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

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the year ended December 31, 2023 or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM TO**

Commission File Number 1-00087

EASTMAN KODAK COMPANY
(Exact name of Registrant as specified in its Charter)

New Jersey	**16-0417150**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
343 State Street, Rochester, New York	**14650**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (800) 356-3259

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	KODK	New York Stock Exchange

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

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1 (b). ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting common equity held by non-affiliates of the Registrant, based on the closing price of the shares of common stock on June 30, 2023, was approximately $293 million.

The number of shares of Registrant's Common Stock outstanding as of March 7, 2024 was 79.9 million.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive Proxy Statement for the registrant's Annual Meeting of Shareholders to be held on May 15, 2024 have been incorporated by reference into Part III of this Annual Report on Form 10-K.

Eastman Kodak Company
Form 10-K
December 31, 2023

Table of Contents

PART I

ITEM 1. BUSINESS

When used in this report, unless otherwise indicated, “we,” “our,” “us,” the “Company” and “Kodak” refer to the consolidated company on the basis of consolidation described in Note 1 to the consolidated financial statements in Part II, Item 8, “Financial Statements and Supplementary Data” of this Form 10-K Report.

Kodak is a global manufacturer focused on commercial print and advanced materials and chemicals. With 79,000 patents earned over 130 years of research and development ("R&D"), Kodak believes in the power of technology and science to enhance what the world sees and creates. Kodak's innovative, award-winning products, combined with its customer-first approach, make us the partner of choice for commercial printers worldwide. Kodak is committed to environmental stewardship, including industry leadership in developing sustainable solutions for print.

The Company was founded by George Eastman in 1880 and incorporated in 1901 in the State of New Jersey. Kodak is headquartered in Rochester, New York.

DESCRIPTION OF THE BUSINESS
Kodak’s operations are classified into three reportable segments: Print, Advanced Materials and Chemicals, and Brand. The balance of Kodak’s continuing operations, which do not meet the criteria of a reportable segment, are reported in All Other and primarily represent the Eastman Business Park ("EBP") operations.

Print
The Print segment is comprised of five lines of business: the Prepress Solutions business, the PROSPER business, the Software business, the Electrophotographic Printing Solutions business and the Versamark business. Print segment products include digital offset plate offerings and computer-to-plate (“CTP”) imaging solutions, high-quality digital printing solutions using electrically charged toner-based technology, production press systems, consumables (primarily ink), inkjet components, software and services. The Print segment serves a variety of commercial industries, including commercial print, direct mail, book publishing, newspapers and magazines and packaging/labels. Print products are sold to customers through both a direct sales team as well as indirectly through dealers and channel partners. Key competitors are Fuji, EC03, HP, Canon, Ricoh and Screen. Products and services included in Kodak’s offerings are described below.

This segment is experiencing challenges from higher raw material and other supply chain costs and competitive pricing pressures. Refer to the Business Overview and Strategy section of Item 7, “Management’s Discussion and Analysis” for additional information on the opportunities and challenges related to the Print segment.

- *Prepress Solutions:*
    - The Prepress Solutions business provides digital offset plate offerings and CTP imaging solutions.
    - The goal of Prepress Solutions is to pursue a contract-based, stable and recurring cash flow-generative business model. The average duration of customer contracts is two years. These contracts generate recurring revenue. The core of the business is the manufacturing of aluminum digital printing plates of varying sizes. These plates can be as small as 23cm x 27cm and as large as 126cm x 287cm. Unexposed plates are sold to commercial printing companies for use in the offset printing process. Kodak also manufactures equipment, known as CTP equipment, which images the plates with a laser. The offset printing process transfers ink from the plate onto a rubber blanket and then onto the substrate to be printed. Due to the nature of the imaging and printing process, a new plate must be used for each printing run. As a result, there is a recurring revenue stream from the sale of these plates.

- The Digital offset plate offerings include KODAK SONORA Process Free Plates. Instead of the traditional process in which a plate is run through processing equipment containing a solution of developer, chemicals and water to set the image, KODAK SONORA Process Free Plates enable printers to set the image on the platesetter, then go directly to press. Processing variability is eliminated, so process-free plate users benefit from more consistent and stable plates. The solution is designed to be a much more environmentally friendly approach that could eliminate all processing chemicals, water and excess energy and waste from the plate-making process. These plates are designed to deliver cost savings and efficiency for customers and promote environmental sustainability practices.

- On September 1, 2019 Kodak established a strategic relationship with Lucky HuaGuang Graphics Co. Ltd ("HuaGuang") in the People's Republic of China. The relationship is comprised of an agreement under which Kodak sold its shares of the Kodak (China) Graphic Communication Co. Ltd. entity, which included the offset printing plates facility in Xiamen, China, and related assets and liabilities, to HuaGuang; a supply agreement for HuaGuang to help Kodak fulfill customer demand; and a license agreement under which Kodak licensed its plates technology, including its Sonora Process Free plates technology, to HuaGuang with the intent of expanding the plates market in China. The term of the supply agreement expires in the third quarter of 2024.

- *PROSPER:*

- The PROSPER business product offerings include PROSPER press systems and PROSPER components, based on KODAK's Continuous Inkjet Technologies KODAK Stream and ULTRASTREAM, along with KODACHROME and KODAK EKTACOLOR Inks and KODAK OPTIMAX Primers. Examples include the PROSPER 7000 Turbo Press and the PROSPER ULTRA 520 Press, which is powered by ULTRASTREAM, Kodak's 4th generation inkjet technology, which Kodak believes delivers exceptional quality at the fastest speeds, even on the most demanding jobs with heavy ink coverage on glossy and coated papers.

  - In addition to Kodak-branded presses, PROSPER print head components are integrated into original equipment manufacturer ("OEM") partner products and systems. Applications include publishing, commercial print, direct mail, packaging, and décor. The modular and scalable design of print heads powered by our ULTRASTREAM inkjet technology facilitates integration in print widths from 104 – 2500 mm (4" – 98") for applications on paper, film, plastic, and other substrates, expanding the footprint of inkjet printing to take on the challenges of a new age of digital printing.

  - Sales of PROSPER presses and components result in recurring revenue from sales of KODACHROME and KODAK EKTACOLOR Inks and KODAK OPTIMAX Primers and equipment service. The level of recurring revenue depends on the application for which the equipment is used, which drives the total number of pages printed and, therefore, the amount of ink usage. Kodak also generates revenue through the sale of other consumables including refurbished jetting modules and service.

- *Software:*

  - The Software business offers a leading suite of solutions for print production workflow, including the PRINERGY workflow production software, by providing customer value through automation, web integration and integration with other Kodak products and third-party offerings. Production workflow software is used by customers to manage digital and conventional print content from file creation to output. Production workflow software manages content and color, reduces manual errors and helps customers manage the collaborative creative process. Kodak believes it is a leader in production workflow solutions for the commercial print and packaging industries. Kodak added its cloud-based PRINERGY On Demand Platform to its PRINERGY offerings in 2022.

  - The Software business includes digital front-end controllers which manage the delivery of personalized content to digital presses while controlling color and print consistency.

- *Electrophotographic Printing Solutions:*

  - NEXFINITY printers produce high-quality, differentiated printing of short-run, personalized print applications, such as direct mail, books, marketing collateral and photo products.

  - Kodak ceased manufacturing of NEXFINITY printers effective December 2022. Kodak will continue to offer ink and other consumables as well as provide service to its installed base of printers.

- *Versamark:*

  - The KODAK VERSAMARK products are the predecessor products to the PROSPER business. Kodak has ceased manufacturing VERSAMARK Press Systems. Users of KODAK VERSAMARK products continue to purchase ink and other consumables as well as service from Kodak. Applications of the VERSAMARK products include publishing, transactional, commercial print and direct mail.

Net sales for the Prepress business accounted for 56%, 59% and 57% of Kodak’s total net revenue for the years ended December 31, 2023, 2022 and 2021, respectively.

Advanced Materials and Chemicals
The Advanced Materials and Chemicals segment is comprised of four lines of business: the Industrial Film and Chemicals business, the Motion Picture business, the Advanced Materials and Functional Printing business and the IP Licensing and Analytical Services business. Kodak’s Advanced Materials and Chemicals products are distributed directly by Kodak and indirectly through dealers. Kodak Alaris, a professional and consumer still photographic film and chemicals customer, represented approximately 34% of total Advanced Materials and Chemicals segment revenues in 2023 and 32% in both 2022 and 2021. Products and services included in Kodak’s offerings are described below.

The Advanced Materials and Chemicals segment includes the Kodak Research Laboratories which conduct research, develop new product or new business opportunities such as Kodak's growth initiatives of printed electronics, light blocking treatment for fabrics and diagnostic test reagents and file patent applications for its inventions and innovations.

The Advanced Materials and Chemicals segment also manages licensing of its intellectual property to third parties and is a supporting participant for any licensing of Kodak intellectual property to a third party. Kodak maintains a large worldwide portfolio of pending applications and issued patents.

- *Industrial Film and Chemicals*:

  - Offers professional and consumer still photographic film, as well as industrial film, including films used by the electronics industry to produce printed circuit boards.

  - Includes related component businesses: Specialty Chemicals; Solvent Recovery; and Polyester Film. Specialty Chemicals include unregulated key starting materials (“KSMs”) for pharmaceuticals. Kodak intends to continue organic expansion of its KSM production and is exploring opportunities to further expand its pharmaceutical offerings. Specialty Chemicals also includes materials for batteries (e.g., electric vehicles ("EV") and others) and specific functional materials for personal care products.

  - Offers specialty inks and dispersions to third parties.

  - Offers coating and product commercialization services: offerings include both pilot-scale and production scale roll-to-roll coating capabilities utilizing Kodak’s assets and know-how to commercialize and manufacture third-party products. This includes the growth initiative for coated substrates for components used in cell and battery pack assembly.

- *Motion Picture:*
    - Includes the motion picture film business serving the entertainment industry. Motion picture products are sold directly to studios, external laboratories and independent filmmakers.
    - Kodak motion picture film processing laboratories offer onsite processing services at strategic locations in the U.S. and Europe.
- *Advanced Materials and Functional Printing:*
    - Advanced Materials develops solutions for component smart materials based on the materials science inventions and innovations from the research laboratories. There are multiple applications that Kodak contemplates addressing in this category, one of which is light blocking particles for black out window treatments. The commercialization of the black out window treatments is complete including a coated textile production facility in Eastman Business Park. A second application is a specialized functional film being manufactured for use by a 3D printing customer. A third application is the process development work for launching Kodak's diagnostic test reagents as preparation for the opening of a cGMP facility within an existing building at Eastman Business Park to manufacture regulated pharmaceutical materials for healthcare applications.
    - Functional Printing concentrates on contract manufacturing, development partnerships, and/or licensing opportunities in very high-resolution micro-3D printing solutions such as printed electronics and printed transparent antennas. Development partnerships may include non-recurring engineering payments for Kodak's efforts to further develop such technologies into products. Also, a portfolio of products is offered to enable others to utilize functional printing.
- *IP Licensing and Analytical Services*:
    - Kodak actively seeks opportunities to leverage its patents and associated technology in licensing and/or cross-licensing deals to support both revenue growth and its ongoing businesses. While revenues from these licensing activities tend to be unpredictable in nature, this segment carries the potential for revenue generation from intellectual property licensing and new materials businesses. Kodak also provides a wide range of analytical services to external clients at competitive rates.

