided by Fidelity Investments and the Director of Benefits Finance and Investments. See Note 8 for discussion of fair value measurements.

For investments in the ESOP Fund and the Eastman Stock Fund, the Trustee may keep any portion of participant and Plan Sponsor contributions temporarily in cash or liquid investments as it may deem advisable. All dividends, interest or gains derived from investment in each fund are reinvested in the respective fund by the Trustee.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded at the ex-dividend date.

The Plan presents in the Statements of Changes in Net Assets Available for Benefits the net appreciation (depreciation) in the fair value of its investments which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments.



Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

Payments to participants

Benefit payments to participants are recorded when paid.

3. RISKS AND UNCERTAINTIES

Investment securities are exposed to various risks, such as interest rate risk, market risk, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participant account balances and the amounts reported in the financial statements. Included in investments at December 31, 2017 and 2016 are shares of the Plan Sponsor's common stock amounting to \$318 million and \$314 million, respectively. This investment represents 10.2% and 11.1% of total investments at December 31, 2017 and 2016, respectively. A significant decline in the market value of the Plan Sponsor's stock would significantly affect the net assets available for benefits.

4. CONTRIBUTIONS

Participant contributions represent qualifying compensation and other qualifying employee bonuses withheld from participating employees by Eastman and contributed to the Plan. Contributions are invested in the Plan's funds as directed by the participants, with the exception of the ESOP Fund, subject to ERISA funding limitations. The Plan has accrued Company contributions for participant-directed funds of \$32.3 million and \$32.2 million and for the non-participant-directed ESOP Fund of \$15.3 million and \$15.7 million at December 31, 2017 and 2016, respectively.

5. NOTES RECEIVABLE FROM PARTICIPANTS

The Plan Trustee makes loans to participants in accordance with Plan provisions. The loans are reflected as notes receivable from participants. Notes receivable from participants are accounted for as a transfer from the fund directed by the participant to the Notes Receivable from Participants Fund. The principal portion of participant repayments reduces the Notes Receivable from Participants Fund receivable. The principal and interest repaid are directed to funds to which the participant's current contributions are directed; the principal is accounted for as a transfer and the interest accounted for as income in the fund to which the participant's current contributions are directed. The Notes Receivable from Participants Fund's net assets and other changes in net assets are included in the participant-directed funds in the Statements of Net Assets and Changes in Net Assets Available for Benefits, respectively. Notes receivable from participants are valued at their unpaid principal balance plus any accrued but unpaid interest.

Unless otherwise specified by the participant, the proceeds of new notes receivable will be withdrawn from the investment funds on a pro-rata basis. Outstanding notes receivable from participants at December 31, 2017 and 2016 were approximately \$52.3 million and \$51.8 million, respectively. Interest income earned on notes receivable from participants is credited directly to the participants' accounts and was approximately \$2.4 million and \$2.3 million in 2017 and 2016, respectively.

Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

## 6. INVESTMENTS

At December 31, 2017 and 2016, the Plan's assets were invested in Eastman Chemical Company common stock, mutual funds, and synthetic investment contracts (see Note 7). Subject to certain limitations, participants are provided the option of directing their contributions among the investment options. The Plan also holds an interest in the non-participant directed Eastman ESOP Fund, which invests in Eastman Chemical Company common stock and short-term interest funds. The following table presents the Plan's investments by type at December 31, 2017 and 2016, respectively.

| (in thousands)                                 | 2017        | 2016        |
|--|-------------|-------------|
| Cash   | \$3,960     | \$4,814     |
| Eastman Chemical Company common stock          | 317,561     | 313,985     |
| Mutual funds                                   | 1,915,942   | 1,569,230   |
| Managed income fund                            | 836,262     | 902,221     |
| Self-directed brokerage account - mutual funds | 38,655      | 32,208      |
| Total  | \$3,112,380 | \$2,822,458 |

The following investment options, which invest primarily in common stock of the Plan Sponsor, were available to participants in 2017 and 2016:

### Eastman Stock Fund

This participant-directed fund consists primarily of Eastman Class A common stock. Purchases and sales of Eastman common stock are generally made on the open market on behalf of and as elected by Plan participants. During 2017, the Trustee purchased 541,047 shares of Eastman common stock for the fund at an average price of \$80.81 per share, and sold 1,234,148 shares of Eastman common stock for the fund at an average price of \$84.25 per share. During 2016, the Trustee purchased 1,203,700 shares of Eastman common stock for the fund at an average price of \$66.40 per share and sold 2,284,200 shares at an average price of \$71.60 per share. Dividends paid from the Eastman Stock Fund totaled \$3.4 million and \$5.2 million in 2017 and 2016, respectively.

### Eastman ESOP Fund

This non-participant directed fund consists primarily of Eastman Class A common stock. Purchases and sales of Eastman common stock are generally made on the open market, on behalf of its participants and as directed by the Plan's guidelines. During 2017, the Trustee purchased 215,453 shares of Eastman common stock for the fund at an average price of \$79.01 per share, and sold 269,227 shares of Eastman common stock for the fund at an average price of \$84.06 per share. During 2016, the Trustee purchased 279,200 shares of Eastman common stock for the fund at an average price of \$60.04 per share, and sold 248,500 shares at an average price of \$70.06 per share. Participants can elect to have the dividends paid in cash or reinvested back into the Eastman ESOP fund.

Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

## 7. INSURANCE CONTRACTS

The Plan invests in the Managed Income Fund (the "Fund"), which invests in synthetic investment contracts only, totaling \$836 million and \$902 million at December 31, 2017 and 2016, respectively. The term "synthetic" investment contract is used to describe a variety of investment contracts under which a Plan retains ownership of the invested assets, or owns units of an account or trust which holds the invested assets. A synthetic investment contract, also referred to as a "wrap" contract, is negotiated with an independent financial institution. Under the terms of these investment contracts, the contract issuer ensures the Plan's ability to pay eligible employee benefits at book value. The investment performance of a synthetic investment contract may be a function of the investment performance of the invested assets. Participants can redeem interest in this daily and there is no notice period on these redemptions.

A wrap contract is an agreement by another party, such as a bank or insurer, to make payments to the Fund in certain circumstances. Wrap contracts are designed to allow a stable value fund, such as the Fund, to maintain a constant net asset value ("NAV") and to protect the Fund in extreme circumstances. In a typical wrap contract, the wrap issuer agrees to pay the Fund the difference between the contract value and the market value of the covered assets once the market value has been totally exhausted. Though relatively unlikely, this could happen if the Fund experiences significant redemptions (redemption of most of the Fund's shares) during a time when the market value of the Fund's covered assets are below their contract value and market value is ultimately reduced to zero. If that occurs, the wrap issuer agrees to pay the Fund an amount sufficient to cover shareholder redemptions and certain other payments (such as fund expenses), provided all the terms of the wrap contract have been met. Purchasing wrap contracts is similar to buying insurance, in that the Fund pays a relatively small amount to protect against a relatively unlikely event (the redemption of most of the shares of the Fund). Fees paid by the Fund for wrap contracts are a component of the Fund's expenses.

Wrap contracts accrue interest using a formula called the "crediting rate". Wrap contracts use the crediting rate formula to convert market value changes in the covered assets into income distributions in order to minimize the difference between the market and contract value of the covered assets over time. Using the crediting rate formula, an estimated future market value is calculated by compounding the Fund's current market value at the Fund's current yield to maturity for a period equal to the Fund's duration. The crediting rate is the discount rate that equates the estimated future market value with the Fund's current contract value. Crediting rates are reset quarterly. The wrap contracts provide a guarantee that the crediting rate will not fall below zero percent.

The crediting rate, and hence the Fund's return, may be affected by many factors, including purchases and redemptions by shareholders. The precise impact on the Fund depends on whether the market value of the covered assets is higher or lower than the contract value of those assets. If the market value of the covered assets is higher than their contract value, the crediting rate will ordinarily be higher than the yield of the covered assets. Under these circumstances, cash from new investors will tend to lower the crediting rate and the Fund's return, and redemptions by existing shareholders will tend to increase the crediting rate and the Fund's return.



Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

The Fund and the wrap contracts purchased by the Fund are designed to pay all participant-initiated transactions at contract value. Participant-initiated transactions are those transactions allowed by the underlying defined contribution plan (typically this would include withdrawals for benefits, loans, or transfers to non-competing funds within the Plan). However, the wrap contracts limit the ability of the Fund to transact at contract value upon the occurrence of certain events. These events include:

- The Plan's failure to qualify under Section 401(a) or Section 401(k) of the IRC.
- The establishment of a defined contribution plan that competes with the Plan for employee contributions.
- Any substantive modification of the Plan or the administration of the Plan that is not consented to by the wrap issuer.
- Complete or partial termination of the Plan.
- Any change in law, regulation or administrative ruling applicable to the Plan that could have a material adverse effect on the Fund's cash flow.
- Merger or consolidation of the Plan with another plan, the transfer of Plan assets to another plan, or the sale, spin-off or merger of a subsidiary or division of the Plan Sponsor.
- Any communication given to participants by the Plan Sponsor or any other Plan fiduciary that is designed to induce or influence participants not to invest in the Fund or to transfer assets out of the Fund.
- Exclusion of a group of previously eligible employees from eligibility in the Plan.
- Any early retirement program, group termination, group layoff, facility closing, or similar program.
  - Any transfer of assets from the Fund directly to a competing option.

At this time, the occurrence of any of these events is not considered probable by IPCO.

## 8. FAIR VALUE MEASUREMENT

Following is a description of the valuation methodologies used for assets measured at fair value:

• **Common stock:** Valued at the closing price reported on the active market on which the individual securities are traded.

• **Mutual funds:** Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

• **Self-directed brokerage account:** Unit valuation based on the published underlying NAV of the mutual funds. These mutual funds are deemed to be actively traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

USGAAP provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under USGAAP are described below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Unobservable inputs based on the Plan's assumptions used to measure assets and liabilities at fair value.

A financial instrument's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2017 and 2016:

| (in thousands)                                 | December<br>31, 2017  | December<br>31, 2016  |
|--|---|---|
| Description                                    | Quoted<br>Prices in<br>Active<br>Markets<br>for<br>Identical<br>Assets<br>(Level 1) | Quoted<br>Prices in<br>Active<br>Markets<br>for<br>Identical<br>Assets<br>(Level 1) |
| Cash   | \$3,960   | \$4,814   |
| Eastman Chemical Company common stock          | 317,561   | 313,985   |
| Mutual funds                                   | 1,915,942   | 1,569,230   |
| Self-directed brokerage account - mutual funds | 38,655  | 32,208  |
| Total  | \$2,276,118   | \$1,920,237   |

There are no redemption restrictions on the mutual fund investments. They are fully liquid and can be redeemed on a daily basis. There were no transfers between levels during 2017 and 2016. Also, there are no Level 2 or Level 3 investments at December 31, 2017 and 2016.

#### 9. OTHER RECEIVABLES AND OTHER LIABILITIES

Other receivables in the amount of \$5.4 million and \$4.7 million at December 31, 2017 and 2016, respectively, represent interest and dividends receivable, as well as receivables from the sale of investments. Other liabilities in the amount of \$3.4 million and \$4.9 million at December 31, 2017 and 2016, respectively, represent liabilities from the purchase of investments.

#### 10. DIVERSIFICATION FROM ESOP FUND

A participant may direct that all or any portion of his ESOP Fund account be transferred to other funds in the Plan without restrictions. During 2017 and 2016, \$14.1 million and \$10.8 million, respectively, were transferred from the ESOP Fund within the Plan in connection with this program.

Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

#### 11. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of termination, participant accounts will be distributed to individual participants in accordance with the Plan document and ERISA provisions.

#### 12. FEDERAL INCOME TAX STATUS

The Plan obtained its latest determination letter in May 2015, in which the Internal Revenue Service ("IRS") stated that the Plan is in compliance with the applicable requirements of the IRC. No provision for income taxes has been included in the Plan's financial statements.

USGAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions by the Plan, and has concluded that as of December 31, 2017 and 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

#### 13. PLAN EXPENSES

Reasonable expenses of administering the Plan, unless paid by the Company, shall be paid by the Plan. For both 2017 and 2016, trustee fees associated with the Eastman Stock Fund and the Eastman ESOP Fund were paid with assets of those individual funds. Brokerage fees, transfer taxes, investment fees and other expenses incidental to the purchase and sale of securities and investments shall be included in the cost of such securities or investments or deducted from the sales proceeds. Administration fees for notes receivable from participants are deducted quarterly from the accounts of participants with outstanding notes receivable balances. Origination fees from notes receivable from participants are deducted from the participant's account at the inception of the note receivable. As of April 2016, the EIP fee methodology was changed to improve fee transparency. The methodology was changed from a revenue sharing model to a flat-dollar payment model. The flat-dollar payment is charged quarterly to the participant account and covers administrative fees including recordkeeping, legal, and consulting. Investment related fees are charged directly to the participant account via the investment NAV.

#### 14. RELATED PARTIES

Certain Plan investments are shares of mutual funds managed by the Trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions, which are exempt from prohibited transaction rules. The Plan also invests in the common stock of the Plan Sponsor as well as notes receivable from Plan participants, both of which qualify as parties-in-interest to the Plan and are exempt from prohibited transaction rules (see Note 6).

