



# Eastman Chemical Company


EMN NYSE

Chemicals - Diversified

Market Capitalization USD:

**\$4,868.85 mm**

## CONCERN LEVEL: **LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

**CEO: James P. Rogers**

**Age: 60**

**CEO Since: 2009**

	2009	2010	2011
<b>Base Salary</b>	\$799,183	\$995,615	\$1,021,923
<b>Discretionary Bonus</b>	\$0	\$0	\$0
<b>Annual Cash Incentive</b>	\$1,000,000	\$2,000,000	\$1,600,000
<b>Benefits and Perquisites</b>	\$113,170	\$99,781	\$187,575
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$1,912,353</b>	<b>\$3,095,396</b>	<b>\$2,809,498</b>
<b>Increase in Post-Retirement Benefits</b>	\$157,724	\$299,892	\$816,938
<b>Stock Option Awards</b>	\$1,110,568	\$1,572,864	\$2,085,029
<b>Stock Awards</b>	\$485,209	\$4,010,040	\$6,325,920
<b>TOTAL COMPENSATION</b>	<b>\$3,665,854</b>	<b>\$8,978,192</b>	<b>\$12,037,385</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$2,330,695	\$2,738,387	\$3,404,206
<b>Value Realized on Exercise of Stock Option</b>	\$0	\$1,100,175	\$0
<b>Value Realized on Vesting of Stock</b>	\$832,537	\$2,478,943	\$3,309,366
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$832,537</b>	<b>\$3,579,118</b>	<b>\$3,309,366</b>

Proxy Date: 21 Mar 2012

Annual Meeting Date: 3 May 2012

Equity Reserves: 11.20%

Stock Option Run Rate: 0.45%

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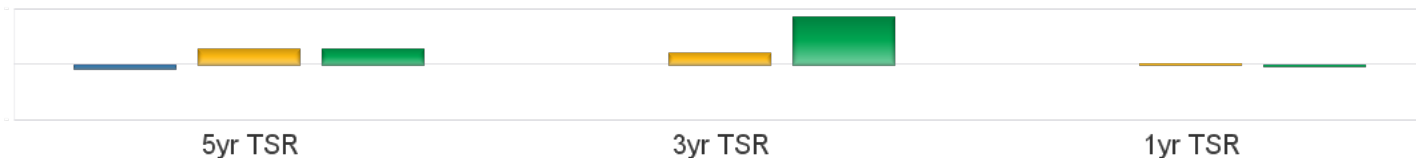
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## Performance Comparison

■ S&P500 ■ Industry ■ EMN



## Peer Comparisons (TRBC) = Basic Materials

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
EMN	Eastman Chemical Company	\$3,665,854	\$8,978,192	\$12,037,385	\$4,868,845,838
SMG	Scotts Miracle-Gro Company (The)	\$7,548,657	\$6,047,410	\$4,209,660	\$2,897,492,921
NUE	Nucor Corporation	\$2,884,064	\$6,770,807		\$9,999,569,006
OI	Owens-Illinois, Inc.	\$8,762,311	\$7,791,521		\$2,476,645,234
RGLD	Royal Gold, Inc	\$991,641	\$2,475,823		\$3,507,187,052
PKG	Packaging Corporation of America	\$6,318,403	\$6,642,754	\$7,318,800	\$2,366,464,686
ROC	Rockwood Holdings, Inc.	\$6,181,602	\$13,158,331		\$2,582,882,559

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

### Pay Peer Group

Air Products and Chemicals, Inc., Olin Corporation, The Dow Chemical Company, PPG Industries Inc., Ecolab Inc., Praxair Inc., E. I. DuPont de Nemours and Company, Sensient Technologies Corporation, FMC Corporation, Solutia Inc., H. B. Fuller Company, The Scotts Miracle-Gro Company, Nalco Holding Company, The Valspar Corporation.

### Performance Peer Group

Materials Sector from S&P Super Composite 1500 Index.

## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Michael P. Connors	Chairman	56	Male	7	Outside
David W. Raisbeck	Member	62	Male	12	Outside Related
Howard L. Lance	Member	56	Male	7	Outside
Lewis M. Kling	Member	67	Male	6	Outside
Stephen R. Demeritt	Member	68	Male	9	Outside

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