Refer to the Business Overview and Strategy section of Item 7, "Management's Discussion and Analysis" for additional information on the opportunities related to Advanced Materials and Chemicals growth initiatives.

Net sales for Industrial Film and Chemicals business accounted for 18%, 15% and 14% of Kodak's total net revenue for the years ended December 31, 2023, 2022 and 2021, respectively.

Brand
The Brand segment includes licensing of the Kodak brand to third parties. Kodak currently licenses its brand for use with a range of products including digital, instant print and 35mm film cameras, printing and scanning consumer use devices, eyewear, batteries and apparel. Kodak intends to continue efforts to grow its portfolio of brand licenses to generate both ongoing royalty streams and upfront payments. Brand licensees use the Kodak brand on their own products and use their own distribution channels.

RAW MATERIALS

The raw materials used by Kodak are many and varied and are generally readily available. Lithographic aluminum is the primary material used in the manufacture of offset printing plates. Kodak procures lithographic aluminum coils from several suppliers with pricing largely based on prevailing market prices for aluminum. Electronic components are used in the manufacturing of commercial printers and other electronic devices. The film and chemicals business uses many raw materials, including silver, from a broad range of suppliers. While most raw materials are generally available from multiple sources, certain key electronic components, other components and specialty chemicals included in the finished goods manufactured by Kodak and manufactured by and purchased from Kodak’s third-party suppliers are obtained from single or limited sources, which subjects Kodak to supply risks. Refer to Item 1A, "Risk Factors" and the Executive Overview section of Item 7, “Management’s Discussion and Analysis” for a discussion of the impact of the economic environment and other global events for additional information.

SEASONALITY OF BUSINESS

Printing equipment and plate unit sales generally are higher in the fourth quarter, resulting from customer or industry budgeting practices and buying patterns.

RESEARCH AND DEVELOPMENT

Kodak's general practice is to protect its investment in research and development and its freedom to use its inventions by obtaining patents. The ownership of these patents contributes to Kodak's ability to provide industry-leading products. Kodak holds portfolios of patents in several areas important to its business, including specific technologies such as lithographic printing plates and related equipment systems; digital printing workflow and color management proofing systems; key press components and toners for color and black-and-white electrophotographic printing systems; commercial inkjet writing systems and components, presses and inks; custom and specialty materials for 3D printing, functional printing materials, material formulations, and deposition modalities; engineered microparticles for specific functions; and security materials. Each of these areas is important to existing and emerging business opportunities that bear directly on Kodak's overall business performance.

In addition to patents, Kodak’s intellectual property includes know-how in many of the areas noted above, but in other businesses as well, such as color negative films, processing and print films, and manufacturing of KSMs for the pharmaceutical industry.

Kodak's major products are not dependent upon one single, material patent. Rather, the technologies that underlie Kodak's products are supported by an aggregation of patents having various remaining lives and expiration dates along with know-how and trade secrets. There is no individual patent, or group of patents, whose expiration is expected to have a material impact on Kodak's results of operations.

ENVIRONMENTAL MATTERS

Kodak is subject to a wide variety of increasingly stringent federal, state, local, and foreign environmental laws and regulations, including laws addressing the discharge of pollutants into the air and water, the management and disposal of hazardous substances and wastes, and the cleanup of contaminated sites. It is Kodak’s policy to carry out its business activities in a manner consistent with sound health, safety and environmental management practices and to comply with applicable health, safety and environmental laws and regulations. Kodak continues to engage in programs for environmental, health and safety protection and control.

A liability for environmental remediation and other environmental costs is accrued when it is considered probable that a liability has been incurred and the amount of loss can be reasonably estimated. Environmental costs and accruals are presently not material to Kodak’s operations, cash flows or financial position. Although there is no assurance that existing or future environmental laws applicable to operations or products will not have a material adverse effect on operations, cash flows or financial condition, Kodak does not currently anticipate material expenditures to comply with environmental laws and regulations.

Kodak is focused on developing and delivering products and technologies that can drive sustainability and profitability by increasing operational efficiency, minimizing resource use, reducing costs over time and empowering customers to meet their own sustainability objectives.

The opportunity to reduce the environmental impact of its products and services is especially great for print products, as commercial printing has historically been a significant source of waste and pollution. Kodak continues to develop in-house life cycle assessment and carbon footprint capabilities, which will help identify where the environmental footprint of Kodak’s products can be further reduced.

HUMAN CAPITAL
As of the end of 2023, Kodak employed approximately 4,000 employees across 34 countries. Kodak's success depends on identifying, attracting, engaging, developing, and retaining a highly skilled workforce in multiple areas within Kodak. Outside the U.S. there are employees in certain countries that are represented by unions or similar organizations, such as works councils, or are covered by collective bargaining agreements.

Kodak utilizes temporary staffing programs to develop a pipeline of talent and provide additional support during peak periods. This includes working closely with local schools to provide apprentice and intern programs. Less than 2% of its workforce is temporary.

Diversity, Equity and Inclusion
Kodak seeks to create an inclusive and creative environment globally. Kodak strives to create a culture of inclusion, reduce bias in its talent practices, and invest in and engage with its communities. Kodak conducts diversity and code of conduct trainings with employees and managers to promote an inclusive and diverse workplace, where all individuals feel respected and part of a team regardless of their race, national origin, ethnicity, gender, age, religion, disability, sexual orientation or gender identity.

Kodak has achieved a score of 100% on the Human Rights Campaign Foundation's Corporate Equality Index for over two decades and is included on its list of "Best Places to Work for LGBTQ+ Equality".

Health, Wellness and Safety
Kodak is dedicated to driving continuous safety improvement across its operations. Kodak's approach includes identifying and mitigating risk, targeted training, information sharing on safe work practices, and thorough analysis of incidents and near misses, implementing preventative measures and performing reviews to ensure the hazard has been eliminated.

AVAILABLE INFORMATION
Kodak files many reports with the Securities and Exchange Commission ("SEC") (www.sec.gov), including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. These reports, and amendments to these reports, are made available free of charge as soon as reasonably practicable after being electronically filed with or furnished to the SEC. They are available through Kodak's website at www.Kodak.com. To reach the SEC filings, follow the links to Company, About Us, Investor Center, Financials and then SEC Filings.

ITEM 1A. RISK FACTORS

Kodak operates in rapidly changing economic and technological environments which present numerous risks and uncertainties. The risk factors described below, if realized, could have a material adverse effect on Kodak's business, financial condition, and results of operations and make an investment in our securities risky. You should carefully consider these risks and uncertainties in addition to other information contained in this Annual Report on Form 10-K, including the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") section and the consolidated financial statements and related notes.

Summary of Risk Factors

The following is a summary of the risk factors Kodak faces. The list is not exhaustive, and investors should read this "Risk Factors" section in full. Some of the risks Kodak faces include:

Summary of Risks Related to Kodak's Business and Operations

- *Kodak's business, financial condition and results of operations have been and may continue to be adversely affected by global economic and geopolitical conditions, including wars and other hostilities, medical epidemics, inflation, rising interest rates, and slowdowns in customer demand.*
- *The ability to generate positive operating cash flows will be necessary for Kodak to continue to operate our business.*
- *If Kodak is unable to continue successful development, funding, and commercialization of products in businesses upon which we are focused or do so within an acceptable timeframe, Kodak's financial performance could be adversely affected.*
- *If Kodak is unable to successfully or timely implement cost structure reductions, Kodak's business, financial condition and results of operations could be negatively affected.*
- *The loss of one or more of Kodak's key personnel, or our failure to attract and retain other highly qualified personnel in the future, could harm our business.*
- *If Kodak cannot effectively anticipate or rapidly respond to technology trends and develop and market new products to respond to changing customer needs and preferences, our revenue, earnings and cash flow could be adversely affected.*
- *Kodak's investment in new products and services may not achieve expected returns.*
- *If Kodak does not manage product reliability, yield and quality, our product launch plans may be delayed, our financial results may be adversely impacted, and our reputation may be harmed.*
- *Aging manufacturing facilities and equipment could lead to failures of equipment and systems.*
- *If Kodak fails to manage distribution of our products and services properly, our revenue, gross margins and earnings could be adversely impacted.*
- *Cyber-attacks or other data security incidents that disrupt Kodak's operations or result in the breach or other compromise of proprietary of confidential information about our workforce, our customers, or other third parties could disrupt our business, harm our reputation, cause us to lose customers, and expose us to costly regulatory enforcement and litigation, any of which could lead to material adverse effects on Kodak's results of operations, business and financial condition.*
- *If Kodak cannot protect the intellectual property rights on which our business depends, or if third parties assert that we violate their intellectual property rights, our revenue, earnings, expenses and liquidity may be adversely impacted.*
- *Kodak's inability to effectively complete and manage strategic transactions could adversely impact our business performance, including our financial results.*
- *Failure to successfully manage the development and improvement of IT systems could diminish or delay any anticipated efficiencies and operational improvements, and our operations and business could be disrupted.*
- *If the reputation of Kodak or its brand erodes significantly, it could have a material impact on our financial results.*
- *Increased competition, including price competition, could have a material adverse impact on Kodak's revenue, gross margins, cash flow and market share.*
- *Business disruptions could seriously harm Kodak's future revenue and financial condition.*
- *Kodak relies on third-party suppliers and service providers to support our manufacturing, logistics, and business operations and faces the risks associated with reliance on external business partners.*

- *Due to the nature of the products we sell and Kodak's worldwide distribution, Kodak is exposed to fluctuations in foreign currency exchange rates, interest rates and commodity costs which, together with tariffs that may be imposed, may adversely impact our results of operations and financial position.*

- *Kodak faces additional costs and risks associated with our worldwide business operations.*

- *An inability to provide competitive financing arrangements to Kodak's customers or extension of credit to customers whose creditworthiness deteriorates could adversely impact our revenue, profitability and financial position.*

Summary of Risks Related to Kodak's Indebtedness and Access to Capital Markets

- *The Company's substantial monetary obligations require a portion of our cash flow to be used to fund other obligations rather than be invested in the business and could adversely affect our ability to fund our operations.*

- *The availability of letters of credit under the Amended and Restated Letter of Credit Facility Agreement ("Amended and Restated L/C Facility Agreement") is limited by the amount of cash on deposit with the administrative agent.*

- *Kodak may desire additional capital funding and such capital may not be available to us and/or may be limited.*

- *There can be no assurance the Company will be able to comply with the terms of our various credit facilities.*

- *The current non-investment grade status and Kodak's financial condition may adversely impact Kodak's commercial operations, increase our liquidity requirements and increase the cost of refinancing opportunities. We may not have adequate liquidity to post required amounts of additional collateral.*