Eastman Investment and Employee Stock Ownership Plan  
Notes to Financial Statements

15. PLAN TRANSFERS

Effective December 5, 2014, Eastman acquired Taminco Corporation. The Taminco US Inc. 401(k) Plan was originally established effective December 1, 2006 and effective January 4, 2016 the assets were merged into the Plan.

16. SUBSEQUENT EVENTS

The Plan Administrator has evaluated events occurring between December 31, 2017 and June 20, 2018 for proper recording and disclosure in these financial statements.

Supplemental Schedule

16

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Eastman Investment and Employee Stock Ownership Plan  
 Schedule H, Line 4 (i) - Schedule of Assets (Held at End of Year)  
 December 31, 2017  
 (in thousands)

| (b)   | (c)   | (d)             | (e)           |
|---|---|-----------------|---------------|
| (a) Identity of issue, borrower, lessor, or similar party | Description of investment, including maturity date, rate of interest, collateral, par or maturity value | Historical Cost | Current Value |
| * Eastman Chemical Company                                | Common Stock, Participant directed, 1,298 shares  | **              | \$ 120,221    |
| * Eastman Chemical Company                                | Common Stock, Non-Participant directed, 2,130 shares  | 89,198          | 197,340       |
| Subtotal - Common Stock                                   |   |                 | 317,561       |
| * Fidelity Management Trust Company                       | Interest Bearing Cash, Participant directed   | **              | 2,254         |
| * Fidelity Management Trust Company                       | Interest Bearing Cash, Non-Participant directed   | 1,706           | 1,706         |
| Subtotal - Cash   |   |                 | 3,960         |
| DFA US SMALL CAP I  | Registered Investment Company 1,363 shares  | **              | 48,968        |
| * FID GOVT MMKT   | Registered Investment Company 407 shares  | **              | 407           |
| * FID EXT MKT IDX PR                                      | Registered Investment Company 833 shares  | **              | 51,663        |
| * FID MAGELLAN K  | Registered Investment Company 1,115 shares  | **              | 116,367       |
| * FID PURITAN K   | Registered Investment Company 5,584 shares  | **              | 130,715       |
| * FID US BOND INDX PR                                     | Registered Investment Company 1,824 shares  | **              | 21,138        |
| * FID 500 INDEX INST                                      | Registered Investment Company 1,897 shares  | **              | 177,308       |
| * FID GLB XUS INDX INS                                    | Registered Investment Company 1,688 shares  | **              | 22,853        |
| * FID CONTRAFUND POOL                                     | Registered Investment Company 11,581 shares   | **              | 184,946       |
| * FID INTL DSCVRY POOL                                    | Registered Investment Company 4,363 shares  | **              | 57,378        |
| * FID BLUE CHIP GR POOL                                   | Registered Investment Company 7,068 shares  | **              | 98,106        |
| PIM TOTAL RT INST   | Registered Investment Company 9,561 shares  | **              | 98,188        |
| TIFI TEMPL EMG MKTS                                       | Registered Investment Company 2,580 shares  | **              | 15,637        |
| TEMPLETON FOREIGN R6                                      | Registered Investment Company 2,910 shares  | **              | 23,104        |
| NB GENESIS R6   | Registered Investment Company 1,209 shares  | **              | 69,460        |
| FKLN SMMIDCP GRTH R6                                      | Registered Investment Company 1,233 shares  | **              | 48,105        |
| JPM EQUITY INCOME R6                                      | Registered Investment Company 3,416 shares  | **              | 59,444        |
| PRUD INCFLEX SEL LT GROWTH                                | Registered Investment Company 68 shares   | **              | 1,187         |
| PRUD INCFLEX SEL LT BALANCED                              | Registered Investment Company 72 shares   | **              | 1,251         |
| PRUD INCFLEX SEL LT INC & EQU                             | Registered Investment Company 1 shares  | **              | 9             |
| PRUD INCFLEX SEL LT CONSER GRO                            | Registered Investment Company 14 shares   | **              | 226           |
| PRUD INCFLEX SEL LT INC & EQU                             | Registered Investment Company 26 shares   | **              | 394           |
| PRUD INCFLEX SEL LT AGG GRO                               | Registered Investment Company 7 shares  | **              | 118           |
| PRUD INCFLEX SEL LT GROWTH                                | Registered Investment Company 7 shares  | **              | 115           |
| PRUD INCFLEX SEL LT BALANCED                              | Registered Investment Company 7 shares  | **              | 114           |
| VANGUARD TARGET INC                                       | Registered Investment Company 593 shares  | **              | 30,382        |
| VANGUARD TARGET 2015                                      | Registered Investment Company 402 shares  | **              | 20,633        |

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|                        |  |    |           |
|------------------------|--|----|-----------|
| VANGUARD TARGET 2020   | Registered Investment Company 2,284 shares | ** | 121,147   |
| VANGUARD TARGET 2025   | Registered Investment Company 2,324 shares | ** | 124,041   |
| VANGUARD TARGET 2030   | Registered Investment Company 2,501 shares | ** | 134,465   |
| VANGUARD TARGET 2035   | Registered Investment Company 1,258 shares | ** | 69,072    |
| VANGUARD TARGET 2040   | Registered Investment Company 1,174 shares | ** | 66,520    |
| VANGUARD TARGET 2045   | Registered Investment Company 735 shares   | ** | 41,812    |
| VANGUARD TARGET 2050   | Registered Investment Company 987 shares   | ** | 56,402    |
| VANGUARD TARGET 2055   | Registered Investment Company 255 shares   | ** | 17,773    |
| VANGUARD TARGET 2060   | Registered Investment Company 177 shares   | ** | 6,494     |
| Sub-total Mutual Funds |  |    | 1,915,942 |



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Eastman Investment and Employee Stock Ownership Plan  
 Schedule H, Line 4 (i) - Schedule of Assets (Held at End of Year)  
 December 31, 2017  
 (in thousands)

| (b)   | (c)   | (d)             | (e)           |
|---|---|-----------------|---------------|
| (a) Identity of issue, borrower, lessor, or similar party | Description of investment, including maturity date, rate of interest, collateral, par or maturity value | Historical Cost | Current Value |
| * Fidelity  | Cash  | **              | 1,279         |
| AT&T INC 3% 2/15/22                                       | Corporate Bond 3.0% 2/15/22   | **              | 740           |
| AT&T INC 2.45% 06/30/20                                   | Corporate Bond 2.45% 06/30/20   | **              | 1,100         |
| AT&T INC 2.8% 02/17/21                                    | Corporate Bond 2.8% 02/17/21  | **              | 741           |
| ABBOTT LAB 2.35% 11/30/19                                 | Corporate Bond 2.35% 11/30/19   | **              | 1,399         |
| ABBVIE INC 2.5% 05/14/20                                  | Corporate Bond 2.5% 05/14/20  | **              | 579           |
| ACE INA HOLDING 2.3% 11/03/20                             | Corporate Bond 2.3% 11/03/20  | **              | 1,039         |
| ACTAVIS FUNDING SCS 3% 3/12/20                            | Corporate Bond 3% 3/12/20   | **              | 2,035         |
| AIR LEASE CORP 2.625% 07/01/22                            | Corporate Bond 2.625% 07/01/22  | **              | 1,222         |
| AMOT 2017-3 A 2.04% 6/22                                  | Mortgage Back Security 2017-3 A 2.04% 6/22  | **              | 1,239         |
| ALLYA 2015-1 A3 1.39% 09/19                               | Mortgage Back Security 2015-1 A3 1.39% 09/19  | **              | 341           |
| ALLYA 2017-1 A3 1.7% 02/21                                | Mortgage Back Security 2017-1 A3 1.7% 02/21   | **              | 1,333         |
| AMERICAN CAMPUS 3.35% 10/01/20                            | Corporate Bond 3.35% 10/01/20   | **              | 563           |
| AMERICAN EX CRD 2.125% 3/18/19                            | Corporate Bond 2.125% 3/18/19   | **              | 875           |
| AMERICAN EXPRESS 2.6% 09/14/20                            | Corporate Bond 2.6% 09/14/20  | **              | 1,317         |
| AMERICAN EXPRESS 2.25% 5/05/21                            | Corporate Bond 2.25% 5/05/21  | **              | 1,125         |
| AMXCA 2017-3 A 1.77% 11/22                                | Mortgage Back Security 2017-3 A 1.7% 11/22  | **              | 1,744         |
| AMXCA 2017-6 A 2.04% 05/23                                | Mortgage Back Security 2017-6 A 2.04% 05/23   | **              | 1,431         |
| AMXCA 2017-1 A 1.93% 09/22                                | Mortgage Back Security 2017-1 A 1.93% 09/22   | **              | 2,460         |
| AMERICAN GENERAL LIFE                                     | Synthetic GIC - 2.0490% (fair value to contract value)  | **              | 23            |
| AMERICAN HONDA 1.7% 02/22/19                              | Corporate Bond 1.7% 02/22/19  | **              | 726           |
| AMERICAN HONDA 1.2% 07/12/19                              | Corporate Bond 1.2% 07/12/19  | **              | 283           |
| AMERICAN HONDA FIN 1.7% 9/9/21                            | Corporate Bond 1.7% 9/9/21  | **              | 1,255         |
| AMERICAN INTL GROUP 2.3% 7/19                             | Corporate Bond 2.3% 7/19  | **              | 394           |
| AMERICAN INTL GRP 3.3% 3/01/21                            | Corporate Bond 3.3% 3/01/21   | **              | 384           |
| AMGEN INC 2.125% 05/01/2020                               | Corporate Bond 2.125% 05/01/2020  | **              | 774           |
| AMPHENOL CORP 3.125% 09/15/21                             | Corporate Bond 3.125% 09/15/21  | **              | 258           |
| AMPHENOL CORP NEW 3.2% 4/1/24                             | Corporate Bond 3.2% 04/01/24  | **              | 303           |
| AB INBEV FIN 2.15% 2/1/19                                 | Corporate Bond 2.15% 2/1/19   | **              | 838           |
|   | Corporate Bond 1.9% 2/01/19   | **              | 1,760         |

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|                                    |   |    |  |       |
|------------------------------------|---|----|--|-------|
| ANHUESER-BUSCH IN 1.9%<br>2/01/19  |   |    |  |       |
| ANHUESER-BUSCH 2.65%<br>2/01/21    | Corporate Bond 2.65% 2/01/21                  | ** |  | 1,522 |
| ANHUESER-BUSCH IN 3.3%<br>2/01/23  | Corporate Bond 3.3% 2/01/23                   | ** |  | 1,674 |
| ANTHEM INC 2.95% 12/01/22          | Corporate Bond 2.95% 12/01/22                 | ** |  | 1,148 |
| ASIAN DEV BK YANK5.593<br>7/16/18  | Corporate Bond 5.593% 7/16/18                 | ** |  | 78    |
| AUST & NZ BKG NY 2.25%<br>6/13/19  | Corporate Bond 2.25% 6/13/19                  | ** |  | 1,253 |
| AUS & NZ BKG 2.125% 8/19/20        | Corporate Bond 2.125% 8/19/20                 | ** |  | 1,106 |
| AVALONBAY COMM 3.625%<br>10/1/20   | Corporate Bond 3.625% 10/1/20                 | ** |  | 420   |
| BACCT 2017-A1 A1 1.95% 08/22       | Mortgage Back Security 2017-A1 A1 1.95% 08/22 | ** |  | 2,166 |
| BACCT 2017-A2 A2 1.84% 01/23       | Mortgage Back Security 2017-A2 A2 1.84% 01/23 | ** |  | 1,941 |
| BAE SYSTEMS 2.85% 12/15/20         | Corporate Bond 2.85% 12/15/20                 | ** |  | 1,428 |
| BAT INTL FIN 2.75% 6/20 144A       | Corporate Bond 2.75% 6/20 144A                | ** |  | 1,469 |
| BAT INTL FIN 3.5% 6/22 144A        | Corporate Bond 3.5% 6/22 144A                 | ** |  | 1,127 |
| BMW US 2.7% 04/06/22 144A          | Corporate Bond 2.7% 04/06/22 144A             | ** |  | 1,838 |
| BPCM 1.375% 5/10/18                | Corporate Bond 1.375% 5/10/18                 | ** |  | 770   |
| BP CAPITAL MKT PLC 2.315%<br>02/20 | Corporate Bond 2.315% 02/20                   | ** |  | 910   |
| BP CAPITAL MKTS 1.676% 5/3/19      | Corporate Bond 1.676% 5/3/19                  | ** |  | 359   |
| BNP PARIBA 2.45% 03/17/19          | Corporate Bond 2.45% 03/17/19                 | ** |  | 870   |
| BPCE SA 2.5% 7/15/19               | Corporate Bond 2.5% 7/15/19                   | ** |  | 832   |
| BMWOT 2016-A A3 1.16% 07/20        | Mortgage Back Security 2016-A A3 1.16% 07/20  | ** |  | 936   |
| BMWLT 2017-2 A3 2.07% 10/20        | Mortgage Back Security 2017-2 A3 2.07% 10/20  | ** |  | 847   |
| BANK AMER 5.65% 5/01/18            | Corporate Bond 5.65% 5/01/18                  | ** |  | 751   |

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Eastman Investment and Employee Stock Ownership Plan  
 Schedule H, Line 4 (i) - Schedule of Assets (Held at End of Year)  
 December 31, 2017  
 (in thousands)

| (b)<br>(a) Identity of issue, borrower, lessor, or similar party | (c)<br>Description of investment, including maturity date, rate of interest, collateral, par or maturity value | (d)<br>Historical Cost | (e)<br>Current Value |
|--|--|------------------------|----------------------|
| BANK AMER FDG CRP 2.6%<br>1/15/19                                | Corporate Bond 2.6% 1/15/19  | **                     | 451                  |
| BANK AMERICA CORP 2.65%<br>4/1/19                                | Corporate Bond 2.65% 4/1/19  | **                     | 1,945                |
| BANK OF AMER 2.625%<br>10/19/20                                  | Corporate Bond 2.625% 10/19/20   | **                     | 1,308                |
| BANK OF AMERICA 2.625%<br>4/19/21                                | Corporate Bond 2.625% 4/19/21  | **                     | 359                  |
| BOA 3.004% /VAR 12/20/23<br>144A                                 | Corporate Bond 3.004%/VAR 12/20/23 144A  | **                     | 2,652                |
| BACM 2016-UB10 A2 2.723%<br>06/49                                | Mortgage Back Security 2.723% 06/49  | **                     | 952                  |
| BANK NOVA SCOTIA 2.8%<br>07/21/21                                | Corporate Bond 2.8% 07/21/21   | **                     | 838                  |
| BNK OF NOVA SCOTIA 2.7%<br>3/7/22                                | Corporate Bond 2.7% 3/7/22   | **                     | 1,815                |
| BANK T-M UFJ 2.35% 9/8/19<br>144A                                | Corporate Bond 2.35% 9/8/19 144A   | **                     | 766                  |
| BANK TOKYO-MSB 2.3% 03/20<br>144A                                | Corporate Bond 2.3% 03/20 144A   | **                     | 723                  |
| BARCLAYS PLC 2.75% 11/8/19                                       | Corporate Bond 2.75% 11/8/19   | **                     | 1,844                |
| BARCLAYS PLC 2.875% 06/20  | Corporate Bond 2.875% 06/20  | **                     | 804                  |
| BARCLAYS PLC 3.25%<br>01/12/21                                   | Corporate Bond 3.25% 01/12/21  | **                     | 814                  |
| BAXALTA INC 2.875% 06/23/20                                      | Corporate Bond 2.875% 06/23/20   | **                     | 307                  |
| BECTON DICKINSON 2.675%<br>12/19                                 | Corporate Bond 2.675% 12/19  | **                     | 206                  |
| BERKSHIRE HATH 2.2%<br>3/15/21                                   | Corporate Bond 2.2% 3/15/21  | **                     | 738                  |
| BERKSHIRE HATH 2.75%<br>3/15/23                                  | Corporate Bond 2.75% 3/15/23   | **                     | 720                  |
| BOSTON PT LTD MTN 5.875%<br>10/19                                | Corporate Bond 5.875% 10/19  | **                     | 453                  |
| BRITISH TELECOM PLC 2.35%<br>2/19                                | Corporate Bond 2.35% 2/19  | **                     | 1,101                |
| COMM 14-UBS6 ASB 3.387%<br>12/47                                 | Mortgage Back Security 3.387% 12/47  | **                     | 416                  |
| COMM 2015-CR22 A2 2.856%<br>03/48                                | Mortgage Back Security 2.856% 03/48  | **                     | 492                  |
| COMM 15-CR23 ASB 3.257%<br>05/48                                 | Mortgage Back Security 3.257% 05/48  | **                     | 566                  |
| COMM 15-CR26 ASB 3.373%<br>10/48                                 | Mortgage Back Security 3.373% 10/48  | **                     | 474                  |

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|                                    |   |    |       |
|------------------------------------|---|----|-------|
| CSMC 16-NXSR A1 1.9708%<br>12/49   | Mortgage Back Security 1.9708% 12/49            | ** | 401   |
| CSAIL 2017-CX9 A2 2.884%<br>09/50  | Mortgage Back Security 2.884% 09/50             | ** | 1,332 |
| COMM 2012-LC4 A4 3.288%<br>12/44   | Mortgage Back Security 3.288% 12/44             | ** | 1,967 |
| COMM 2010-C1 A3 4.205 7/46         | Mortgage Back Security 4.205% 7/46              | ** | 2,503 |
| COMM 2012-CR3 ASB 2.372%<br>11/45  | Mortgage Back Security 2.372% 11/45             | ** | 1,007 |
| COMM 2012-CR3 A3 2.822%<br>10/45   | Mortgage Back Security 2.822% 10/45             | ** | 896   |
| COMM 2013-CR6 A4 3.101%<br>03/46   | Mortgage Back Security 3.101% 03/46             | ** | 1,032 |
| COMM 2013-CR7 A4 3.213%<br>03/46   | Mortgage Back Security 3.213% 03/46             | ** | 1,435 |
| COMM 2013-CR8 A5 3.612%<br>06/46   | Mortgage Back Security 3.612% 06/46             | ** | 645   |
| COMM 2014-CR17 A2 3.012%<br>05/47  | Mortgage Back Security 3.012% 05/47             | ** | 1,205 |
| COMM 2014-CR18 A2 2.924%<br>07/47  | Mortgage Back Security 2.924% 07/47             | ** | 927   |
| CSAIL 2015-C2 ASB 3.2241%<br>06/57 | Mortgage Back Security 3.2241% 06/57            | ** | 480   |
| CSAIL 2016-C7 A1 1.5786%<br>11/49  | Mortgage Back Security 1.5786% 11/49            | ** | 593   |
| CVS HEALTH CORP 2.8%<br>07/20/20   | Corporate Bond 2.8% 07/20/20                    | ** | 682   |
| CANADIAN IMP BANK 2.55%<br>6/22    | Corporate Bond 2.55% 6/22                       | ** | 1,298 |
| CAN NATURAL RES 3.45%<br>11/15/21  | Corporate Bond 3.45% 11/15/21                   | ** | 1,157 |
| CPART 17-1A A3 2.05% 03/21         | Mortgage Back Security 2.05% 03/21              | ** | 1,000 |
| CAPITAL ONE FIN 2.45%<br>04/24/19  | Corporate Bond 2.45% 04/24/19                   | ** | 695   |
| COMET 2015-A2 A2 2.08%<br>03/23    | Mortgage Back Security 2015-A2 A2 2.08% 03/23   | ** | 2,293 |
| COMET 2015-A8 A8 2.05%<br>08/23    | Mortgage Back Security 2015/A8 A8 2.05% 08/23   | ** | 1,194 |
| COMET 2016-A3 A3 1.34%<br>04/22    | Mortgage Back Security 2016-A3 A3 1.34% 04/22   | ** | 2,699 |
| COMET 2016-A4 A4 1.33%<br>6/15/22  | Mortgage Back Security 2016-A4 A4 1.33% 6/15/22 | ** | 1,386 |
| COMET 2017-A3 A3                   | Mortgage Back Security 2017-A3 A3 2% 1/23       | ** | 1,758 |
| COMET 2017-A4 A4 1.99%<br>07/23    | Mortgage Back Security 2017-A4 A4 1.99% 07/23   | ** | 1,715 |
| CAPITAL ONE BK 2.25%<br>2/13/19    | Corporate Bond 2.25% 2/13/19                    | ** | 1,634 |
| CARMX 16-4 A3 1.4% 08/21           | Mortgage Back Security 1.4% 08/21               | ** | 1,499 |
| CARMX 2014-4 A3 1.25% 11/19        | Mortgage Back Security 1.25% 11/19              | ** | 146   |



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 December 31, 2017  
 (in thousands)

| (b)<br>(a) Identity of issue, borrower, lessor, or similar party | (c)<br>Description of investment, including maturity date, rate of interest, collateral, par or maturity value | (d)<br>Historical Cost | (e)<br>Current Value |
|--|--|------------------------|----------------------|
| CARMX 2015-3 A3 1.63% 06/20                                      | Mortgage Back Security 1.63% 06/20   | **                     | 477                  |
| CARMX 2015-1 A3 1.38% 11/19                                      | Mortgage Back Security 1.38% 11/19   | **                     | 225                  |
| CARMX 2016-2 A3 1.52% 02/21                                      | Mortgage Back Security 1.52% 02/21   | **                     | 743                  |
| CARMX 2017-4 A3 2.15% 10/22                                      | Mortgage Back Security 2.15% 10/22   | **                     | 715                  |
| CARMX 2017-3 A3 1.97% 04/22                                      | Mortgage Back Security 1.97% 04/22   | **                     | 679                  |
| CATERPILLAR FINL 2.1%<br>01/10/20                                | Corporate Bond 2.1% 01/10/20   | **                     | 1,247                |
| CENTERPOINT ENE 2.50%<br>09/01/22                                | Corporate Bond 2.50% 09/01/22  | **                     | 381                  |
| CHAIT 2015-A2 A2 1.59% 02/20                                     | Mortgage Back Security 2015-A2 A2 1.59% 02/20  | **                     | 5                    |
| CHAIT 2015-A4 A4 1.84% 04/22                                     | Mortgage Back Security 2015-A4 A4 1.84% 04/22  | **                     | 1,798                |
| CHAIT 2016-A2 A 1.37% 06/15/21                                   | Mortgage Back Security 2016-A2 A 1.37% 06/15/21  | **                     | 1,829                |
| CHAIT 2016-A5 A5 1.27% 07/21                                     | Mortgage Back Security 2016-A5 A5 1.27% 07/21  | **                     | 2,792                |
| CHEVRON PHIL 2.45% 5/1/20<br>144A                                | Corporate Bond 2.45% 5/1/20 144A   | **                     | 677                  |
| CHEVRON CORP 2.193% 11/15/19                                     | Corporate Bond 2.193% 11/15/19   | **                     | 65                   |
| CHEVRON CORP NEW 1.961%<br>03/20                                 | Corporate Bond 1.961% 03/20  | **                     | 1,338                |
| CISCO SYSTEMS 2.45% 6/15/20                                      | Corporate Bond 2.45% 6/15/20   | **                     | 735                  |
| CGCMT 2016-P6 A1 1.884% 12/49                                    | Mortgage Back Security 2016-P6 A1 1.884% 12/49   | **                     | 206                  |
| CITIGROUP INC 2.55% 04/08/19                                     | Corporate Bond 2.55% 04/08/19  | **                     | 4,259                |
| CITIGROUP INC 2.5% 7/29/19                                       | Corporate Bond 2.5% 7/29/19  | **                     | 1,834                |
| CITIGROUP INC 2.75% 4/25/2022                                    | Corporate Bond 2.75% 4/25/2022   | **                     | 1,320                |
| CITIGROUP 2.7% 10/27/2022  | Corporate Bond 2.7% 10/27/2022   | **                     | 199                  |
| CCCIT 2014-A6 A6 2.15% 07/21                                     | Mortgage Back Security 2014-A6 A6 2.15% 07/21  | **                     | 4,225                |
| CCCIT 2016-A1 A1 0% 11/21  | Mortgage Back Security 2016-A1 A1 0% 11/21   | **                     | 2,263                |
| CCCIT 2017-A3 A3 1.92% 04/22                                     | Mortgage Back Security 2017-A3 A3 1.92% 04/22  | **                     | 1,961                |
| CCCIT 2017-A8 A8 1.86% 8/8/22                                    | Mortgage Back Security 2017-A8 A8 1.86% 8/8/22   | **                     | 1,737                |
| CCCIT 2017-A9 A9 1.8% 09/21                                      | Mortgage Back Security 2017-A9 A9 1.8% 09/21   | **                     | 1,720                |
| CGCMT 2012-GC8 A4 3.024% 9/45                                    | Mortgage Back Security 2012-GC8 A4 3.024% 9/45   | **                     | 889                  |
| CGCMT 13-GC11 A4 3.093% 04/46                                    | Mortgage Back Security 13-GC11 A4 3.093% 04/46   | **                     | 235                  |
| CGCMT 2017-P7 A2 3.199% 04/50                                    | Mortgage Back Security 2017-P7 A2 3.199% 04/50   | **                     | 817                  |
| CITIZENS BK MTN 2.45%<br>12/04/19                                | Corporate Bond 2.45% 12/04/19  | **                     | 1,179                |
| CITIZENS BANK NA 2.5%<br>03/14/19                                | Corporate Bond 2.5% 03/14/19   | **                     | 438                  |
| CITIZENS BANK NA 2.55%<br>5/13/21                                | Corporate Bond 2.55% 5/13/21   | **                     | 1,179                |
| CITIZENS BANK NA 2.65%<br>5/26/22                                | Corporate Bond 2.65% 5/26/22   | **                     | 854                  |
| CITIZENS BK MTN 2.25%<br>10/30/20                                | Corporate Bond 2.25% 10/30/20  | **                     | 867                  |
| CITIZENS FINCL 2.375% 7/28/21                                    | Corporate Bond 2.375% 7/28/21  | **                     | 127                  |