Summary of Legal, Regulatory and Compliance Risks

- *Legal proceedings and governmental investigations could have a material adverse effect on our business operations and prospects, reputation, financial condition, results of operations and stock price.*

- *Our business and financial condition can be impaired by improper conduct by any of our employees, agents, or business partners.*

- *Failure to comply with privacy, data protection and cyber security laws and regulations could have a materially adverse effect on Kodak's reputation, results of operations or financial condition.*

- *Failure to comply with environmental laws and regulations or liabilities imposed as a result of such laws and regulations could have an adverse effect on our business, results of operations and financial condition.*

- *If Kodak fails to maintain effective internal controls over financial reporting, we may not be able to accurately report our financial results, which could have a material adverse effect on Kodak's operations, investor confidence in our business and the trading prices of our securities.*

- *Kodak may have additional tax liabilities.*

- *Kodak's future pension and other postretirement benefit plan costs and required level of contributions could be unfavorably impacted by changes in actuarial assumptions, market performance of plan assets and obligations imposed by legislation or pension authorities which could adversely affect our financial position, results of operations, and cash flow.*

- *Kodak may be required to recognize impairments in the value of our trade name and/or other long-lived assets which could adversely affect our results of operations.*

Summary of Risks Related to the Company's Common Stock

- *The conversion of the Series B Preferred Stock and Series C Preferred Stock into shares of the Company's common stock may dilute the value for the current holders of the Company's common stock.*
- *The holder of the Series C Preferred Stock may influence the composition of the Board and future actions taken by the Board.*
- *The resale of the Company's common stock may adversely affect the price of our common stock.*
- *The resale of a significant portion of the Company's securities or certain accumulations or transfers of the Company's securities could result in a change of control of the Company and the loss of favorable tax attributes.*
- *The Company's stock price has been and may continue to be volatile.*

Risks Related to Kodak's Business and Operations

Kodak's business, financial condition and results of operations have been and may continue to be adversely affected by global economic and geopolitical conditions, including the impact of wars and other hostilities, medical epidemics, inflation, rising interest rates, and slowdowns in customer demand.

Worsening global economic conditions, including those associated with the war in Ukraine, the conflicts involving Israel, medical epidemics, heightened levels of inflation and rising interest rates, could have material adverse impacts on Kodak's business, cash flows, employees, suppliers, customers, and others' ability to conduct business, including increased operational costs, extended business shutdowns, reduced operations, restrictions or interruptions in shipping, manufacturing or installing products, reduced consumer demand and the reduced ability of our customers to make payments. Accounts receivable and past due accounts could increase due to a decline in our customers' ability to pay, and our liquidity, including our ability to use credit lines, could be negatively impacted by failures of financial instrument counterparties, including banks and other financial institutions.

Due to the global economic impact of the war in Ukraine, the conflicts involving Israel, medical epidemics, heightened levels of inflation and rising interest rates, we have and may continue to experience additional operating costs due to increased cost of energy, shipping, raw materials and labor, limited availability of raw materials and component products, delays in shipping and transportation and a decline in customer demand. Kodak's products contain aluminum, silver, petroleum-based or other commodity-based raw materials, the prices of which have significantly increased, and could continue to increase. Ongoing disruptions in our supply chain could affect our ability to continue to meet customer demand for our products and services. Continued or worsening operational and global economic conditions could materially affect our business, financial condition or results of operations. The extent to which the global economic conditions affect our results will depend on future developments, which are highly uncertain and cannot be predicted. This includes new information which may emerge concerning the continued impact of the war in Ukraine and the conflicts involving Israel, any escalation thereof, and the impact of the international response thereto. For additional discussion regarding known impacts of the war in Ukraine, the conflicts involving Israel and the global economic environment, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Annual Report on Form 10-K.

The ability to generate positive operating cash flows will be necessary for Kodak to continue to operate our business.

Continued investment, capital needs, restructuring payments, dividends and servicing Kodak’s debt require a significant amount of cash and we may not be able to generate sufficient cash to fund these activities, which could adversely affect our business, financial condition, and results of operations. Kodak has not consistently generated positive operating cash flows without supplementing such cash flow from operations with financing and monetization transactions over the past several years. Kodak's businesses may not grow or continue to generate the same or enough cash flow.

It may take Kodak longer than planned to generate consistent positive cash flow from operations, which would have a material adverse effect on our liquidity and financial position. If Kodak is unable to generate positive cash flow from operations for an extended period in the future or to adequately supplement such cash flow from operations, our ability to continue as a going concern could be impaired or limited.

Kodak’s ability to generate cash is subject to general economic, financial, competitive, legal, regulatory and other factors beyond our control. There are no assurances:

- Kodak’s businesses will generate sufficient cash flow from operations;
- Kodak will be able to repatriate or move cash to locations where and when it is needed;
- Kodak will meet all conditions associated with borrowings or issuing letters of credit under the Amended and Restated L/C Facility Agreement;
- Kodak will realize cost savings, earnings growth or operating improvements resulting from the execution of our business and restructuring plan;
- Kodak will not have to expend cash defending lawsuits regardless of the merits of any claims raised; or
- Future sources of funding will be available in amounts sufficient to enable funding of our liquidity needs.

Kodak’s business may not generate cash flow in an amount sufficient to enable us to pay the principal or mandatory redemption price of, or interest and dividends on, the senior secured first lien term loans (the “Term Loans”) borrowed under the Amended and Restated Credit Agreement, dated June 30, 2023, by and among the Company, the lenders party thereto (the “Term Loan Lenders”), and Alter Domus (US) LLC, as Administrative Agent (the “Term Loan Credit Agreement”), the 4.0% Series B Convertible Preferred Stock of the Company (the “Series B Preferred Stock”), and the 5.0% Series C Convertible Preferred Stock of the Company (the “Series C Preferred Stock”), or to fund Kodak’s other liquidity needs, including working capital, capital expenditures, product development efforts, restructuring actions, collateral requirements, strategic acquisitions, investments and alliances and other general corporate requirements.

If Kodak cannot fund our liquidity needs, we will have to take actions, such as reducing or delaying capital expenditures, product development efforts, strategic acquisitions, and investments and alliances; selling additional assets; restructuring or refinancing the Company’s debt; or seeking additional equity capital. Such actions could increase the Company’s debt, negatively impact customer confidence in our ability to provide products and services, reduce our ability to raise additional capital and delay sustained profitability. There are no assurances any of these actions could, if necessary, be taken on commercially reasonable terms, or at all, or they would satisfy Kodak’s liquidity needs.

If Kodak is unable to continue successful development, funding, and commercialization of products in businesses upon which we are focused or do so within an acceptable timeframe, Kodak's financial performance could be adversely affected.

Kodak has focused our investments in print, advanced materials, and chemicals. These investment areas include digital printing using commercial inkjet, high resolution functional printing for electronic and optical solutions, specialty chemicals (including pharmaceutical and reagent products), coated materials used in electric vehicle/energy storage batteries and smart materials for light control and 3D printing. Each of these businesses requires additional investment and may not be successful. The introduction of successful innovative products at market competitive prices and the achievement of scale are necessary for Kodak to grow these businesses, improve margins and achieve our financial objectives. Additionally, Kodak's strategy is based on a number of factors and assumptions, some of which are not within our control, such as the actions of third parties. There can be no assurance that we will be able to successfully execute all or any elements of our strategy, or that Kodak's ability to successfully execute our strategy will be unaffected by external factors. If Kodak is unsuccessful in growing our investment businesses as planned, or perceiving the needs of our target customers, Kodak's results of operations, financial condition and liquidity could be adversely affected.

If Kodak is unable to successfully or timely implement cost structure reductions, Kodak's business, financial condition and results of operations could be negatively affected.

Kodak continues to rationalize our workforce and streamline operations to a leaner and more focused organization aligned with our business initiatives. There are no assurances that workforce reductions, restructuring efforts and other cost-saving measures will be successful or the cost savings or other beneficial results will be consistent with expectations. The extent of change across our organizational structure, senior leadership, culture, functional alignment, outsourcing and other areas poses risks in the form of personnel capacity constraints and institutional knowledge loss that could lead to diminished results, compliance issues, and harm to our reputation. If workforce reductions, restructuring efforts and other cost-saving measures are not effectively managed, Kodak may also experience lost sales, harm to our business and customer relationships, adverse effects on employee morale, loss of key employees or other retention issues, product delays and increased costs.

Finally, the timing and implementation of workforce reductions may require compliance with laws and regulations, including local labor laws, and the failure to comply with such requirements may result in damages, fines and penalties. Any of these outcomes could negatively impact Kodak's business, financial condition, and results of operations.

The loss of one or more of Kodak's key personnel, or our failure to attract and retain other highly qualified personnel in the future, could harm our business.

In order to be successful, Kodak must continue to attract, retain and motivate executives and other key employees across the Company. Hiring and retaining qualified executives, research and engineering professionals, and qualified sales representatives, particularly in Kodak's targeted growth markets, is critical to our future. The impact of the COVID-19 pandemic has resulted in increased attrition and significant shifts in the labor market and employee expectations. Given that our business is highly technical and specialized, it would be difficult to replace the loss of any of our key employees. Kodak may be unable to attract and retain highly qualified management and employees, particularly if we do not offer employment terms competitive with the rest of the market. Failure to attract and retain qualified individuals, key leaders, executives and employees, or failure to develop and implement a viable succession plan, could result in inadequate depth of institutional knowledge or skill sets, which could adversely affect Kodak's business and results of operations.

If Kodak cannot effectively anticipate or rapidly respond to technology trends and develop and market new products to respond to changing customer needs and preferences, our revenue, earnings and cash flow could be adversely affected.

Kodak generally sells our products in industries which are characterized by rapid technological changes, frequent new product and service introductions and changing industry standards. Kodak's success depends on our ability to offer differentiated solutions and technologies to capture market share and grow scale. To do so, Kodak must continually develop and introduce new products and services in a timely manner to keep pace with technological developments and achieve customer acceptance. In addition, the services and products we provide to customers may not or may no longer meet the needs of our customers as the business models of our customers evolve. Kodak's customers may decide to outsource their imaging and printing needs or may purchase imaging and printing services from other suppliers in order to meet their needs. In addition, it is difficult to always successfully anticipate the products and services our customers will demand. The success of Kodak's business depends in part on our ability to identify and respond promptly to changes in customer preferences, expectations and needs. If Kodak does not timely assess and respond to changing customer expectations, preferences and needs, our financial condition, results of operations or cash flows could be adversely affected.

If Kodak is unable to timely anticipate new technology trends, develop improvements to our current technology to address changing customer preferences, and effectively communicate our businesses, products, and the markets we serve, our revenue, earnings and cash flow could be adversely affected.

The success of Kodak's technology development efforts may be affected by the development efforts of our competitors, which may have more financial and other resources to better ascertain technology trends, changing customer preferences, and changing business expectations or models. Kodak's assessment and response may as a result be incomplete or inferior when compared to our competitors, which could adversely affect our product roadmaps and associated revenue streams.