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|                                   |   |    |       |
|-----------------------------------|---|----|-------|
| COMCAST CORP 1.625% 01/15/22      | Corporate Bond 1.625% 01/15/22                  | ** | 2,216 |
| COMERICA INC 2.125% 05/23/19      | Corporate Bond 2.125% 05/23/19                  | ** | 496   |
| COMMONWEALTH NY 2.25%<br>03/13/19 | Corporate Bond 2.25% 03/13/19                   | ** | 1,709 |
| COMMONWEALTH BK NY 2.3%<br>9/6/19 | Corporate Bond 2.3% 9/6/19                      | ** | 1,160 |
| COMMWLTH BK ASTL NYB<br>2.3% 3/20 | Corporate Bond 2.3% 3/20                        | ** | 715   |
| COMPASS BANK 2.875% 6/29/22       | Corporate Bond 2.875% 06/29/22                  | ** | 940   |
| CONOCOPHILLIP CO 2.2%<br>05/15/20 | Corporate Bond 2.2% 05/15/20                    | ** | 468   |
| CONSOLIDATED EDISON 2%<br>3/15/20 | Corporate Bond 2% 3/15/20                       | ** | 468   |
| RABOBANK NY BRH 1.375%<br>8/9/19  | Corporate Bond 1.375% 8/9/19                    | ** | 446   |
| CREDIT SUISSE 3.125% 12/20        | Corporate Bond 3.125% 12/20                     | ** | 254   |
| CREDIT SUISSE GG 3.45%<br>4/16/21 | Corporate Bond 3.45% 4/16/21                    | ** | 1,123 |
| CREDIT SUISSE NY 2.3% 5/19        | Corporate Bond 2.3% 5/19                        | ** | 1,645 |
| CREDIT SUISSE NY 3% 10/29/21      | Corporate Bond 3% 10/29/21                      | ** | 772   |
| DBUBS 2011-LC2A A4 4.537%<br>7/44 | Mortgage Back Security 2011-LC2A A4 4.537% 7/44 | ** | 1,351 |
| DAIMLER FIN NA 2.25% 9/19<br>144A | Corporate Bond 2.25% 9/19 144A                  | ** | 1,687 |
| DAIMLER FIN 2.25% 3/20 144A       | Corporate Bond 2.25% 3/20 144A                  | ** | 1,628 |

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Eastman Investment and Employee Stock Ownership Plan  
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| DAIMLER FIN 2.85% 1/6/22 144A                                    | Corporate Bond 2.85% 1/6/22 144A   | **                     | 1,060                |
| DAIMLER FIN 2.3% 2/12/21 144A                                    | Corporate Bond 2.3% 2/12/21 144A   | **                     | 1,691                |
| DANAHER CORP 2.4% 09/15/20                                       | Corporate Bond 2.4% 09/15/20   | **                     | 258                  |
| DEUTSCHE BANK AG 2.5% 2/13/19                                    | Corporate Bond 2.5% 2/13/19  | **                     | 2,523                |
| DIAMOND 1 FI 3.48% 6/1/19 144A                                   | Corporate Bond 3.48% 6/1/19 144A   | **                     | 1,533                |
| DIGITAL REALTY 3.95% 07/01/22                                    | Corporate Bond 3.95% 07/01/22  | **                     | 523                  |
| DIGITAL REALTY 2.75% 2/1/23                                      | Corporate Bond 2.75% 2/1/23  | **                     | 637                  |
| DIGNITY HEALTH 2.637% 11/1/19                                    | Corporate Bond 2.637% 11/1/19  | **                     | 201                  |
| DISCOVER BK 2% 02/21/18  | Corporate Bond 2% 02/21/18   | **                     | 2,015                |
| DISCOVER BKNT NEW 3.2% 8/9/21                                    | Corporate Bond 3.2% 8/9/21   | **                     | 257                  |
| DISCOVER BANK 3.1% 06/20   | Corporate Bond 3.1% 06/20  | **                     | 794                  |
| DISCOVER BANK 2.6% 11/13/18                                      | Corporate Bond 2.6% 11/13/18   | **                     | 735                  |
| DCENT 2012-A6 A6 1.67% 01/22                                     | Mortgage Back Security 2012-A6 A6 1.67% 01/22  | **                     | 3,173                |
| DCENT 2014-A4 A4 2.12% 12/21                                     | Mortgage Back Security 2014-A4 A4 2.12% 12/21  | **                     | 1,596                |
| DCENT 2015-A2 A 1.90% 10/22                                      | Mortgage Back Security 2015-A2 A 1.90% 10/22   | **                     | 1,257                |
| DCENT 2016-A3 A3 1.85% 10/23                                     | Mortgage Back Security 2016-A3 A3 1.85% 10/23  | **                     | 1,203                |
| DCENT 2016-A4 A4 1.39% 3/22                                      | Mortgage Back Security 2016-A4 A4 1.39% 3/22   | **                     | 1,759                |
| DCENT 2017-A6 A6 1.88% 2/15/23                                   | Mortgage Back Security 2017-A6 A6 1.88% 2/15/23  | **                     | 1,285                |
| DOMINION GAS HLDGS 2.5% 12/19                                    | Corporate Bond 2.5% 12/19  | **                     | 261                  |
| DOMINION RESOURCE 2% 8/15/21                                     | Corporate Bond 2% 8/15/21  | **                     | 249                  |
| DUKE ENERGY 1.8% 9/1/21  | Corporate Bond 1.8% 9/1/21   | **                     | 392                  |
| DUKE ENERGY FL 1.196% 3/1/20                                     | Mortgage Back Security 1.196% 3/1/20   | **                     | 219                  |
| ERP OPERATING LP 2.375% 7/19                                     | Corporate Bond 2.375% 7/19   | **                     | 552                  |
| ERP OPERATING LP 3.375% 6/1/25                                   | Corporate Bond 3.375% 6/1/25   | **                     | 757                  |
| EDISON INTRNL 2.95% 03/15/23                                     | Corporate Bond 2.95% 03/15/23  | **                     | 278                  |
| EMERA US FI 2.15% 6/15/19  | Corporate Bond 2.15% 6/15/19   | **                     | 190                  |
| ENTERPRISE PRD 2.55% 10/15/19                                    | Corporate Bond 2.55% 10/15/19  | **                     | 158                  |



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|                                   |                                      |    |       |
|-----------------------------------|--------------------------------------|----|-------|
| ENTERPRISE PROD 2.85%<br>4/15/21  | Corporate Bond 2.85% 4/15/21         | ** | 587   |
| CGCMT 2016-P4 A2 2.446%<br>07/49  | Mortgage Back Security 2.446% 07/49  | ** | 330   |
| EVERSOURCE ENERGY 2.5%<br>3/15/21 | Corporate Bond 2.5% 3/15/21          | ** | 337   |
| EVERSOURCE ENERGY 2.8%<br>3/15/22 | Corporate Bond 2.8% 3/15/22          | ** | 1,212 |
| EXELON CORP 2.85% 6/15/20         | Corporate Bond 2.85% 6/15/20         | ** | 1,753 |
| EXELON CORP VAR<br>06/01/2022     | Corporate Bond VAR 06/01/2022        | ** | 792   |
| EXXON MOBIL CORP 2.726%<br>3/1/23 | Corporate Bond 2.726% 3/1/23         | ** | 1,129 |
| FHLG 15YR 4.50% 8/18 #E98688      | Government Bond 4.50% 8/18 #E98688   | ** | 14    |
| FHLG 15YR 4.50% 9/18 #E99205      | Government Bond 4.50% 9/18 #E99205   | ** | 7     |
| FHLG 15YR 4.50% 10/18<br>#E99833  | Government Bond 4.50% 10/18 #E99833  | ** | 8     |
| FHLM ARM 3.53% 4/40<br>#1B4657    | Government Bond 3.53% 4/40 #1B4657   | ** | 53    |
| FHLM ARM 3.58% 4/40<br>#1B4702    | Government Bond 3.58% 4/40 #1B4702   | ** | 58    |
| FHLG 15YR 5.00% 4/20<br>#G13598   | Government Bond 5.00% 4/20 #G13598   | ** | 30    |
| FHLG 15YR 3.5% 08/30#G15273       | Government Bond 3.5% 08/30#G15273    | ** | 1,140 |
| FHLG 25YR 5.50% 7/35<br>#G05815   | Government Bond 5.50% 7/35 #G05815   | ** | 83    |
| FHLM ARM 4.941% 11/35<br>#1J1228  | Government Bond 4.941% 11/35 #1J1228 | ** | 39    |
| FHLG 20YR 3.5% 06/32#C91456       | Government Bond 3.5% 06/32#C91456    | ** | 1,590 |
| FHLM ARM 3.717%<br>05/41#1B8124   | Government Bond 3.717% 05/41#1B8124  | ** | 52    |
| FHLM ARM 3.224%<br>4/41#1B8179    | Government Bond 3.224% 4/41#1B8179   | ** | 36    |
| FHLM ARM 3.464%<br>5/1/41#1B8304  | Government Bond 3.464% 5/1/41#1B8304 | ** | 37    |
| FHLM ARM 3.627%<br>6/1/41#1B8372  | Government Bond 3.627% 6/1/41#1B8372 | ** | 47    |
| FHLM ARM 3.283 6/1/41             | Government Bond 3.283 6/1/41         | ** | 38    |
| FHLM ARM 2.98% 8/41<br>#1B8533    | Government Bond 2.98% 8/41 #1B8533   | ** | 76    |

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| FHLM ARM 3.07% 9/41 #1B8608                                      | Government Bond 3.07% 9/41 #1B8608   | **                     | 44                   |
| FHLM ARM 3.242% 9/1/41#1B8659                                    | Government Bond 3.242% 9/1/41#1B8659   | **                     | 36                   |
| FHLG 5.50% 3/34 #G01665  | Government Bond 5.50% 3/34 #G01665   | **                     | 121                  |
| FHLG 15YR 4.00% 9/25 #E02787                                     | Government Bond 4.00% 9/25 #E02787   | **                     | 224                  |
| FHLG 15YR 4.00% 4/26 #E02867                                     | Government Bond 4.00% 4/26 #E02867   | **                     | 121                  |
| FHLG 15YR 4.50% 11/18 #B10931                                    | Government Bond 4.50% 11/18 #B10931  | **                     | 6                    |
| FHLB 0.875% 08/05/19   | Government Bond 0.875% 08/05/19  | **                     | 1,160                |
| FHLM ARM 4.199% 8/36 #848185                                     | Government Bond 4.199% 8/36 #848185  | **                     | 79                   |
| FHLM AR 12M+187.9 10/42#849255                                   | Government Bond 12M+187.9 10/42#849255   | **                     | 181                  |
| FHLG 15YR 3% 05/29#J29409  | Government Bond 3% 05/29#J29409  | **                     | 2,537                |
| FHLG 5.50% 5/34 #Z40042  | Government Bond 5.50% 5/34 #Z40042   | **                     | 922                  |
| FNMA 1.5% 11/30/20   | Government Bond 1.5% 11/30/20  | **                     | 6,017                |
| FNMA 1% 02/26/19   | Government Bond 1% 02/26/19  | **                     | 6,376                |
| FNMA 0.875% 08/02/19   | Government Bond 0.875% 08/02/19  | **                     | 4,402                |
| FNMA 1.25% 08/17/21  | Government Bond 1.25% 08/17/21   | **                     | 1,144                |
| FNMA 1% 10/24/19   | Government Bond 1% 10/24/19  | **                     | 8,581                |
| FNR 2013-16 GP 3% 03/33  | Mortgage Back Security 2013-16 GP 3% 03/33   | **                     | 816                  |
| FNR 2014-83 P 3% 06/43   | Mortgage Back Security 2014-83 P 3% 06/43  | **                     | 1,245                |
| FNR 2015-32 PA 3% 4/44   | Mortgage Back Security 2015-32 PA 3% 4/44  | **                     | 1,004                |
| FNR 2015-28 P 2.5% 5/45  | Mortgage Back Security 2015-28 P 2.5% 5/45   | **                     | 2,562                |
| FNR 2015-28 JE 3% 05/45  | Mortgage Back Security 2015-28 JE 3% 05/45   | **                     | 1,804                |
| FNR 2015-42 LE 3% 06/45  | Mortgage Back Security 2015-42 LE 3% 06/45   | **                     | 1,657                |
| FNR 2015-49 LE 3% 07/45  | Mortgage Back Security 2015-49 LE 3% 07/45   | **                     | 1,162                |
| FNR 2015-54 GA 2.5% 07/45  | Mortgage Back Security 2015-54 GA 2.5% 07/45   | **                     | 1,415                |
| FNR 2016-19 AH 3% 04/46  | Mortgage Back Security 2016-19 AH 3% 04/46   | **                     | 1,221                |
| FNR 2016-26 CG 3% 05/46  | Mortgage Back Security 2016-26 CG 3% 05/46   | **                     | 3,104                |
| FNR 2016-27 HK 3% 01/41  | Mortgage Back Security 2016-27 HK 3% 01/41   | **                     | 1,600                |
| FNR 2016-27 KG 3% 01/40  | Mortgage Back Security 2016-27 KG 3% 01/40   | **                     | 806                  |
| FNR 2016-37 BK 3% 06/46  | Mortgage Back Security 2016-37 BK 3% 06/46   | **                     | 3,307                |
| FNR 2016-34 GH 3% 06/46  | Mortgage Back Security 2016-34 GH 3% 06/46   | **                     | 3,152                |
| FNR 2016-105 PA 3.5% 4/45  | Mortgage Back Security 2016-105 PA 3.5% 4/45   | **                     | 1,984                |
| FNR 2016-100 P 3.5% 11/44  | Mortgage Back Security 2016-100 P 3.5% 11/44   | **                     | 3,064                |
| FNR 2017-11 HA 3.5% 12/45  | Mortgage Back Security 2017-11 HA 3.5% 12/45   | **                     | 3,111                |
| FNR 2017-20 AP 3.5% 03/45  | Mortgage Back Security 2017-20 AP 3.5% 03/45   | **                     | 3,410                |
| FNR 2017-74 PA 3.5% 11/45  | Mortgage Back Security 2017-74 PA 3.5% 11/45   | **                     | 2,843                |
| FNR 2017-97 P 3% 01/47   | Mortgage Back Security 2017-97 P 3% 01/47  | **                     | 2,052                |
| FHR 4046 LA 3% 11/2026   | Mortgage Back Security 4046 LA 3% 11/2026  | **                     | 568                  |
| FHR 2015-4472 WL 3% 05/45  | Mortgage Back Security 2015-4472 WL 3% 05/45   | **                     | 1,028                |

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|                                  |  |    |       |
|----------------------------------|--|----|-------|
| FHR 4656 PA 3.5% 10/45           | Mortgage Back Security 4656 PA 3.5% 10/45        | ** | 2,063 |
| FHR 4683 EA 2.5% 05/47           | Mortgage Back Security 4683 EA 2.5% 05/47        | ** | 2,808 |
| FHR SER 4221 CLS GA 1.4%<br>7/23 | Mortgage Back Security SER 4221 CLS GA 1.4% 7/23 | ** | 796   |
| FHLMC 1.125% 08/12/21            | Government Bond 1.125% 08/12/21                  | ** | 1,425 |
| * Fidelity Short Term Cash Fund  | Fid Inst Cash Port: MM Fund Class 1 SHS F/N/A    | ** | 7,891 |
| FNMA 5.50% 11/34 #310105         | Government Bond 5.50% 11/34 #310105              | ** | 672   |
| FNMA ARM 3.228%<br>7/41#AI3469   | Government Bond ARM 3.228% 7/41#AI3469           | ** | 49    |
| FNMA ARM 3.01% 8/41<br>#AI4358   | Government Bond ARM 3.01% 8/41 #AI4358           | ** | 15    |
| FNMA ARM 3.545%<br>07/41#AI6050  | Government Bond ARM 3.545% 07/41#AI6050          | ** | 63    |
| FNMA ARM 3.365%<br>10/41#AI6819  | Government Bond ARM 3.365% 10/41#AI6819          | ** | 31    |
| FNMA 15YR 3.5% 07/26#AI7819      | Government Bond 15YR 3.5% 07/26#AI7819           | ** | 85    |
| FNMA ARM 3.37% 9/41<br>#AI8935   | Government Bond ARM 3.37% 9/41 #AI8935           | ** | 56    |

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| FNMA ARM 09/41#AI9813  | Government Bond ARM 09/41#AI9813   | **                     | 39                   |
| FNMA ARM 10/41#AJ3399  | Government Bond ARM 10/41#AJ3399   | **                     | 19                   |
| FNMA ARM 2.74% 8/41 #AH5259                                      | Government Bond ARM 2.74% 8/41 #AH5259   | **                     | 80                   |
| FNMA 15YR 3.50% 1/26 #AL1168                                     | Government Bond 15YR 3.50% 1/26 #AL1168  | **                     | 192                  |
| FNMA 15YR 3.50% 3/27 #AL1746                                     | Government Bond 15YR 3.50% 3/27 #AL1746  | **                     | 843                  |
| FNMA 20YR 2.5% 01/33 #AL2974                                     | Government Bond 20YR 2.5% 01/33 #AL2974  | **                     | 527                  |
| FNMA 20YR 2.5% 01/33 #AL2975                                     | Government Bond 20YR 2.5% 01/33 #AL2975  | **                     | 600                  |
| FNMA 20YR 2.5% 01/33 #AL2976                                     | Government Bond 20YR 2.5% 01/33 #AL2976  | **                     | 353                  |
| FNMA 20YR 2.5% 01/33 #AL2982                                     | Government Bond 20YR 2.5% 01/33 #AL2982  | **                     | 426                  |
| FNMA 15YR 3.5% 10/29#AL5851                                      | Government Bond 15YR 3.5% 10/29#AL5851   | **                     | 355                  |
| FNMA 15YR 3.5% 09/29#AL5878                                      | Government Bond 15YR 3.5% 09/29#AL5878   | **                     | 881                  |
| FNMA 15YR 4.5% 11/25#AL8242                                      | Government Bond 15YR 4.5% 11/25#AL8242   | **                     | 730                  |
| FNMA 15YR 3% 09/31#AL8853  | Government Bond 15YR 3% 09/31#AL8853   | **                     | 4,004                |
| FNMA ARM 06/42#AO2244  | Government Bond ARM 06/42#AO2244   | **                     | 69                   |
| FNMA 15YR 3.5% 01/27 #AX1909                                     | Government Bond 15YR 3.5% 01/27 #AX1909  | **                     | 387                  |
| FNMA 6.50% 7/32 #545759  | Government Bond 6.50% 7/32 #545759   | **                     | 38                   |
| FNMA 6.50% 7/32 #545762  | Government Bond 6.50% 7/32 #545762   | **                     | 9                    |
| FHR 3415 PC 5% 12/37   | Mortgage Back Security 3415 PC 5% 12/37  | **                     | 84                   |
| FNR 2011-26 PA 4.5% 04/41  | Mortgage Back Security 2011-26 PA 4.5% 04/41   | **                     | 975                  |
| FNMA ARM 4.68% 11/34 #735011                                     | Government Bond 4.68% 11/34 #735011  | **                     | 47                   |
| FNMA 6.50% 12/32 #735415   | Government Bond 6.50% 12/32 #735415  | **                     | 14                   |
| FNMA 6.50% 7/35 #745092  | Government Bond 6.50% 7/35 #745092   | **                     | 16                   |
| FNMA ARM 4.53% 12/34 #802852                                     | Government Bond 4.53% 12/34 #802852  | **                     | 42                   |
| FNMA ARM 4.198% 11/34 #841068                                    | Government Bond 4.198% 11/34 #841068   | **                     | 302                  |
| FNMA 6.50% 8/36 #888034  | Government Bond 6.50% 8/36 #888034   | **                     | 25                   |
| FNMA 6.50% 8/36 #888544  | Government Bond 6.50% 8/36 #888544   | **                     | 113                  |
| FNMA ARM 4.21% 5/35 #889946                                      | Government Bond 4.21% 5/35 #889946   | **                     | 81                   |
|  | Government Bond 4.30% 2/35 #995017   | **                     | 93                   |

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|                                   |   |    |  |       |
|-----------------------------------|---|----|--|-------|
| FNMA ARM 4.30% 2/35<br>#995017    |   |    |  |       |
| FNMA ARM 7/35 #995414             | Government Bond 7/35 #995414                    | ** |  | 95    |
| FNMA ARM 4.55% 10/35<br>#995415   | Government Bond 4.55% 10/35 #995415             | ** |  | 235   |
| FNMA ARM 11/36 #995606            | Government Bond 11/36 #995606                   | ** |  | 80    |
| FNMA ARM 2.61% 4/35<br>#995609    | Government Bond 2.61% 4/35 #995609              | ** |  | 35    |
| FNMA ARM 3.20% 1/40<br>#AC0599    | Government Bond 3.20% 1/40 #AC0599              | ** |  | 88    |
| FNMA 10YR 2% 08/23#MA1535         | Government Bond 10YR 2% 08/23#MA1535            | ** |  | 1,150 |
| FNMA ARM 12/33#AD0066             | Government Bond 12/33#AD0066                    | ** |  | 141   |
| FNMA 6.50% 12/35 #AD0723          | Government Bond 6.50% 12/35 #AD0723             | ** |  | 140   |
| FNMA ARM 3.47% 3/40<br>#AD0820    | Government Bond 3.47% 3/40 #AD0820              | ** |  | 65    |
| FNMA ARM 3.60% 3/40<br>#AD1555    | Government Bond 3.60% 3/40 #AD1555              | ** |  | 73    |
| FNMA 6.50% 8/36 #AE0746           | Government Bond 6.50% 8/36 #AE0746              | ** |  | 94    |
| FNMA ARM 11/40#AE6806             | Government Bond 11/40#AE6806                    | ** |  | 17    |
| FIFTH THIRD BAN 2.375%<br>4/25/19 | Corporate Bond 2.375% 4/25/19                   | ** |  | 856   |
| FIFTH THIRD BAN 2.875%<br>10/1/21 | Corporate Bond 2.875% 10/1/21                   | ** |  | 773   |
| FIFTH THIRD BK 2.3% 3/19          | Corporate Bond 2.3% 3/19                        | ** |  | 715   |
| FIFTH THIRD BNK 1.625%<br>9/27/19 | Corporate Bond 1.625% 9/27/19                   | ** |  | 1,757 |
| FITAT 2017-1 A3 1.8% 02/22        | Mortgage Back Security 2017-1 A3 1.8% 02/22     | ** |  | 1,051 |
| FORDF 2016-1 A1 1.76% 02/21       | Mortgage Back Security 2016-1 A1 1.76% 02/21    | ** |  | 708   |
| FORDF 2016-3 A1 1.55% 07/21       | Mortgage Back Security 2016-3 A1 1.55% 07/21    | ** |  | 2,934 |
| FORDF 2017-1 A1 2.07%<br>05/15/22 | Mortgage Back Security 2017-1 A1 2.07% 05/15/22 | ** |  | 1,030 |
| FORDF 2017-2 A1 2.37% 09/22       | Mortgage Back Security 2017-2 A1 2.37% 09/22    | ** |  | 1,720 |

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|--|--|------------------------|----------------------|
| FORDR 2014-2 A 2.31% 04/26                                       | Mortgage Back Security 2014-2 A 2.31% 04/26  | **                     | 968                  |
| FORDO 2015-A A3 1.28% 09/19                                      | Mortgage Back Security 2015-A A3 1.28% 09/19   | **                     | 90                   |
| FORDR 2015-1 A 2.12% 07/26                                       | Mortgage Back Security 2015-1 A 2.12% 07/26  | **                     | 2,255                |
| FORD CRD 16-1 A 2.31% 08/27                                      | Mortgage Back Security 16-1 A 2.31% 08/27  | **                     | 2,081                |
| FORDO 2015-B A3 1.16% 11/19                                      | Mortgage Back Security 2015-B A3 1.16% 11/19   | **                     | 208                  |
| FORDO 2015-C A3 1.41% 02/20                                      | Mortgage Back Security 2015-C A3 1.41% 02/20   | **                     | 578                  |
| FORDO 2016-C A3 1.22% 03/21                                      | Mortgage Back Security 2016-C A3 1.22% 03/21   | **                     | 1,764                |
| FORDO 2017-A A3 1.67% 6/21                                       | Mortgage Back Security 2017-A A3 1.67% 6/21  | **                     | 1,589                |
| FORDO 2017-1 A 2.62% 8/28  | Mortgage Back Security 2017-1 A 2.62% 8/28   | **                     | 905                  |
| FORDO 2016-A A3 2.01% 07/20                                      | Mortgage Back Security 2016-A A3 2.01% 07/20   | **                     | 1,196                |
| FORDO 16-B A3 1.33% 10/20  | Mortgage Back Security 16-B A3 1.33% 10/20   | **                     | 1,051                |
| FORD MTR CR 2.875% 10/01/18                                      | Corporate Bond 2.875% 10/01/18   | **                     | 1,783                |
| FORD MTR CR CO 2.681% 01/09/20                                   | Corporate Bond 2.681% 01/09/20   | **                     | 914                  |
| FORD MTR CR LLC 3.339% 3/28/22                                   | Corporate Bond 3.339% 3/28/22  | **                     | 767                  |
| FORTIVE CORP 1.8% 06/15/19                                       | Corporate Bond 1.8% 06/15/19   | **                     | 312                  |
| FORTIVE CORP 2.35% 06/15/21                                      | Corporate Bond 2.35% 06/15/21  | **                     | 531                  |
| GFORT 2015-1 A1 1.65% 05/20                                      | Mortgage Back Security 2015-1 A1 1.65% 05/20   | **                     | 1,410                |
| GFORT 16-1 A1 1.86% 05/21  | Mortgage Back Security 16-1 A1 1.86% 05/21   | **                     | 1,118                |
| GFORT 17-1 A1 2.22% 1/22 144A                                    | Mortgage Back Security 17-1 A1 2.22% 1/22 144A   | **                     | 1,352                |
| GSMS 2012-GC6 A3 3.482% 01/45                                    | Mortgage Back Security 2012-GC6 A3 3.482% 01/45  | **                     | 928                  |
| GSMS 2013-GC10 A4 2.681% 02/46                                   | Mortgage Back Security 2013-GC10 A4 2.681% 02/46   | **                     | 368                  |
| GSMS 2013-GC10 A5 2.943% 02/46                                   | Mortgage Back Security 2013-GC10 A5 2.943% 02/46   | **                     | 1,800                |
| GSMS 2012-GCJ7 A4 3.377% 05/45                                   | Mortgage Back Security 2012-GCJ7 A4 3.377% 05/45   | **                     | 1,141                |
| GSMS 2012-GCJ9 A3 2.773% 11/45                                   | Mortgage Back Security 2012-GCJ9 A3 2.773% 11/45   | **                     | 1,418                |
| GSMS 2015-GC32 A2 3.062% 7/48                                    | Mortgage Back Security 2015-GC32 A2 3.062% 7/48  | **                     | 1,136                |
| GSMS 15-GC32 AAB 3.513% 7/48                                     | Mortgage Back Security 15-GC32 AAB 3.513% 7/48   | **                     | 604                  |
| GSMS 2015-GC28 AAB 3.206% 2/48                                   | Mortgage Back Security 2015-GC28 AAB 3.206% 2/48   | **                     | 628                  |
| GSMS 2016-GS4 A1 1.532% 11/49                                    | Mortgage Back Security 2016-GS4 A1 1.532% 11/49  | **                     | 193                  |
| GSMS 14-GC18 AAB 3.648% 01/47                                    | Mortgage Back Security 14-GC18 AAB 3.648% 01/47  | **                     | 257                  |
| GSMS 14-GC20 AAB 3.655% 04/47                                    | Mortgage Back Security 14-GC20 AAB 3.655% 04/47  | **                     | 295                  |