Kodak has reduced the scope of its corporate-focused research and development activities. If our investment in research and product development is inadequate, our response to changing customer needs and changing market dynamics may be too slow and this may adversely affect revenue streams from new products and services.

Kodak's investment in new products and services may not achieve expected returns.

Commercial success depends on many factors, including innovation, manufacturing capability, and effective distribution and marketing. If customers do not perceive Kodak's latest offerings as providing significant new functionality or other value, they may reduce their purchases of new products or upgrades, unfavorably affecting our revenue. That may mean Kodak does not achieve significant revenue from new product, service, and distribution channel investments for several years, if at all.

New products and services may not be profitable, and even if they are profitable, operating margins for some new products and businesses may not be as high as the margins Kodak has experienced historically. Developing new technologies is complex. It can require long development and testing periods. Significant delays in new releases or significant problems in creating new products or services could adversely affect Kodak's revenue.

If Kodak does not manage product reliability, yield and quality, our product launch plans may be delayed, our financial results may be adversely impacted, and our reputation may be harmed.

In developing, commercializing, manufacturing and servicing our products and services, Kodak must adequately address reliability and prevent yield and other quality issues, including defects in our engineering, design and manufacturing processes, as well as defects in third-party components included in our products.

Because Kodak's products are sophisticated and complicated to develop and commercialize with rapid advances in technologies, the occurrence of defects may increase, particularly with the introduction of new product lines.

Unanticipated issues with product performance may delay product launch plans which could result in additional expenses, lost revenue and earnings. Although Kodak has established internal procedures to minimize risks which may arise from product quality issues, there can be no assurance we will be able to eliminate or mitigate occurrences of these issues and associated liabilities. Product reliability, yield and quality issues can impair our relationships with new or existing customers and adversely affect our brand image; product quality issues can result in recalls, warranty, or other service obligations and litigation; and our reputation as a producer of high quality products could suffer, all of which could adversely affect our business as well as our financial results.

Aging manufacturing facilities and equipment could lead to failures of equipment and systems and require capital investment.

Kodak's manufacturing facilities are aged, and without significant updates to equipment and systems, will be more prone to failure. Capital improvements to manufacturing facilities are planned but there is risk to manufacturing operations especially due to the complexity of the processes and technology and the loss of knowledge as employees leave who are familiar with the processes and technology. The longer these updates are delayed the higher the risk due to equipment failures, further obsolescence and additional loss of employees with the specific knowledge base. If Kodak's equipment and systems experience a critical failure, we could experience an interruption of operations, manufacturing delays, increased costs associated with repairs or redesigns of systems and products, loss of sales and customers and damage to Kodak's reputation, any of which could have a material adverse effect on our business, financial condition and results of operations.

If Kodak fails to manage distribution of our products and services properly, our revenue, gross margins and earnings could be adversely impacted.

Kodak uses a variety of distribution methods to sell and deliver our products and services, including direct sales, third-party resellers, channel partners and distributors. Successfully managing the interaction of direct and indirect channels across customer segments for our products and services is complex. Since each distribution method has distinct risks and financial implications, Kodak's failure to achieve the most advantageous delivery model for our products and services could adversely affect our revenue and earnings.

If Kodak cannot protect the intellectual property rights on which our business depends, or if third parties assert that we violate their intellectual property rights, our revenue, earnings, expenses and liquidity may be adversely impacted.

A key differentiator for Kodak in many of our businesses is our technological advantage over competitors' products and solutions. Our technological advantage is supported by Kodak's intellectual property rights. Patent, copyright, trademark and trade secret laws in the United States and similar laws in other countries, and non-disclosure, confidentiality and other types of agreements with Kodak's employees, customers, suppliers and other parties, may not be effective in establishing, maintaining, protecting and enforcing Kodak's intellectual property rights.

Any of Kodak's direct or indirect intellectual property rights could be challenged, invalidated, circumvented, infringed, diluted, disclosed or misappropriated, or such intellectual property rights may not be sufficient to permit us to take advantage of current market trends or otherwise to provide competitive advantages, which could result in costly product redesign efforts, discontinuance of certain product offerings or other competitive harm. Further, the laws of certain countries do not protect proprietary rights to the same degree as the laws of the United States.

Therefore, in certain jurisdictions, Kodak may be unable to protect our proprietary technology adequately against unauthorized third-party copying, infringement or use, which could adversely affect our competitive position. Also, some of Kodak's businesses and some of our products rely on key technologies developed or licensed by third parties and, because of the rapid pace of technological change in the information technology industry, we may not be able to obtain or continue to obtain licenses and technologies from relevant third parties on reasonable terms, or at all.

Kodak also licenses third parties to use our trademarks. In an effort to preserve our trademark rights, Kodak enters into license agreements with these third parties which govern the use of our trademarks and requires our licensees to abide by quality control standards with respect to the goods and services they provide under the trademarks. Although Kodak makes efforts to police the use of our trademarks by our licensees, there can be no assurance these efforts will be sufficient to ensure the licensees abide by the terms of their licenses. In the event Kodak's licensees fail to do so, our trademark rights could be diluted and our reputation harmed by our licensees' activities. Also, failure by Kodak and our licensees to sufficiently exploit any of Kodak's trademarks in any markets could erode Kodak's trademark rights with respect to the relevant trademarks. Because the laws and enforcement regimes of certain countries do not protect proprietary rights to the same degree as those in the United States, in certain jurisdictions Kodak may be unable to adequately prevent such unauthorized uses, which could result in impairment of our trademark rights.

Kodak has made substantial investments in new, proprietary technologies and has filed patent applications and obtained patents to protect our intellectual property rights in these technologies as well as the interests of our licensees. There can be no assurance Kodak's patent applications will be approved, any patents issued will be of sufficient scope or strength to provide us with meaningful protection, or such patents will not be challenged by third parties. Furthermore, Kodak may fail to accurately predict all of the countries where patent protection will ultimately be desirable, and if we fail to timely file a patent application in any such country, we may be precluded from doing so at a later date. The patents issuing may vary in scope of coverage depending on the country in which such patents issue.

In addition, the intellectual property rights of others could inhibit Kodak's ability to conduct our business. Other companies may hold patents on technologies used in Kodak's industries and some of these companies may be aggressively seeking to expand, enforce or license their patent portfolios. Third parties may claim Kodak and our customers, licensees or other parties indemnified by us are infringing upon their intellectual property rights.

Such claims may be made by competitors seeking to block or limit Kodak's access to certain markets. Additionally, certain individuals and groups have purchased intellectual property assets for the sole purpose of making claims of infringement and attempting to extract settlements from companies like Kodak. Even if we believe the claims are without merit, these claims may have the following negative impacts on our business:

- claims can be time consuming and costly to defend and may distract management's attention and resources;
- claims of intellectual property infringement may require us to redesign affected products, enter into costly settlement or license agreements or pay costly damage awards, or face a temporary or permanent injunction prohibiting us from marketing or selling certain of our products;
- even if we have an agreement with a third party to indemnify us against such costs, the indemnifying party may be unable to uphold such party's contractual obligations; and
- if we cannot or do not license the infringed technology at all, license the technology on reasonable terms or substitute similar technology from another source, Kodak's revenue and earnings could be adversely impacted.

Finally, Kodak uses open-source software in connection with some of our products and services. Companies which incorporate open-source software into their products have, from time to time, faced claims challenging the ownership of open-source software and/or compliance with open-source license terms. As a result, Kodak could be subject to suits by parties claiming ownership of what we believe to be open-source software or noncompliance with open-source licensing terms. Some open-source software licenses require users who distribute open-source software as part of their software to publicly disclose all or part of the source code to such software and/or make available any derivative works of the open-source code on unfavorable terms or at no cost. Any requirement to disclose Kodak's source code or pay damages for breach of contract could be harmful to our business results of operations and financial condition.

Cyber-attacks or other data security incidents that disrupt Kodak's operations or result in the breach or other compromise of proprietary of confidential information about our workforce, our customers, or other third parties could disrupt our business, harm our reputation, cause us to lose customers, and expose us to costly regulatory enforcement and litigation, any of which could lead to material adverse effects on Kodak's results of operations, business and financial condition.

To effectively manage our global business, Kodak depends on secure and reliable information technology systems with accurate data. These systems and their underlying infrastructure are provided by a combination of Kodak and third parties, and if unavailable or unreliable, could disrupt Kodak's operations, causing delays or cancellation of customer orders, impeding the manufacturing or delivery of products, delaying the reporting of financial results, or impacting other business processes critical to running our business.

Attacks on IT systems continue to grow in frequency, complexity and sophistication, and Kodak is regularly targeted by unauthorized parties using malicious tactics, code and viruses. The techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, are increasingly more complex and sophisticated and may be difficult to detect for long periods of time. Therefore, the system controls and security measures Kodak and other third parties use to prevent, detect and respond to data or cyber security incidents may not be sufficient to anticipate and identify these techniques or implement adequate or timely preventive or responsive measures.

Kodak's IT systems contain critical information about our business, including intellectual property and confidential information of our customers, business partners, and employees. Cyber-attacks, breaches or defects in our systems or those of third parties could result in unauthorized access to and misuse of our information, corruption of data, or disruption of operations, any of which could have a material adverse impact on Kodak's business and reputation. The speed to closure of significant cyber security incidents may be influenced by the cooperation of governmental or law enforcement agencies, which is outside of our control.

Kodak also provides IT-based products and services to our customers and operates services used by our customers and hosted by Kodak. A breach of our security or reliability measures, or those of our third-party service providers, could negatively impact our customers' operations or data privacy, which could expose Kodak to liability and reputational harm.

We may be required to incur significant costs to protect against damage caused by cyber-attacks or data security incidents in the future. Such events may expose us to unexpected liability, litigation, regulatory investigation and penalties, loss of customers' business, unfavorable impact to business reputation, any of which could lead to a material adverse effect on our business, financial condition and results of operations.

Failure to successfully manage the development and improvement of IT systems could diminish or delay any anticipated efficiencies and operational improvements, and our operations and business could be disrupted.

Kodak is implementing improvements to IT systems to more effectively manage our global business and implement our strategic plans. If Kodak is unable to successfully manage the development, improvement and transition of IT systems, anticipated efficiencies and operational improvements may be delayed or diminished, and we may experience cost overruns, disruption in our operations, or other business or reputational harm, any of which could have a material adverse effect on Kodak's results of operations, business and financial condition.

Kodak's inability to effectively complete and manage strategic transactions could adversely impact our business performance, including our financial results.

From time to time, Kodak may be engaged in discussions with third parties regarding possible investments, acquisitions, strategic alliances, joint ventures, divestitures, asset sales, spin-offs and outsourcing transactions and may enter into agreements relating to such transactions in order to further our business objectives.

In order to successfully pursue strategic transactions, Kodak must identify suitable sellers, buyers and partners and successfully complete transactions, some of which may be large and complex, and manage post-closing issues such as the elimination of any remaining post-sale costs related to divested businesses. Transaction risk can be more pronounced for larger and more complicated transactions or when multiple transactions are pursued simultaneously. Strategic transactions may involve the following risks and challenges that could negatively impact our results of operations:

- the need to obtain required regulatory and other approvals;
- the need to integrate acquired or combined operations with our business;
- potential loss of key employees;
- difficulty in evaluating operating costs, infrastructure requirements, environmental and other liabilities, and other factors beyond our control;
- wrong, inaccurate, or changing business assumptions on which such acquisitions or combinations are predicated;
- potential lack of operating experience in new business or geographic areas;
- an increase in our expenses and working capital requirements;
- competition for strategic transactions, which may increase transaction costs and the ability to identify opportunities;
- management's attention may be temporarily diverted; and
- the possibility we may be required to issue a substantial amount of additional equity or debt securities or assume additional debt in connection with any such transactions.

There are no assurances Kodak will be able to consummate any strategic transactions which we undertake or, if consummated, Kodak will achieve the anticipated levels of cash flows or realize synergies or other anticipated benefits from a strategic transaction. If Kodak fails to identify and successfully complete transactions that further our strategic objectives, we may be required to expend resources to develop products and technology internally, we may be at a competitive disadvantage or we may be adversely affected by negative market perceptions. Any of these factors could have an adverse effect on Kodak's revenue, gross margins and profitability.

If the reputation of Kodak or its brand erodes significantly, it could have a material impact on our financial results.

Kodak's products and brand have worldwide recognition. Kodak's reputation, and the reputation of our brand, form the foundation of our relationships with key stakeholders and other constituencies, including customers, suppliers, distributors, channel partners, consumers and investors. Any harm to the reputation of Kodak or our brand could have a material adverse impact on our results of operations, business and financial condition. The value of Kodak's brand is reflected, in part, in our Brand segment, which licenses the Kodak brand for use by third parties in a wide range of products. Consumers and the public may view the products and activities of brand licensees as the products and activities of Kodak. The measures Kodak undertakes to research and manage licensee relationships and assess the quality of their products may not be sufficient to protect against legal proceedings and reputational harm in the event that licensed products and services do not meet consumer expectations for quality and safety. Other factors that could dilute or damage the reputation of Kodak and our brand include the failure of products and services to meet customer expectations, litigation and government investigations, negative or inaccurate comments in the media, including social media, and failure to meet and manage customer and industry expectations regarding the impact of our business on matters of social responsibility and environmental sustainability.

Increased competition, including price competition, could have a material adverse impact on Kodak's revenue, gross margins, cash flow and market share.

The markets in which Kodak does business are highly competitive with large, entrenched, and well financed industry participants, many of which are larger than Kodak. In addition, we encounter aggressive price competition for many of our products and services from numerous companies globally. Any of our competitors may:

- foresee the course of market developments more accurately than Kodak does;
- sell superior products and provide superior services or offer a broader variety of products and services;
- have the ability to produce or supply similar products and services at a lower cost;
- have better access to materials and supplies and the ability to acquire materials and supplies at a lower cost;
- develop stronger relationships with our suppliers or customers;
- adapt more quickly to new technologies or evolving customer requirements; or
- have access to capital markets or other financing sources on more favorable terms.

As a result, Kodak may not be able to compete successfully with our competitors. Finally, we may not be able to maintain our operating costs or prices at levels which would allow us to compete effectively. Kodak's results of operations and financial condition may be adversely affected by these and other industry-wide pricing pressures. If our products, services and pricing are not sufficiently competitive with current and future competitors, we could also lose market share, adversely affecting our revenue, gross margins and cash flow.

Business disruptions could seriously harm Kodak's future revenue and financial condition.

Worldwide operations could be subject to earthquakes, power shortages or outages, internet, systems and telecommunications failures, cyber-attacks, terrorism and other physical security threats, water shortages, tsunamis, floods, hurricanes, typhoons, fires, extreme weather conditions, failure of critical infrastructure, medical epidemics, political or economic instability, including war and protests, and other natural or manmade disasters or business interruptions, for which Kodak is predominantly self-insured. The occurrence of any of these business disruptions could cause disruptions to Kodak's operations or the operations of our suppliers, distributors and resellers, or customers and have a material adverse effect on Kodak's results of operations and financial condition.

Certain of Kodak's critical business functions, including our manufacturing and field service operations, cannot be performed remotely, and an inability of Kodak's employees to physically work at our or our customers' locations due to disruptions in service could harm Kodak's operations, perhaps significantly.

The impact of these risks is greater in areas where products are manufactured at a sole or limited number of location(s), and where the sourcing of materials is limited to a sole or limited base of suppliers, since any material interruption in operations in such locations or suppliers could impact Kodak's ability to provide a particular product or service for a period of time.

If our systems are disrupted or fail for any reason, both Kodak and our customers could experience data loss, financial loss, harm to reputation, or significant business interruption. Any delays or failures caused by network outages, software or hardware failures, or other data processing disruptions, could result in our inability to provide services in a timely fashion or at all. We may be required to incur significant costs to protect against damage caused by disruptions or security breaches in the future. Such events may expose us to unexpected liability, litigation, regulatory investigation and penalties, loss of customers' business, and unfavorable impact to business reputation, as a result of which there could be a material adverse effect on our business and results of operations.

Kodak relies on third-party suppliers and service providers to support our manufacturing, logistics, and business operations and faces the risks associated with reliance on external business partners.

Kodak relies on third-party suppliers for goods and services, many of which are unique, to support our manufacturing, logistics, and business operations. To the extent we rely on third parties, we face the risks that those third parties may not be able to:

- Obtain supplies and materials necessary to deliver goods or services to Kodak;
- Mitigate the impact of labor shortages and/or other disruptions;
- Develop manufacturing methods appropriate to Kodak's products;
- Maintain an adequate control environment; and
- Quickly respond to changes in customer demand for Kodak's products.

Suppliers may choose to unilaterally withhold products, components or services. In addition, Kodak may experience shortages in supply and disruptions in service and supply as a result of unexpected demand, product obsolescence, transportation and logistical limitations, and/or disruptions or production difficulties at our suppliers, such as disruptions due to fires, medical epidemics, other natural disasters or events outside of a supplier's control. In addition, disruptions could result from a reduction in the number of our suppliers due to their own financial difficulties or a reduction in the products offered by such suppliers. As a result of the loss of any supplier, or a substantial decrease in the availability of products from our suppliers, Kodak may be unable to meet our customer commitments, our costs could be higher than planned, and our cash flows and the reliability of our products could be negatively impacted. Kodak will vigorously enforce our contractual rights under such circumstances, but there is no guarantee we will be successful in preventing or mitigating the effects of unilateral actions by our suppliers.

Other supplier problems that Kodak could encounter include electronic component shortages, interruption of IT services, risks related to the duration and termination of our contracts with suppliers for components and materials, non-competitive pricing due to tariffs, and risks related to the ability to obtain products, components or services from single source suppliers on favorable terms or at all. Hardware, applications and services, including cloud-based services, that we develop or procure from third-party suppliers may contain defects in design or other problems that could compromise the integrity and availability of our services. The realization of any of these risks, should alternative third-party relationships not be available or established, could cause interruptions in supply or increases in costs which might result in Kodak's inability to meet customer demand for our products, damage to our relationships with our customers, and reduced market share, all of which could adversely affect Kodak's results of operations and financial condition.

Any significant negative change in the payment terms that Kodak has with our suppliers could adversely affect our liquidity. There is a risk that Kodak's key suppliers could respond to any actual or apparent decrease in or any concern with our financial results or liquidity by requiring or conditioning their sale of goods or services to Kodak on more stringent or more costly payment terms, such as by requiring standby letters of credit, earlier or advance payment of invoices, payment upon delivery, or shorter payment terms. Kodak's need for additional liquidity could significantly increase and our supply could be materially disrupted if a significant portion of our key suppliers took one or more of the actions described above, which could have a material adverse effect on our sales, customer satisfaction, cash flows, liquidity and financial position.

Due to the nature of the products we sell and Kodak's worldwide distribution, Kodak is exposed to fluctuations in foreign currency exchange rates, interest rates and commodity costs which, together with tariffs that may be imposed, may adversely impact our results of operations and financial position.

As a result of Kodak's global operating and financing activities, we are exposed to changes in currency exchange rates and interest rates, which may adversely affect our results of operations and financial position.

Exchange rates and interest rates in markets in which we do business tend to be volatile and, at times, our sales and profitability can be negatively impacted across all of our segments depending upon the value of the U.S. dollar and other major currencies such as the euro, the Japanese yen, the British pound and the Chinese yuan. Tariffs or duties may also be imposed on exported products produced by Kodak, making such products less competitive in jurisdictions imposing such tariffs or duties. If the global economic situation remains uncertain or worsens, there could be further volatility in changes in currency exchange rates, interest rates and commodity prices, which could have negative effects on Kodak's business, financial condition and results of operations.

Kodak faces additional costs and risks associated with our worldwide business operations.

Kodak's business is subject to additional costs and risks associated with doing business internationally, such as:

- support of multiple languages;
- recruitment of sales and technical support personnel with the skills to design, manufacture, sell and supply products;
- compliance with governmental regulation of imports and exports, including obtaining required import or export approval for our products;
- complexity of managing international operations;
- exposure to foreign currency exchange rate fluctuations;
- commercial laws and business practices which may favor local competition and the imposition of tariffs on products or raw materials imported into or exported from the U.S.;
- multiple, potentially conflicting, and changing governmental laws, regulations and practices, including differing export, import, tax, anti-corruption, anti-dumping, economic sanction, labor, and employment laws;
- difficulties in collecting accounts receivable;
- limitations or restrictions on the repatriation of cash and the potential obligation to move cash to locations limiting or restricting repatriation;
- limitations or reductions in protection of intellectual property rights;
- complications in logistics and distribution arrangements; and
- political or economic instability.

As a global company, Kodak is subject to regulatory requirements and laws in the jurisdictions in which we operate, and any alleged non-compliance with these requirements or laws could result in an adverse financial or reputational impact.

An inability to provide competitive financing arrangements to Kodak's customers or extension of credit to customers whose creditworthiness deteriorates could adversely impact our revenue, profitability and financial position.

The competitive environment in which Kodak operates may require us to facilitate or provide financing to our customers. Customer financing arrangements may cover all or a portion of the purchase price for our products and services. We may also assist customers in obtaining financing from banks and other sources. Our success may be dependent, in part, upon our ability to provide customer financing on competitive terms and on our customers' creditworthiness. Tightening of credit in the global financial markets can adversely affect the ability of Kodak's customers to obtain financing for significant purchases, which may result in a decrease in, or cancellation of, orders for our products and services. If Kodak is unable to provide competitive financing solutions to our customers or if we extend credit to customers whose creditworthiness deteriorates, our revenues, profitability and financial position could be adversely impacted.

Risks Related to Kodak's Indebtedness and Access to Capital Markets

The Company's substantial monetary obligations require a portion of our cash flow to be used to fund other obligations rather than be invested in the business and could adversely affect our ability to fund our operations.