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|                                   |  |    |       |
|-----------------------------------|--|----|-------|
| GENERAL ELEC CO 3.375%<br>3/11/24 | Corporate Bond 3.375% 3/11/24                | ** | 1,553 |
| GENERAL MTRS FIN 2.65%<br>4/13/20 | Corporate Bond 2.65% 4/13/20                 | ** | 1,247 |
| GSINC 5.25% 7/27/21               | Corporate Bond 5.25% 7/27/21                 | ** | 725   |
| GOLDMAN SACHS GRP 2.75<br>9/15/20 | Corporate Bond 2.75 9/15/20                  | ** | 1,242 |
| GOLDMAN SACHS 2.625%<br>04/25/21  | Corporate Bond 2.625% 04/25/21               | ** | 1,309 |
| GOLDMAN SACHS GRP 2.625%<br>1/19  | Corporate Bond 2.625% 1/19                   | ** | 3,020 |
| HSBC HOLDINGS 2.95% 5/25/21       | Corporate Bond 2.95% 5/25/21                 | ** | 1,515 |
| HSBC USA INC 2.25% 06/23/19       | Corporate Bond 2.25% 06/23/19                | ** | 830   |
| HEALTH CARE REI 4% 06/01/25       | Corporate Bond 4% 06/01/25                   | ** | 1,130 |
| HEWLETT PACKAR STEP<br>10/05/18   | Corporate Bond 10/05/18                      | ** | 1,791 |
| HAROT 2015-2 A3 1.04% 02/19       | Mortgage Back Security 2015-2 A3 1.04% 02/19 | ** | 154   |
| HAROT 2015-3 A3 1.27% 04/19       | Mortgage Back Security 2015-3 A3 1.27% 04/19 | ** | 158   |
| HAROT 2016-2 A3 1.39% 4/20        | Mortgage Back Security 2016-2 A3 1.39% 4/20  | ** | 606   |
| HAROT 2016-4 A3 1.21% 12/20       | Mortgage Back Security 2016-4 A3 1.21% 12/20 | ** | 1,766 |
| HAROT 2017-1 A3 1.72% 07/21       | Mortgage Back Security 2017-1 A3 1.72% 07/21 | ** | 1,552 |
| HUNT AUTO 16-1 A3 1.57%<br>11/20  | Mortgage Back Security 1.57% 11/20           | ** | 906   |
| HUNTINGTN BCSHRS 2.3%<br>1/14/22  | Corporate Bond 2.3% 1/14/22                  | ** | 1,074 |
| HUNTINGTON NATL BK 2.2%<br>4/1/19 | Corporate Bond 2.2% 4/1/19                   | ** | 854   |
| HART 2015-B A3 1.12% 11/19        | Mortgage Back Security 1.12% 11/19           | ** | 508   |
| HYUNDAI AMR 1.75% 9/27/19<br>144A | Corporate Bond 1.75% 9/27/19 144A            | ** | 1,734 |

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| HART 2016-B A3 1.29% 4/21  | Mortgage Back Security 2016-B A3 1.29% 4/21  | **                     | 1,928                |
| HART 2015-C A3 1.46% 02/20                                       | Mortgage Back Security 2015-C A3 1.46% 02/20   | **                     | 768                  |
| HFMOT 2016-1A A2 1.81% 03/21                                     | Mortgage Back Security 2016-1A A2 1.81% 03/21  | **                     | 783                  |
| HYUNDAI CAP 2.875% 8/9/18<br>144A                                | Corporate Bond 2.875% 8/9/18 144A  | **                     | 580                  |
| HYUNDAI CAP AME 2.55 2/19<br>144A                                | Corporate Bond 2.55 2/19 144A  | **                     | 807                  |
| HART 2016-A A3 1.56% 09/20                                       | Mortgage Back Security 2016-A A3 1.56% 09/20   | **                     | 493                  |
| INGERSOLL-RND LX 2.625%<br>5/1/20                                | Corporate Bond 2.625% 5/1/20   | **                     | 206                  |
| INTERCONT EXCH 2.5% 10/15/18                                     | Corporate Bond 2.5% 10/15/18   | **                     | 617                  |
| INTERCONT EXCH 2.75%<br>12/01/20                                 | Corporate Bond 2.75% 12/01/20  | **                     | 781                  |
| ITC HLDGS CORP 2.7% 11/22<br>144A                                | Corporate Bond 2.7% 11/22 144A   | **                     | 1,080                |
| JPMCC 2015-JP1 A2 3.1438% 1/49                                   | Mortgage Back Security 2015-JP1 A2 3.1438% 1/49  | **                     | 805                  |
| JP MORGAN CHASE 2.295%<br>8/15/21                                | Corporate Bond 2.295% 8/15/21  | **                     | 400                  |
| JPMC CO 2.35% 01/28/19   | Corporate Bond 2.35% 01/28/19  | **                     | 408                  |
| JPMORGAN CHASE & CO 2.75%<br>6/20                                | Corporate Bond 2.75% 6/20  | **                     | 3,230                |
| JP MORGAN CHASE  | Synthetic GIC - 2.069% (fair value to contract value)  | **                     | 37                   |
| JPMC CO 2.55% 10/29/20   | Corporate Bond 2.55% 10/29/20  | **                     | 1,068                |
| JPMORGAN CHASE 2.55% 3/1/21                                      | Corporate Bond 2.55% 3/1/21  | **                     | 1,080                |
| JPMCC 2012-C6 A3 3.5074%<br>5/45                                 | Mortgage Back Security 2012-C6 A3 3.5074% 5/45   | **                     | 650                  |
| JPMCC 2011-C3 A3 4.3877% 02/46                                   | Mortgage Back Security 2011-C3 A3 4.3877% 02/46  | **                     | 274                  |
| JPMCC 13-C10 A5 3.1425% 12/47                                    | Mortgage Back Security 13-C10 A5 3.1425% 12/47   | **                     | 1,563                |
| JPMCC 14-C22 ASB 3.5036%<br>09/47                                | Mortgage Back Security 14-C22 ASB 3.5036% 09/47  | **                     | 753                  |
| JPMBB 15-C29 A2 2.8596% 05/48                                    | Mortgage Back Security 15-C29 A2 2.8596% 05/48   | **                     | 741                  |
| JPMCC 16-JP4 A2 2.9343% 12/49                                    | Mortgage Back Security 16-JP4 A2 2.9343% 12/49   | **                     | 1,087                |
| JAPAN BANK INTL 1.5% 7/21/21                                     | Corporate Bond 1.5% 7/21/21  | **                     | 1,273                |
| JERSEY CENT PWR&LT 7.35%<br>2/19                                 | Corporate Bond 7.35% 2/19  | **                     | 70                   |
| JPMC CO 2.2% 10/22/19  | Corporate Bond 2.2% 10/22/19   | **                     | 1,973                |
| KEY BANK NA 2.5% 12/15/19  | Corporate Bond 2.5% 12/15/19   | **                     | 590                  |
| KEYBANK NATL 2.25% 03/16/20                                      | Corporate Bond 2.25% 03/16/20  | **                     | 387                  |
| KEY BANK NA 2.35% 3/8/19   | Corporate Bond 2.35% 3/8/19  | **                     | 1,514                |
| KINDER MORGAN EN 2.65 2/1/19                                     | Corporate Bond 2.65% 2/1/19  | **                     | 414                  |
| KINDER MORGAN IC 3.05%<br>12/1/19                                | Corporate Bond 3.05% 12/1/19   | **                     | 554                  |
|  | Corporate Bond 2.25% 02/20   | **                     | 699                  |



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|                                    |  |    |       |  |
|------------------------------------|--|----|-------|--|
| MUFG AMERICAS HLD 2.25%<br>02/20   |  |    |       |  |
| MARSHMCLLEN 2.55% 10/15/18         | Corporate Bond 2.55% 10/15/18                | ** | 214   |  |
| MARSH & MCLENNAN 2.35%<br>9/10/19  | Corporate Bond 2.35% 9/10/19                 | ** | 480   |  |
| MARSH & MCLENN 2.35%<br>03/06/20   | Corporate Bond 2.35% 03/06/20                | ** | 725   |  |
| MARSH & MCLENNAN 2.75%<br>01/30/22 | Corporate Bond 2.75% 01/30/22                | ** | 791   |  |
| MASSMUTUAL GLB 2.35% 4/19<br>144A  | Corporate Bond 2.35% 4/19 144A               | ** | 1,269 |  |
| MASSMUTUAL 2.45% 11/23/20<br>144A  | Corporate Bond 2.45% 11/23/20 144A           | ** | 713   |  |
| MCDONALDS CORP MTN<br>3.625% 5/21  | Corporate Bond 3.625% 5/21                   | ** | 411   |  |
| MCDONALDS MTN 2.625%<br>1/15/22    | Corporate Bond 2.625% 1/15/22                | ** | 913   |  |
| MCDONALDS CORP 2.75% 12/20         | Corporate Bond 2.75% 12/20                   | ** | 140   |  |
| MCKESSON CO 2.284%<br>03/15/2019   | Corporate Bond 2.284% 03/15/2019             | ** | 1,178 |  |
| MEDTRONIC INC 2.5% 3/15/20         | Corporate Bond 2.5% 3/15/20                  | ** | 1,589 |  |
| MBART 2016-1 A3 1.26% 02/21        | Mortgage Back Security 2016-1 A3 1.26% 02/21 | ** | 1,683 |  |
| MET LIFE GLB 2.3% 4/10/19 144A     | Corporate Bond 2.3% 4/10/19 144A             | ** | 2,124 |  |
| MET LFE GLB 1.55% 9/13/19<br>144A  | Corporate Bond 1.55% 9/13/19 144A            | ** | 1,291 |  |
| MET LIFE GLOB 2.65% 4/22 144A      | Corporate Bond 2.65% 4/22 144A               | ** | 1,328 |  |
| MITSUBISHI 2.45% 10/16/19 144A     | Corporate Bond 2.45% 10/16/19 144A           | ** | 765   |  |
| MITSUBISHI UFJ FI 2.95% 3/1/21     | Corporate Bond 2.95% 3/1/21                  | ** | 2,878 |  |
| MITSUBISH UFJ 2.19% 9/13/21        | Corporate Bond 2.19% 9/13/21                 | ** | 1,680 |  |

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| MITSUBISHI UFJ FIN 2.998% 2/22                                   | Corporate Bond 2.998% 2/22   | **                     | 915                  |
| MIZUHO FINL 2.273% 9/13/21                                       | Corporate Bond 2.273% 9/13/21  | **                     | 882                  |
| MIZUHO BK LTD 2.45 4/19 144A                                     | Corporate Bond 2.45 4/19 144A  | **                     | 1,520                |
| MOODYS CORP 2.75% 12/15/21                                       | Corporate Bond 2.75% 12/15/21  | **                     | 224                  |
| MSBAM 15-C22 ASB 3.04% 4/15/48                                   | Mortgage Back Security 15-C22 ASB 3.04% 4/15/48  | **                     | 414                  |
| MSBAM 2014-C14 A2 2.916% 2/47                                    | Mortgage Back Security 2014-C14 A2 2.916% 2/47   | **                     | 1,240                |
| MSBAM 2013-C7 A4 2.918% 2/46                                     | Mortgage Back Security 2013-C7 A4 2.918% 2/46  | **                     | 1,283                |
| MSBAM 2016-C32 A1 1.819% 12/49                                   | Mortgage Back Security 2016-C32 A1 1.819% 12/49  | **                     | 603                  |
| MORGAN STANLEY 2.75% 05/19/22                                    | Corporate Bond 2.75% 05/19/22  | **                     | 780                  |
| MSC 2011-C2 A4 4.661% 06/44                                      | Mortgage Back Security 2011-C2 A4 4.661% 06/44   | **                     | 1,170                |
| MORGAN STANLEY 2.5% 01/24/19                                     | Corporate Bond 2.5% 01/24/19   | **                     | 2,544                |
| MORGAN STANLEY 2.375% 7/23/19                                    | Corporate Bond 2.375% 7/23/19  | **                     | 1,487                |
| MORGAN STANLEY 2.5% 04/21/21                                     | Corporate Bond 2.5% 04/21/21   | **                     | 1,075                |
| MORGAN STANLE MTN 5.5% 1/26/20                                   | Corporate Bond 5.5% 1/26/20  | **                     | 1,820                |
| MORGAN STANLEY 2.65% 01/27/20                                    | Corporate Bond 2.65% 01/27/20  | **                     | 1,092                |
| MSBAM 2012-C6 A4 2.858% 11/45                                    | Mortgage Back Security 2012-C6 A4 2.858% 11/45   | **                     | 2,005                |
| MSBAM 2013-C8 A4 3.134% 12/48                                    | Mortgage Back Security 2013-C8 A4 3.134% 12/48   | **                     | 1,467                |
| MSBAM 2013-C11 A4 CSTR 8/46                                      | Mortgage Back Security 2013-C11 A4 CSTR 8/46   | **                     | 494                  |
| MSBAM 13-C13 ASB 3.557% 11/46                                    | Mortgage Back Security 13-C13 ASB 3.557% 11/46   | **                     | 1,191                |
| MSBAM 2014-C16 ASB 3.477% 6/47                                   | Mortgage Back Security 2014-C16 ASB 3.477% 6/47  | **                     | 982                  |
| MSBAM 2014-C17 ASB 3.477% 8/47                                   | Mortgage Back Security 2014-C17 ASB 3.477% 8/47  | **                     | 1,256                |
| MSBAM 2015-C21 ASB 3.15% 03/48                                   | Mortgage Back Security 2015-C21 ASB 3.15% 03/48  | **                     | 250                  |
| MSBAM 2016-C31 A1 1.555% 11/21                                   | Mortgage Back Security 2016-C31 A1 1.555% 11/21  | **                     | 398                  |