The Company has obligations for borrowed money or in connection with letters of credit under the Term Loan Credit Agreement and the cash collateralized Amended and Restated L/C Facility Agreement (together, the "Credit Agreements").

The Company's indebtedness under the Credit Agreements and our other obligations could have important negative consequences to the Company and investors in our securities. These include the following:

- Kodak may not be able to satisfy all of our obligations, including, but not limited to, our obligations under the Credit Agreements, which may cause a cross-default or cross-acceleration on other debt Kodak may have incurred;
- We could have difficulties obtaining necessary financing in the future for working capital, capital expenditures, debt service requirements, collateral requirements, refinancing or other purposes;
- We will have to use a significant part of our cash flow or cash balances to make payments on our debt and Series B Preferred Stock and to satisfy the other obligations set forth above, which may reduce the capital available for operations and expansion; and
- Adverse economic or industry conditions may have more of a negative impact.

The Company cannot be sure cash generated from our businesses will be as high as we expect, or our expenses will not be higher than we expect. Because a portion of our expenses are fixed in any given year, our operating cash flow margins are highly dependent on revenues, which are largely driven by customer demand. A lower amount of cash generated from our businesses or higher expenses than expected, when coupled with our debt obligations, could adversely affect Kodak's ability to fund our operations.

The availability of letters of credit under the Amended and Restated L/C Facility Agreement is limited by the amount of cash on deposit.

Availability under the Company's Amended and Restated L/C Facility Agreement is based on cash collateral in an amount greater than or equal to 104% of the aggregate amount of letters of credit issued and outstanding at any given time (the "L/C Cash Collateral").

If L/C Cash Collateral is not maintained to support the 104% of the $31 million of letters of credit outstanding under the Amended and Restated L/C Facility Agreement, the Company would be required to place additional cash on deposit with the administrative agent within one business day of a demand. Additional cash would also be required to be deposited if Kodak desires to have additional letters of credit issued.

Additional L/C Cash Collateral would be classified as restricted cash and would not be available to support ongoing working capital and investment needs.

Kodak may desire additional capital funding and such capital may not be available to us and/or may be limited.

Kodak may desire to raise additional capital, including to pursue additional growth opportunities, strategic transactions or additional reorganization initiatives or refinance or redeem outstanding debt or preferred stock. Because of Kodak's current non-investment grade credit rating and financial condition, and/or the current volatility and tightening in the financial and credit markets, Kodak's access to the capital markets may be limited.

Kodak's ability to obtain capital and the costs of such capital are dependent on numerous factors, including:

- Covenants in the Credit Agreements;
- Obtaining a consent from the holders of Series B and C Preferred Stock for the issuance of additional preferred shares which rank senior or *pari passu* to the Series B and C Preferred Stock;

- Investor confidence in Kodak and the markets in which we operate;
- Our financial performance and projected financial performance and the financial performance and projected financial performance of our subsidiaries;
- Our levels of debt and redemption obligations;
- Our ability to generate positive cash flow;
- Our ability to consummate monetization transactions including asset sales;
- Our requirements for posting collateral under various commercial agreements;
- Our current non-investment grade credit rating;
- Our long-term business prospects; and
- General economic and capital market conditions.

Kodak may not be successful in obtaining additional capital for these or other reasons. An inability to access capital may limit our ability to capitalize on growth or efficiency opportunities or refinancings we would otherwise like to pursue.

There can be no assurance the Company will be able to comply with the terms of our various credit facilities.

A breach of any of the covenants contained in the Credit Agreements could result in an event of default under these facilities.

If any default or event of default occurs under the Amended and Restated L/C Facility Agreement and the Company is not able to either cure it or obtain a waiver from the requisite lenders under the Amended and Restated L/C Facility Agreement, the administrative agent under the Amended and Restated L/C Facility Agreement may, and at the request of the requisite lenders for that facility must, declare all of the Company's outstanding obligations under the Amended and Restated L/C Facility Agreement, together with accrued interest and fees, to be immediately due and payable. In addition, the agent under the Amended and Restated L/C Facility Agreement may, and at the request of the requisite lenders must, terminate the lenders' commitments under that facility and cease making further loans. If any default or event of default occurs under the Term Loan Credit Agreement and the Company is not able to either cure it or obtain a waiver from the holders of the Term Loan Credit Agreement, such holders may declare all of the Company's outstanding obligations under the Term Loan Credit Agreement, together with accrued interest and fees, to be immediately due and payable. If applicable, the administrative agent under the Amended and Restated L/C Facility Agreement and the holders of the Term Loan Credit Agreement could institute foreclosure proceedings against the pledged assets. Any of these outcomes would likely have an adverse effect on the Company's operations and our ability to satisfy our obligations as they come due.

The current non-investment grade status and Kodak's financial condition may adversely impact Kodak's commercial operations, increase our liquidity requirements and increase the cost of refinancing opportunities. We may not have adequate liquidity to post required amounts of additional collateral.

The Company's corporate family credit rating is currently below investment grade and there are no assurances our credit ratings will improve, or they will not decline, in the future. In addition, the Company may not continue to maintain credit ratings from the recognized rating agencies.

Our credit ratings and financial condition may affect the evaluation of our creditworthiness by trading counterparties and lenders, which could put us at a disadvantage to competitors with higher or investment grade ratings.

In carrying out our commercial business strategy, the current non-investment grade credit ratings have resulted and will likely continue to result in requirements that Kodak either prepay obligations or post significant amounts of collateral to support our business.

Should our ratings continue at their current levels, or should our ratings be further downgraded, we would expect these negative effects to continue and, in the case of a downgrade, become more pronounced.

Legal, Regulatory and Compliance Risks

Legal proceedings and governmental investigations associated with the U.S. International Development Finance Corporation announcement or in general could have a material adverse effect on our business operations and prospects, reputation, financial condition, results of operations and stock price.

On July 28, 2020, the U.S. International Development Finance Corporation (the "DFC") announced (the "DFC Announcement") the signing of a non-binding letter of interest to provide a subsidiary of the Company with a potential $765 million loan (the "DFC Loan") to support the launch of Kodak Pharmaceuticals, an initiative that would manufacture pharmaceutical ingredients for essential generic drugs (the "DFC Pharmaceutical Project").

The DFC Announcement and circumstances surrounding it prompted congressional investigations, an SEC investigation and a New York Attorney General's investigation. In addition, lawsuits have been filed or threatened alleging various securities law violations and breaches of fiduciary duties based on circumstances surrounding the DFC Announcement. For further information on these investigations and lawsuits, see Note 12, "Commitments and Contingencies" in the Notes to Financial Statements.

Legal proceedings in general, and securities, class action and patent infringement litigation and regulatory investigations in particular, can be expensive and disruptive. The investigations and lawsuits associated with the DFC announcement have diverted, and may continue to divert, the attention of Kodak's employees, management and board of directors. In addition, the response to the DFC related investigations and lawsuits has resulted in, and may continue to result in, increased legal expense and related costs. Kodak's insurance, to the extent maintained, is not expected to cover all costs associated with the investigations and legal proceedings. We are unable to predict how much longer the legal proceedings and investigations to which we are currently subject will continue. An unfavorable outcome of any governmental investigation or legal proceeding may have an adverse impact on our reputation, business, financial condition and results of operations, prospects, or stock price.

Our business and financial condition can be impaired by improper conduct by any of our employees, agents, or business partners.

Regulators worldwide are exercising heightened scrutiny with respect to anti-corruption, economic and trade sanctions, and anti-money laundering laws and regulations. Such heightened scrutiny has resulted in more aggressive investigations and enforcement of such laws and more burdensome regulations, any of which could adversely impact Kodak's business. Such laws govern payments to government officials, bribery, fraud, kickbacks and false claims, pricing, sales and marketing practices, conflicts of interest, competition, employment practices and workplace behavior, export and import compliance, economic and trade sanctions, money laundering and data privacy. In particular, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to government officials for the purpose of obtaining or retaining business, and we operate in many parts of the world that have experienced governmental corruption to some degree.

Kodak has implemented policies and procedures designed to ensure compliance with applicable laws and regulations, including worldwide system screening of all customers, suppliers and vendors, banking entities, sales orders, and purchase orders. Kodak periodically reviews, upgrades and enhances certain of our policies and procedures, including sanctioned parties listings used in screening its master and transactional data as well as export license and license exception determination routines. However, there can be no assurance that our employees, agents or business partners will not take actions in violation of our policies for which we may be ultimately deemed responsible, or that our policies and procedures will be adequate or will be determined to be adequate by regulators. Any such improper actions or allegations of such acts could damage our reputation and subject us to civil or criminal investigations and related shareholder lawsuits, could lead to substantial civil and criminal, monetary and non-monetary penalties and could cause us to incur significant losses as a victim and legal and investigatory fees. In addition, the government may seek to hold us liable for violations committed by companies in which we invest or that we acquire. If Kodak is found to have violated laws and regulations, it could materially adversely affect our business, reputation, results of operations and financial condition.

Failure to comply with privacy, data protection and cyber security laws and regulations could have a materially adverse effect on Kodak's reputation, results of operations or financial condition.

Kodak receives, processes, transmits and stores information relating to identifiable individuals (personal information), both in our role as a technology provider and as an employer. As a result, Kodak is subject to numerous U.S. federal and state and foreign laws and regulations relating to personal information.

Examples of data privacy laws include (but are not limited to) the EU's General Data Protection Regulation ("GDPR") and ePrivacy laws, California's Consumer Privacy Act ("CCPA") and other U.S. state privacy laws, China's Personal Information Protection Law ("PIPL"), and Brazil's General Data Protection Law ("LGPD"). These laws have been subject to frequent changes, and new legislation in this area may be enacted at any time. Additionally, the application of existing and new laws in the areas of cloud services and artificial intelligence is evolving, and we may face challenges monitoring and complying with these requirements.

Failure to comply with existing and newly enacted laws and regulations that are applicable, may subject Kodak to, among other things, additional costs or changes to our business practices, liability for monetary damages, fines and/or criminal prosecution, unfavorable publicity, restrictions on our ability to obtain and process information and allegations by our customers and clients that we have not performed our contractual obligations. We may also face risk (including loss of substantial business) if our customers and other stakeholders are not confident that our products and service can be used in a manner that is compliant with applicable data protection laws.

Recent developments in the regulation of cross-border data transfers from the European Economic Area and countries with similar regimes, including enforcement decisions and regulatory guidance issued by key supervisory authorities, creates uncertainty as to our and our customers' ability to use platforms and processing services located in the U.S. and other non-adequate jurisdictions. While existing data transfer mechanisms, such as standard contractual clauses, remain valid, Kodak's use of these transfer mechanisms is subject to legal, regulatory and political pressure. Kodak anticipates spending additional time and expense to enable continued cross-border transfers as needed to operate our business, which may have a material adverse effect on our business and results of operations.

This environment demands Kodak continuously improve our design and coordination of privacy and security controls (including within our products, websites and business processes) and contractual arrangements across our businesses and geographies. While Kodak has taken steps to comply with applicable data protection laws and the regulations and guidance published by applicable regulators, our efforts to achieve and remain in compliance may not be sufficient or fully successful. Despite Kodak's security controls over personal data, Kodak, may not prevent the improper disclosure of personal information. Improper disclosure of this information could harm our reputation or subject us to liability under laws which protect personal data, resulting in increased costs or loss of revenue.

Kodak is subject to environmental laws and regulations. Failure to comply with such laws and regulations or liabilities imposed as a result of such laws and regulations could have an adverse effect on our business, results of operations and financial condition.

Kodak is subject to environmental laws and regulations world-wide that govern, for example, the discharge of pollutants, the management of hazardous materials, the cleanup of contaminated sites, and the composition and end-of-life management of our products. Changes to such laws and regulations could increase our cost of doing business, limit the sale of certain of our products in certain jurisdictions or require modifications to our products that may be costly, time consuming or infeasible.

Non-compliance with applicable laws or liability incurred without regard to fault could have a material adverse effect on our business, results of operations and financial condition. The cost of complying with such laws could have a material adverse effect on our business, results of operations and financial condition. Any uncertainties related to environmental conditions or obligations at Kodak's properties may impact our ability to further develop or sell such properties.

If Kodak fails to maintain effective internal controls over financial reporting, we may not be able to accurately report our financial results, which could have a material adverse effect on Kodak's operations, investor confidence in our business and the trading prices of our securities.

Kodak is required to maintain disclosure controls and procedures and internal controls over financial reporting that are effective for the purposes described in Item 9A, "Controls and Procedures". The existence of a material weakness in Kodak's internal controls may adversely affect our ability to record, process, summarize and report financial information timely and accurately and, as a result, our financial statements may contain material misstatements or omissions, which could result in regulatory scrutiny, cause investors to lose confidence in our reported financial condition and otherwise have a material adverse effect on Kodak's business, financial condition, cash flow results of operations or the trading price of Kodak's stock.

Kodak may have additional tax liabilities.

We earn our income in both in the U.S. and abroad and, as such, are subject to the tax laws in the U.S. and numerous foreign jurisdictions. Current economic and political conditions can impact these tax laws. Proposals to reform U.S. and foreign tax laws could significantly impact how Kodak is taxed on its global earnings. In August 2022, the Inflation Reduction Act was enacted in the U.S. and introduced a 15% alternative minimum tax based on the financial statement income of certain large corporations ("CAMT"). This became effective January 1, 2023. There is no impact on our provision for income taxes from the CAMT for the year ended December 31, 2023.

Additionally, The Organization for Economic Co-operation and Development ("OECD") has led efforts to devise, and to permanently implement, a two-pillar solution to global tax challenges. These pillars focus on global profit allocations and provide for a global minimum effective corporate tax rate of 15%. A number of countries have enacted or are proposing to enact legislation that aligns with the directives set forth in the two-pillar solution; many of which are effective for the 2024 year. These changes could increase tax uncertainty and have an adverse impact on our effective tax rate and cash flow.

Management reviews regularly the adequacy of the provisions for taxes as they relate to Kodak's income and transactions. In order to assess uncertain tax positions, Kodak applies a more likely than not threshold and a two-step approach for tax position measurement and financial statement recognition. Although we believe our tax provisions are adequate, the final determination of tax audits and any related disputes could be materially different from our historical income tax provisions and accruals. The results of audits or related disputes could have an adverse effect on our financial statements for the period or periods for which the applicable final determinations are made.

Kodak's future pension and other postretirement benefit plan costs and required level of contributions could be unfavorably impacted by changes in actuarial assumptions, market performance of plan assets and obligations imposed by legislation or pension authorities which could adversely affect our financial position, results of operations, and cash flow.

Kodak has significant defined benefit pension and other postretirement benefit obligations.

The funded status of our U.S. and non-U.S. defined benefit pension plans (and other postretirement benefit plans), and the related cost reflected in our financial statements, are affected by various factors subject to an inherent degree of uncertainty. Key assumptions used to value these benefit obligations, funded status and expense recognition include the discount rate for future payment obligations, the long term expected rate of return on plan assets, salary growth, mortality trends, and other economic and demographic factors. Significant differences in actual experience, or significant changes in future assumptions or obligations imposed by legislation or pension authorities, could lead to a potential future need to contribute cash or assets to Kodak's plans in excess of currently estimated contributions and benefit payments and could have an adverse effect on Kodak's consolidated results of operations, financial position or liquidity.

In past years, Kodak has experienced variability in the costs of these defined benefit pension and postretirement benefit obligations as a result of macro-economic factors beyond our control, including variability in investment returns on pension plan assets, and changes in discount rates and mortality rates used to calculate pension and related liabilities. At least some of these macro-economic factors may again put pressure on the cost of providing pension and benefits. There can be no assurance we will succeed in limiting cost increases.

Kodak may be required to recognize impairments in the value of our trade name and/or other long-lived assets which could adversely affect our results of operations.

Kodak tests indefinite-lived intangible assets for impairment annually or whenever events occur or circumstances change that would more likely than not reduce the fair value below its carrying amount. Kodak evaluates other long-lived assets for impairments whenever events or changes in circumstances indicate the carrying value may not be recoverable. Impairments could occur in the future if Kodak's expected future cash flows decline, if there are significant changes in the discount rate or royalty rates, or if carrying values change materially compared with changes in their respective fair values.

Risks Related to the Company's Common Stock

The conversion of the Series B Preferred Stock and Series C Preferred Stock into shares of the Company's common stock may dilute the value for the current holders of the Company's common stock.

The 1,000,000 outstanding shares of the Company's Series B Preferred Stock are convertible into shares of the Company's common stock at a conversion rate of 9.5238 shares of common stock per share of Series B Preferred Stock and the 1,138,443 outstanding shares of the Company's Series C Preferred Stock are convertible into shares of the Company's common stock at a conversion rate of 10 shares of common stock per share of Series C Preferred Stock. The outstanding shares of Series C Preferred Stock are expected to increase as a result of the payment of dividends. As a result of the conversion of any issued and outstanding Series B Preferred Stock or Series C Preferred Stock (collectively, the "Convertible Securities"), the Company's existing shareholders will own a smaller percentage of our outstanding common stock. Based on the capitalization of the Company as of December 31, 2023, the conversion of all Convertible Securities would result in the issuance to holders thereof of approximately 21% of the outstanding common stock after giving effect to such conversion. Further, additional shares of common stock may be issuable pursuant to certain other features of the Convertible Securities, with such issuances being further dilutive to existing holders of common stock.

If Convertible Securities are converted into common stock, holders of such converted common stock will be entitled to the same dividend and distribution rights as holders of the common stock currently authorized and outstanding. As such, another dilutive effect resulting from the conversion of any issued and outstanding Convertible Securities will be a dilution to dividends and distributions.

Holders of the Company's common stock will not realize any dilution in their ownership, dividend or distribution rights solely as a result of the reservation of any shares of common stock for issuance upon conversion of the Convertible Securities or for issuance of additional shares of common stock pursuant to certain other features of the Convertible Securities, but will experience such dilution to the extent additional shares of common stock are issued in the future as described above.

The holder of the Series C Preferred Stock owns a large portion of the voting power of the Company's outstanding securities and has nominated one member of the Company's Board. An affiliate of the Term Loan Lenders has the right to nominate one member for election to the Company's Board and holders of the Series B Preferred Stock and Series C Preferred Stock will have such right in the event dividends are in arrears. As a result, these parties may influence the composition of the Board and future actions taken by the Board.

The holder of the Company's Series C Preferred Stock is entitled to vote upon all matters upon which holders of the Company's common stock have the right to vote and is entitled to the number of votes equal to the number of full shares of common stock into which such shares of Series C Preferred Stock could be converted at the then applicable conversion rate.

The holder of the Series C Preferred Stock holds approximately 13% of the voting power of the Company on an as-converted basis. As a result, this holder may have the ability to influence future actions by the Company requiring shareholder approval.

The holder of the Series C Preferred Stock had the right to nominate one member for election to the Company's board of directors (the "Board"), which right has expired; however, the individual nominated by the holder of the Series C Preferred Stock pursuant to this right continues to serve as a member of the Board. If dividends on the Series C Preferred Stock are in arrears for six or more consecutive or non-consecutive dividend periods, the holder of the Series C Preferred Stock will be entitled to nominate one additional director at the next annual shareholder meeting and all subsequent shareholder meetings until all accumulated dividends on the Series C Preferred Stock have been paid or declared. This nomination right expires if the holder ceases to directly or indirectly hold at least a majority of the shares of Series C Preferred Stock purchased or the common stock received upon the conversion of such shares and is exclusive to the initial holder and does not transfer with the Series C Preferred Stock.

Also, an affiliate of the Term Loan Lenders has the right to nominate one member for election to the Board until the date on which the Term Loan Lenders cease to hold at least $200 million of the original principal amount of the Term Loans.

Also, if dividends on the Series B Preferred Stock are in arrears for six or more consecutive or non-consecutive dividend periods, the holders of the Series B Preferred Stock will be entitled to nominate one director at the next annual shareholder meeting and all subsequent shareholder meetings until all accumulated dividends on the Series B Preferred Stock have been paid or set aside. As a result, the presence of directors on the Board nominated by the current holder of Series C Preferred Stock or an affiliate of the Term Loan Lenders or nominated in the future by the holders of Series B Preferred Stock would enable such holders and lenders to influence the composition of the Board and, in turn, potentially influence and impact future actions taken by the Board.

The Company has registered, and has a duty to register, the resale of a large portion of our outstanding securities. The resale of the Company's common stock, or the perception that such resale may occur, may adversely affect the price of our common stock.

In compliance with certain agreements to which the Company is a party, we have registered the resale of an aggregate of up to 41,333,435 shares of common stock that are either outstanding or issuable upon conversion of Preferred Stock. The resale of a substantial number of shares of common stock in the public market, or the perception that such resale might occur, could cause the market price of the Company's common stock to decline. Under the terms of the certain agreements to which the Company is subject, certain of the counterparties to such agreements can, in certain circumstances, require the Company to participate in an underwritten public offering of the registered securities. Any shares sold in a registered resale will be freely tradable without restriction under the Securities Act. While the Company cannot predict the size of future resales or distributions of our common stock, if there is a perception that such resales or distributions could occur, or if the holders of the Company's securities registered for resale sell a large number of the registered securities, the market price for the Company's common stock could be adversely affected.

The resale of a significant portion of the Company's securities or certain accumulations or transfers of the Company's securities could result in a change of control of the Company and the loss of favorable tax attributes.