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|                                    |   |    |       |
|------------------------------------|---|----|-------|
| NAT-RURAL 2.3% 11/01/20            | Corporate Bond 2.3% 11/01/20                          | ** | 80    |
| NYLIFE GLBL 1.7% 9/14/21<br>144A   | Corporate Bond 1.7% 9/14/21 144A                      | ** | 2,196 |
| NY LFE GLB 2.3% 6/10/22 144A       | Corporate Bond 2.3% 6/10/22 144A                      | ** | 1,306 |
| NYC TFA (PIT) 2.05% 08/01/23       | Municipal Bond 2.05% 08/01/23                         | ** | 454   |
| NYC TFA (PIT) 2.85% 02/01/24       | Municipal Bond 2.85% 02/01/24                         | ** | 436   |
| NYS UDC 2.67% 03/15/23             | Municipal Bond 2.67% 03/15/23                         | ** | 1,090 |
| NYS UDC 2.7% 03/15/23              | Municipal Bond 2.7% 03/15/23                          | ** | 1,847 |
| NEXTERA ENERGY 1.649%<br>9/1/18    | Corporate Bond 1.649% 9/1/18                          | ** | 270   |
| NMOTR 2016-A A2 1.54% 06/21        | Mortgage Back Security 2016-A A2 1.54% 06/21          | ** | 748   |
| NAROT 2017-A A3 1.74% 08/21        | Mortgage Back Security 2017-A A3 1.74% 8/21           | ** | 1,758 |
| NAROT 2015-A A3 1.05% 10/19        | Mortgage Back Security 2015-A A3 1.05% 10/19          | ** | 245   |
| NAROT 2016-B A3 1.32%<br>01/15/21  | Mortgage Back Security 2016-B A3 1.32% 01/15/21       | ** | 841   |
| NAROT 2016-C A3 1.18% 01/21        | Mortgage Back Security 2016-C A3 1.18% 01/21          | ** | 1,262 |
| NATIONWIDE LIFE<br>INSURANCE CO    | Synthetic GIC - 2.069% (fair value to contract value) | ** | 21    |
| NORDEA BK AB 2.375% 4/4/19<br>144  | Corporate Bond 2.375% 4/4/19 144                      | ** | 847   |
| NORTHERN STES PWR 2.2%<br>8/15/20  | Corporate Bond 2.2% 8/15/20                           | ** | 312   |
| NEF 2005-1 A5 4.74% 10/45          | Mortgage Back Security 2005-1 A5 4.74% 10/45          | ** | 162   |
| ONTARIO PROVINCE 1.25%<br>06/19    | Corporate Bond 1.25% 06/19                            | ** | 1,275 |
| ONTARIO PROVINCE CDA<br>2.4% 02/22 | Corporate Bond 2.4% 02/22                             | ** | 1,811 |
| ONTARIO PROV 4% 10/7/19            | Corporate Bond 4% 10/7/19                             | ** | 3,122 |
| ORACLE CORP 1.9% 09/15/21          | Corporate Bond 1.9% 09/15/21                          | ** | 1,217 |
| PG&E CORP 2.4% 03/01/19            | Corporate Bond 2.4% 03/01/19                          | ** | 126   |
| PNC BK PITT MTN 2.2%<br>01/28/19   | Corporate Bond 2.2% 01/28/19                          | ** | 1,666 |
| PNC BANK NA 2.4% 10/18/19          | Corporate Bond 2.4% 10/18/19                          | ** | 1,187 |
| PNC BNK PITTSBURGH 1.45%<br>7/19   | Corporate Bond 1.45% 7/19                             | ** | 313   |
| PACIFICORP 5.65 7/15/18            | Corporate Bond 5.65% 7/15/18                          | ** | 209   |
| PHILIP MORS INT 1.875%<br>1/15/19  | Corporate Bond 1.875% 1/15/19                         | ** | 868   |

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| PHILIP MORRIS INTL 1.875% 2/21                                   | Corporate Bond 1.875% 2/21   | **                     | 2,495                |
| PRICOA GLBL 2.45% 09/21/22 144A                                  | Corporate Bond 2.45% 09/21/22 144A   | **                     | 1,276                |
| PROTECTIVE LF 2.161% 9/20 144A                                   | Corporate Bond 2.161% 9/20 144A  | **                     | 1,293                |
| PRUDENTIAL INSURANCE COMPANY                                     | Synthetic GIC - 2.0690% (fair value to contract value)   | **                     | 39                   |
| PRUDENTIAL MTN 7.375% 6/15/19                                    | Corporate Bond 7.375% 6/15/19  | **                     | 232                  |
| PUBLIC SVC ENT 1.6% 11/15/19                                     | Corporate Bond 1.6% 11/15/19   | **                     | 843                  |
| PUBLIC SVC ENT 2% 11/15/21                                       | Corporate Bond 2% 11/15/21   | **                     | 610                  |
| PUBLIC SERVICE ELE 2.65% 11/22                                   | Corporate Bond 2.65% 11/22   | **                     | 1,181                |
| QUEBEC PROVINCE 2.375% 1/31/22                                   | Corporate Bond 2.375% 1/31/22  | **                     | 2,270                |
| REGIONS FINL CORP 3.2% 2/8/21                                    | Corporate Bond 3.2% 2/8/21   | **                     | 1,082                |
| REGIONS FIN CORP 2.75% 8/22                                      | Corporate Bond 2.75% 8/22  | **                     | 1,337                |
| REYNOLDS AMERICAN 3.25% 6/20                                     | Corporate Bond 3.25% 6/20  | **                     | 1,043                |
| REYNOLDS AMERICAN 4% 6/12/22                                     | Corporate Bond 4% 6/12/22  | **                     | 524                  |
| ROPER INDUSTRIES 2.05% 10/1/18                                   | Corporate Bond 2.05% 10/1/18   | **                     | 1,507                |
| ROPER TECHNOLOGIES 3% 12/15/20                                   | Corporate Bond 3% 12/15/20   | **                     | 709                  |
| ROYAL BNK CANADA 4.65% 1/27/26                                   | Corporate Bond 4.65% 1/27/26   | **                     | 895                  |
| ROYAL BK OF CDA 2.15% 03/15/19                                   | Corporate Bond 2.15% 03/15/19  | **                     | 865                  |
| ROYAL BK CAN GL 2.35% 10/30/20                                   | Corporate Bond 2.35% 10/30/20  | **                     | 1,064                |
| ROYAL BANK OF CANA 2.15% 10/20                                   | Corporate Bond 2.15% 10/20   | **                     | 698                  |
| SRT 2017-A A3 2.58% 01/21  | Mortgage Back Security 2.58% 01/21   | **                     | 1,686                |
| SSTRT 17-2A A3 2.04% 4/21 144A                                   | Mortgage Back Security 2.04% 4/21 144A   | **                     | 1,021                |
| SSTRT 2016-1A A3 1.524% 03/20                                    | Mortgage Back Security 2016-1A A3 1.524% 03/20   | **                     | 983                  |
| SSTRT 17-1A A3 1.89% 8/20  | Mortgage Back Security 17-1A A3 1.89% 8/20   | **                     | 1,574                |
| SEMPRA ENERGY 2.4% 3/15/20                                       | Corporate Bond 2.4% 3/15/20  | **                     | 931                  |
| SEMPRA ENERGY 2.85% 11/15/20                                     | Corporate Bond 2.85% 11/15/20  | **                     | 566                  |
|  | Corporate Bond 2.125% 05/20  | **                     | 1,109                |

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|                                 |   |    |  |       |
|---------------------------------|---|----|--|-------|
| SHELL INTL FIN BV 2.125%        |   |    |  |       |
| 05/20                           |   |    |  |       |
| SHELL INTL 2.25% 11/10/20       | Corporate Bond 2.25% 11/10/20                         | ** |  | 1,071 |
| SHIRE AQ INV IRE 1.9% 9/23/19   | Corporate Bond 1.9% 9/23/19                           | ** |  | 1,773 |
| SIMON PROP GRP 2.35% 1/30/22    | Corporate Bond 2.35% 1/30/22                          | ** |  | 370   |
| SIMON PPTY GRP 2.625%           |   |    |  |       |
| 06/15/22                        | Corporate Bond 2.625% 06/15/22                        | ** |  | 1,164 |
| SIMON PROPERTY 2.75%            |   |    |  |       |
| 06/01/23                        | Corporate Bond 2.75% 06/01/23                         | ** |  | 1,408 |
| SOUTHERN CA EDISON 1.845%       |   |    |  |       |
| 2/22                            | Mortgage Back Security 1.845% 2/22                    | ** |  | 366   |
| SOUTHERN COMPANY 1.85%          |   |    |  |       |
| 7/1/19                          | Corporate Bond 1.85% 7/1/19                           | ** |  | 281   |
| SOUTHERN COMPANY 2.35%          |   |    |  |       |
| 7/1/21                          | Corporate Bond 2.35% 7/1/21                           | ** |  | 1,881 |
| SOUTHERN PWR CO 2.375%          |   |    |  |       |
| 6/1/20                          | Corporate Bond 2.375% 6/1/20                          | ** |  | 528   |
| STATE STREET BANK & TRUST<br>CO | Synthetic GIC - 2.049% (fair value to contract value) | ** |  | 29    |
| SUMITOMO MITSUI 2.934%          |   |    |  |       |
| 3/9/21                          | Corporate Bond 2.934% 3/9/21                          | ** |  | 940   |
| SUMITOMO MITSUI BKG 2.5%        |   |    |  |       |
| 7/18                            | Corporate Bond 2.5% 7/18                              | ** |  | 254   |
| SUMITOMO BKG 2.45% 1/10/19      | Corporate Bond 2.45% 1/10/19                          | ** |  | 1,034 |
| SUMITOMO BKG 2.25% 07/11/19     | Corporate Bond 2.25% 07/11/19                         | ** |  | 828   |
| SUNTRUST BANK INC 2.5 5/1/19    | Corporate Bond 2.5% 5/1/19                            | ** |  | 847   |
| SUNTRUST BANKS INC 2.9%         |   |    |  |       |
| 3/3/21                          | Corporate Bond 2.9% 3/3/21                            | ** |  | 725   |
| SYNCHRONY FIN 3% 8/15/19        | Corporate Bond 3% 8/15/19                             | ** |  | 280   |
| SYNCHRONY FINANCL 2.6%          |   |    |  |       |
| 1/15/19                         | Corporate Bond 2.6% 1/15/19                           | ** |  | 902   |
| SYNCT 2015-3 A 1.74% 9/21       | Mortgage Back Security 2015-3 A 1.74% 9/21            | ** |  | 481   |
| TIAA AST MG 2.95% 11/1/19       |   |    |  |       |
| 144A                            | Corporate Bond 2.95% 11/1/19 144A                     | ** |  | 1,113 |
| TJX COS INC 2.75% 6/15/21       | Corporate Bond 2.75% 6/15/21                          | ** |  | 785   |
| THERMO FISHER 2.4% 02/01/19     | Corporate Bond 2.4% 02/01/19                          | ** |  | 1,063 |
| TIME WARNER INC 4.75%           |   |    |  |       |
| 3/29/21                         | Corporate Bond 4.75% 3/29/21                          | ** |  | 1,282 |
| TORONTO DOM BK 2.125%           |   |    |  |       |
| 7/02/19                         | Corporate Bond 2.125% 7/02/19                         | ** |  | 839   |
| TOTAL CAP INTL 2.125%           |   |    |  |       |
| 01/10/19                        | Corporate Bond 2.125% 01/10/19                        | ** |  | 1,687 |

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Eastman Investment and Employee Stock Ownership Plan  
 Schedule H, Line 4 (i) - Schedule of Assets (Held at End of Year)  
 December 31, 2017  
 (in thousands)

| (b)<br>(a) Identity of issue, borrower, lessor, or similar party | (c)<br>Description of investment, including maturity date, rate of interest, collateral, par or maturity value | (d)<br>Historical Cost | (e)<br>Current Value |
|--|--|------------------------|----------------------|
| TOTAL CAP INTL 2.75% 06/19/21                                    | Corporate Bond 2.75% 06/19/21  | **                     | 839                  |
| TAOT 2016-B A3 1.3% 04/20  | Mortgage Back Security 2016-B A3 1.3% 04/20  | **                     | 661                  |
| TOYOTA MOTOR CR 1.55% 10/18/19                                   | Corporate Bond 1.55% 10/18/19  | **                     | 764                  |
| TOYOTA MOTOR CORP 2.6% 1/11/22                                   | Corporate Bond 2.6% 1/11/22  | **                     | 2,208                |
| TAOT 2016-C A3 1.14% 08/20                                       | Mortgage Back Security 2016-C A3 1.14% 08/20   | **                     | 810                  |
| TAOT 2017-A A3 1.73% 2/21  | Mortgage Back Security 2017-A A3 1.73% 2/21  | **                     | 1,238                |
| TRANSAMERICA PREMIER LIFE  | Synthetic GIC - 2.069% (fair value to contract value)  | **                     | 27                   |
| TRANSCANADA PIP 3.125% 1/15/19                                   | Corporate Bond 3.125% 1/15/19  | **                     | 660                  |
| TRANSCANADA 2.125% 11/15/19                                      | Corporate Bond 2.125% 11/15/19   | **                     | 1,723                |
| TRANSCANADA PIP 2.5% 8/1/22                                      | Corporate Bond 2.5% 8/1/22   | **                     | 1,651                |
| UBS AG STAM 2.375% 8/14/19                                       | Corporate Bond 2.375% 8/14/19  | **                     | 1,731                |
| UBSBB 2012-C2 A4 3.525 5/63                                      | Mortgage Back Security 2012-C2 A4 3.525% 5/63  | **                     | 983                  |
| USAOT 2017-1 A3 1.79% 05/21                                      | Mortgage Back Security 2017-1 A3 1.79% 05/21   | **                     | 584                  |
| USAOT 2015-1 A3 1.2% 06/19                                       | Mortgage Back Security 2015-1 A3 1.2% 06/19  | **                     | 71                   |
| USAA CAPITAL 2% 6/1/21 144A                                      | Corporate Bond 2% 6/1/21 144A  | **                     | 1,454                |
| USTN 1.375% 03/31/20   | Government Bond 1.375% 03/31/20  | **                     | 44,839               |
| USTN 1.375% 04/30/20   | Government Bond 1.375% 04/30/20  | **                     | 5,310                |
| USTN 1.75% 12/31/20  | Government Bond 1.75% 12/31/20   | **                     | 77,966               |
| USTN 0.75% 07/15/19  | Government Bond 0.75% 07/15/19   | **                     | 15,265               |
| USTN 1.25% 10/31/21  | Government Bond 1.25% 10/31/21   | **                     | 22,054               |
| UST NOTE 1.875% 03/31/22   | Government Bond 1.875% 03/31/22  | **                     | 30,888               |
| UST NOTES 1.625% 07/31/20  | Government Bond 1.625% 07/31/20  | **                     | 20,317               |
| USTN 1.5% 4/15/20  | Government Bond 1.5% 4/15/20   | **                     | 8,323                |
| USTN 1.5% 05/15/20   | Government Bond 1.5% 05/15/20  | **                     | 14,010               |
| USTN 1.625% 08/31/22   | Government Bond 1.625% 08/31/22  | **                     | 15,434               |
| UNITEDHELTH GR 2.875% 12/15/21                                   | Corporate Bond 2.875% 12/15/21   | **                     | 811                  |
| VENTAS RLTY LP/CAP 4% 4/30/19                                    | Corporate Bond 4% 4/30/19  | **                     | 728                  |
| VERIZON COM 3.5% 11/01/21  | Corporate Bond 3.5% 11/01/21   | **                     | 347                  |
| VERIZON COMMUNS 2.625% 2/21/20                                   | Corporate Bond 2.625% 2/21/20  | **                     | 1,369                |
| VERIZON COMM 1.75% 8/15/21                                       | Corporate Bond 1.75% 8/15/21   | **                     | 387                  |
| VERIZON COM 2.946% 03/15/22                                      | Corporate Bond 2.946% 03/15/22   | **                     | 846                  |
| VZOT 16-1A A 1.42% 1/21  | Mortgage Back Security 16-1A A 1.42% 1/21  | **                     | 2,039                |
| VZOT 2016-2A A 1.68% 5/21  | Mortgage Back Security 2016-2A A 1.68% 5/21  | **                     | 2,152                |
| VZOT 17-2A A 1.92% 12/21   | Mortgage Back Security 17-2A 1.92% 12/21   | **                     | 1,002                |
| VZOT 2017-3A A1A 2.06% 04/22                                     | Mortgage Back Security 2017-3A A1A 2.06% 04/22   | **                     | 1,736                |
| VISA INC 2.8% 12/14/22   | Corporate Bond 2.8% 12/14/22   | **                     | 1,087                |
|  | Corporate Bond 1.5% 2/19/18  | **                     | 764                  |

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|                               |   |    |       |
|-------------------------------|---|----|-------|
| VODAFONE GRUP PLC 1.5%        |   |    |       |
| 2/19/18                       |   |    |       |
| VOLKSWAGEN GRP 2.4% 5/20      | Corporate Bond 2.4% 5/20 144A                   | ** | 742   |
| 144A                          |   |    |       |
| VOLKSWAGEN 2.125% 11/18       | Corporate Bond 2.125% 11/18 144A                | ** | 1,711 |
| 144A                          |   |    |       |
| WFRBS 14-C20 ASB 3.638% 05/47 | Mortgage Back Security 14-C20 ASB 3.638% 05/47  | ** | 483   |
| WFRBS 2013-C14 A2 2.133% 6/46 | Mortgage Back Security 2013-C14 A2 2.133% 6/46  | ** | 259   |
| WFRBS 2012-C9 A3 2.87% 11/45  | Mortgage Back Security 2012-C9 A3 2.87% 11/45   | ** | 1,069 |
| WFRBS 2012-C9 ASB 2.445%      | Mortgage Back Security 2012-C9 ASB 2.445% 11/45 | ** | 441   |
| 11/45                         |   |    |       |
| WFRBS 2011-C2 A4 CSTR 2/44    | Mortgage Back Security 2011-C2 A4 CSTR 2/44     | ** | 1,569 |
| WFRBS 2011-C3 A4 4.375% 3/44  | Mortgage Back Security 2011-C3 A4 4.375% 3/44   | ** | 1,102 |
| WFRBS 2012-C7 A2 3.431% 6/45  | Mortgage Back Security 2012-C7 A2 3.431% 6/45   | ** | 769   |
| WFRBS 2013-C11 A5 3.071%      | Mortgage Back Security 2013-C11 A5 3.071% 03/45 | ** | 3,093 |
| 03/45                         |   |    |       |
| WFRBS 13-C12 ASB 2.838% 03/48 | Mortgage Back Security 13-C12 ASB 2.838% 03/48  | ** | 187   |
| WFRBS 13-C16 ASB 3.963% 09/46 | Mortgage Back Security 13-C16 ASB 3.963% 09/46  | ** | 407   |
| WFRBS 14-C23 ASB 3.636% 10/57 | Mortgage Back Security 14-C23 ASB 3.636% 10/57  | ** | 583   |

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Eastman Investment and Employee Stock Ownership Plan  
 Schedule H, Line 4 (i) - Schedule of Assets (Held at End of Year)  
 December 31, 2017  
 (in thousands)

| (b)<br>(a) Identity of issue, borrower,<br>lessor, or similar party | (c)<br>Description of investment, including maturity date, rate<br>of interest, collateral, par or maturity value | (d)<br>Historical<br>Cost | (e)<br>Current<br>Value |
|---|---|---------------------------|-------------------------|
| WASHINGTON PG 3.85%<br>4/1/20                                       | Corporate Bond 3.85% 4/1/20   | **                        | 719                     |
| WELLPOINT INC 2.25%<br>8/15/19                                      | Corporate Bond 2.25% 8/15/19  | **                        | 785                     |
| WELLS FARGO 3% 01/22/21   | Corporate Bond 3% 01/22/21  | **                        | 1,564                   |
| WELLS FARGO & CO MTN<br>2.6% 7/20                                   | Corporate Bond 2.6% 7/20  | **                        | 1,140                   |
| WELLS FARGO & CO 2.55%<br>12/7/20                                   | Corporate Bond 2.55% 12/7/20  | **                        | 407                     |
| WELLS FARGO & CO 2.1%<br>07/26/21                                   | Corporate Bond 2.1% 07/26/21  | **                        | 1,720                   |
| WFCM 2012-LC5 A3 2.918%<br>10/45                                    | Mortgage Back Security 2012-LC5 A3 2.918% 10/45   | **                        | 449                     |
| WFCM 2012-LC5 ASB 2.528%<br>10/45                                   | Mortgage Back Security 2012-LC5 ASB 2.528% 10/45  | **                        | 597                     |
| WELLS FARGO MTN 1.75%<br>05/24/19                                   | Corporate Bond 1.75% 05/24/19   | **                        | 847                     |
| WELLS FARGO BK 2.15%<br>12/6/19                                     | Corporate Bond 2.15% 12/6/19  | **                        | 2,320                   |
| WFCM 2013-LC12 A1 1.676%<br>7/46                                    | Mortgage Back Security 2013-LC12 A1 1.676% 7/46   | **                        | 410                     |
| WFCM 2015-C27 ASB 3.278%<br>2/48                                    | Mortgage Back Security 2015-C27 3.278% 2/48   | **                        | 1,026                   |
| WFCM 2016-C34 A2 2.603%<br>06/49                                    | Mortgage Back Security 2016-C34 A2 2.603% 06/49   | **                        | 912                     |
| WFCM 2016-C35 A2 2.495%<br>07/48                                    | Mortgage Back Security 2016-C35 A2 2.495% 07/48   | **                        | 263                     |
| WFCM 2016-LC25 1.795%<br>12/15/59                                   | Mortgage Back Security 2016-LC25 1.795% 12/15/59  | **                        | 547                     |
| WFCM 2016-C36 A1 1.453%<br>11/59                                    | Mortgage Back Security 2016-C36 A1 1.453% 11/59   | **                        | 242                     |
| WFCM 2016-C37 A1 1.944%<br>12/49                                    | Mortgage Back Security 2016-C37 A1 1.944% 12/49   | **                        | 428                     |
| WFCM 2016-C37 A2 3.103%<br>12/49                                    | Mortgage Back Security 2016-C37 A2 3.103% 12/49   | **                        | 766                     |
| WESTPAC BANKING 1.6%<br>08/19/19                                    | Corporate Bond 1.6% 08/19/19  | **                        | 1,403                   |
| WESTPAC BANKING 2.8%<br>1/11/22                                     | Corporate Bond 2.8% 1/11/22   | **                        | 926                     |
| WESTPAC BANKING 2.15%<br>3/6/20                                     | Corporate Bond 2.15% 3/6/20   | **                        | 1,804                   |
| WISCONSIN ENERGY 2.45%<br>6/15/20                                   | Corporate Bond 2.45% 6/15/20  | **                        | 422                     |



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|  |  |    |             |
|--|--|----|-------------|
| WOART 2014-B A3 1.14% 01/20                    | Mortgage Back Security 2014-B A3 1.14% 01/20   | ** | 299         |
| WOART 16-B A3 1.3% 2/22                        | Mortgage Back Security 16-B A3 1.3% 2/22   | ** | 1,462       |
| WOART 2016-A A3 1.77% 09/21                    | Mortgage Back Security 2016-A A3 1.77% 09/21   | ** | 712         |
| XCEL ENERGY INC 2.4%<br>03/15/21               | Corporate Bond 2.4% 03/15/21   | ** | 396         |
| XEROX CORP 2.75% 03/15/19                      | Corporate Bond 2.75% 03/15/19  | ** | 1,028       |
| ZOETIS INC 3.45% 11/13/20                      | Corporate Bond 3.45% 11/13/20  | ** | 205         |
| Sub-total Managed Income Funds                 |  |    | 836,262     |
| Self-Directed Brokerage Account Various shares |  |    | ** 38,655   |
| Total Investment Assets                        |  |    | \$3,112,380 |
| * Participant Loans                            | Interest rates ranging 3.25% - 5.75% Various maturity<br>dates through November 2023 |    | \$52,277    |

\* Represents a party-in-interest to the Plan.

\*\* Historical cost is omitted because the investment is participant-directed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Eastman Investment and Employee  
Stock Ownership Plan

Date: June 20, 2018 By: /s/ Scott V. King  
Scott V. King  
Vice President, Corporate Controller and Chief Accounting Officer

Eastman Investment and Employee Stock Ownership Plan  
Exhibit Index

| Exhibit<br>Number | Description  | Sequential<br>Page Number |
|-------------------|--|---------------------------|
| 23.1              | <u>Consent of Brown Smith Wallace, LLP Independent Registered Public Accounting Firm</u> | 32                        |