Holders of the Convertible Securities and holders of large blocks of the Company's common stock collectively have a significant influence over matters presented to the Company's shareholders for approval, including election of members to the Board and change of control transactions. In addition, the holders of such securities collectively would be able to cause a significant change in the ownership of the Company by selling a sufficient portion of the Company's securities held by them. If such a transaction, in combination with other transactions in securities of the Company which have already occurred or future issuances of securities by the Company, were to result in an "ownership change" as determined under Section 382 of the Internal Revenue Code of 1986, as amended, then the Company's ability to offset taxable income with tax attributes generated prior to the ownership change date could be limited, possibly substantially. Certain accumulations or transfers of the Company's outstanding securities not involving these holders, could also cause such an "ownership change". For more information on the Company's tax attributes refer to Note 17, "Income Taxes". The interests of the holders of the Convertible Securities and holders of large blocks of the Company's common stock may not always coincide with the interests of the other holders of our common stock.

The Company's stock price has been and may continue to be volatile.

The market price of the Company's common stock experienced extreme volatility in the context of the DFC Announcement and has declined significantly since that time. Future announcements or disclosures concerning the Company, our strategic initiatives, our sales and profitability, quarterly variations in actual or anticipated operating results or comparable sales, any failure to meet analysts' expectations, sales of large blocks of our common stock and developments concerning the investigations, lawsuits and claims relating to the DFC Announcement, among other factors, could cause the market price of our common stock to fluctuate substantially.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

Kodak has implemented various processes designed to assess, identify and manage risk from cybersecurity threats. Kodak's cybersecurity program follows the structure and objectives of the U.S. National Institute of Standards and Technology ("NIST") Cybersecurity Framework and is designed to satisfy multi-jurisdictional regulatory requirements. Key areas of Kodak's cybersecurity risk management processes and strategy currently include:

- *Cross-Functional Collaboration and Coordination*. Our information technology ("IT") security operations and risk management team ("IT Security Team"), led by our Chief Information Security Officer ("CISO"), has first line responsibility for the implementation and operation of our cybersecurity risk management processes. However, this team works together with other internal teams to coordinate efforts, priorities and oversight. These include:
    - our IT Risk Council (the "Council"), which is comprised of key leaders from stakeholder groups throughout the Company and led by our CISO and meets monthly to review metrics and discuss risks and recent events;
    - our Risk Management and Compliance Committee (the "Risk Committee"), which is responsible for evaluating and assessing overall enterprise risk, including cybersecurity risk;
    - our Internal Audit Department, which monitors certain IT systems controls that are integrated into our larger Sarbanes-Oxley control environment;
    - our Chief Privacy Officer; and
    - our crisis management team, a cross-functional team of senior management and subject matter experts from across the Company established to be ready to respond to crisis events, including those arising from cybersecurity incidents.

- *Ongoing Evaluation and Assessment of Systems and Processes*. We routinely evaluate our IT systems and infrastructure, including with respect to system security, and regularly implement upgrades to improve system functionality and performance as well as to enhance security. Security controls are routinely assessed by our annual general controls audit and other audits and assessments as well as a thorough assessment performed during the annual cyber insurance application process. In addition to periodic in-depth evaluations of our systems and processes, we monitor our IT systems and processes on an ongoing basis with the goal of identifying and remediating real and potential threats as they arise.

- *Security Awareness Program to Train and Test Personnel*. We operate a security awareness program that includes regular, mandatory trainings for relevant personnel on data protection and malware detection, policy and process awareness, periodic phishing simulations and other kinds of preparedness testing.

- *Incident Response Process and Team*. We maintain an incident response process with defined roles, responsibilities and reporting protocols. This process focuses on responding to and recovering from any significant breach as well as mitigating any impact to our business. Generally, when a breach or suspected breach is identified, the IT Security Team would escalate the issue to the Council for initial analysis and guidance. In the event of a serious IT incident, the crisis management team would be notified and the incident response team would typically be tasked with preparing an initial response. The incident response team, in consultation with others regarding impact and materiality, would be responsible for determining whether a particular incident (alone or in combination with other factors) triggers any reporting or notification responsibilities.

- *Regular Evaluation of Initiatives, Results and Priorities*. The IT Security Team, in consultation with the Council and other members of senior management, updates its strategy at least annually to account for changes in our business strategy, legal and regulatory developments, and further developments in the cybersecurity threat landscape. In addition, we periodically engage a third-party provider to conduct an external assessment of our security program. The results of this assessment, which are reported to the Audit and Finance Committee (and the Board, as appropriate), assist us in determining whether any further changes to our existing policies and practices are warranted.

We expect that our cybersecurity risk management processes and strategy will continue to evolve as the cybersecurity threat landscape evolves.

We engage third-party providers to assist us with our cybersecurity risk management and strategy. Examples of services provided by these third-party providers include threat monitoring, incident response support, testing, mitigation strategies, updates on emerging trends and developments and policy guidance. Prior to exchanging any sensitive data or integrating with any key third-party provider, we assess their security fitness against our risk posture and request changes as we deem necessary. Security controls are imposed through comprehensive standard terms and conditions that include privacy and incident reporting requirements, and third parties are periodically re-evaluated for security risk.

As of December 31, 2023, we have not identified any risks from cybersecurity threats (including any previous cybersecurity incidents) that have materially affected the Company, our business strategy, our results of operations or our financial condition. For a discussion of risks from cybersecurity threats that could be reasonably likely to materially affect us, please see our Risk Factors discussion under the heading, "Risks Related to Kodak's Business and Operations—Cyber-attacks or other data security incidents that disrupt Kodak's operations or result in the breach or other compromise of proprietary of confidential information about our workforce, our customers, or other third parties could disrupt our business, harm our reputation, cause us to lose customers, and expose us to costly regulatory enforcement and litigation, any of which could lead to material adverse effects on Kodak's results of operations, business and financial condition" in this Form 10-K.

Governance

Consistent with our overall risk management governance structure, management is responsible for the day-to-day management of cybersecurity risk while our Board and its Audit and Finance Committee perform an oversight function.

Board Oversight. Our Board has delegated to its Audit and Finance Committee the responsibility for overseeing cybersecurity risk exposures in addition to our broader risk management program. Management (including our Chief Information Officer ("CIO") and our CISO) reports at least annually to the Audit and Finance Committee on information security and data privacy and protection. These presentations address a wide range of topics, including trends in cyber threats and the status of initiatives intended to bolster our security systems and the cyber readiness of our personnel.

Management's Role. Our IT Security Team addresses and responds to cyber risk, including cyber risks related to security architecture and engineering, identity and access management and security operations. The team oversees compliance with our cybersecurity framework within the organization and facilitates cybersecurity risk management activities throughout the organization. The IT Security Team also assists with the review and approval of policies, completes benchmarking against applicable standards, and oversees the security awareness program.

Our IT Security team is led by our CISO. Our CISO reports to our CIO who, in turn, reports to our Executive Chairman and Chief Executive Officer. Our CISO has 40 years of IT experience, with over 20 of those focused on IT security functions and strategies. Collectively, the other members of our IT Security Team have decades of relevant education and experience and maintain a wide range of industry certifications. We provide cybersecurity training for our IT Security Team upon joining the IT Security Team, on an annual basis and more frequently when necessary.

As noted previously, our CISO is a member of the Council, which meets monthly to provide operational direction to the IT Security Team considering the evolving risk landscape. The IT Security Team and the Council, through ongoing communication, monitor the prevention, detection, mitigation and remediation of cybersecurity threats and incidents. The CISO or CIO, in consultation with the Council and other members of senior management, reports such threats and incidents to the Audit and Finance Committee, as appropriate. These reports may be included in, or in addition to, the regular annual reports to the Audit and Finance Committee.

ITEM 2. PROPERTIES

Kodak's worldwide headquarters is located in Rochester, New York.

Kodak owns 11 million square feet and leases, as a lessee, approximately 4 million square feet of space that includes administrative, research and development, manufacturing and marketing facilities in several worldwide locations. Out of the owned space, Kodak leases out approximately 800,000 square feet to third-party tenants. The leases are for various periods and are generally renewable.

Kodak’s principal manufacturing facilities, by segment, are listed below. Properties in a location may be shared by all segments operating in that location.

Print	*Advanced Materials and Chemicals*
Rochester, New York, USA	Rochester, New York, USA
Columbus, Georgia, USA	Xiamen, China
Dayton, Ohio, USA	Vancouver, Canada
Osterode, Germany	
Vancouver, Canada	
Gunma, Japan	
Shanghai, China	

Regional distribution centers are located in various places within and outside of the United States.

Research and development is headquartered at the Kodak Research Laboratories which is part of the Eastman Business Park in Rochester, New York, where Kodak conducts research and files patent applications for fundamental inventions. Eastman Business Park is a more than 1,200-acre innovation and manufacturing hub, which features a comprehensive set of technology, transportation and utility infrastructure assets. The complex features an on-site rail and wastewater treatment facility and manufacturing, distribution, lab and office space. Kodak owns over 600 acres of Eastman Business Park with the other 600 acres owned by unrelated third parties. Kodak uses and leases out its space at Eastman Business Park as part of its strategy of adaptive and effective reuse of infrastructure, services, buildings and land.

Other U.S. research and development groups are located in Dayton, Ohio and Columbus, Georgia. Outside the U.S., research and development groups are located in Canada, Israel, Germany, Japan and China. The research and development groups work in close cooperation with manufacturing units and marketing organizations to develop new products and applications to serve both existing and new markets.

Kodak has excess capacity in some locations. Kodak is pursuing the monetization of its excess capacity by selling or leasing the associated properties.

ITEM 3. LEGAL PROCEEDINGS

See Note 11, “Commitments and Contingencies” in the Notes to the Financial Statements included in Part II, Item 8, “Financial Statements and Supplementary Data” for information regarding certain legal proceedings in which Kodak is involved.

ITEM 4. MINE SAFETY DISCLOSURES

None.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Pursuant to General Instructions G (3) of Form 10-K, the following list is included as an unnumbered item in Part I of this report in lieu of being included in the Proxy Statement for the Annual Meeting of Shareholders.

Name	Age	Positions Held
James V. Continenza	61	Executive Chairman and Chief Executive Officer
David E. Bullwinkle	49	Chief Financial Officer and Senior Vice President
Roger W. Byrd	58	General Counsel, Secretary and Senior Vice President
Richard T. Michaels	50	Chief Accounting Officer and Corporate Controller
Terry R. Taber	69	Chief Technical Officer, Vice President, Senior Vice President Advanced Materials and Chemicals

The executive officers' biographies follow:

James V. Continenza

James V. Continenza leads the transformation of Kodak as Executive Chairman and Chief Executive Officer. He was appointed by the Board as Executive Chairman in February 2019 and as Chief Executive Officer in July 2020. Continenza joined the Board of Kodak in April 2013 and became Chairman of the Board in September 2013. Continenza served as the Chairman and Chief Executive Officer of Vivial Inc., a privately held marketing technology and communications company from September 2012 through June 2021, and served as Chairman and Chief Executive Officer of Vivial Media LLC, a portion of Vivial Inc. remaining after a partial sale, from June 2021 to January 2022.

In addition to his management experience, Continenza serves and has served on the boards of directors of a number of public and private companies. Continenza served on the board of directors of NII Holdings, Inc. (Nasdaq: NIHD), the holding company for Nextel Brazil, a wireless communication services provider, from August 2015 to August 2019. Among other private company boards, Continenza currently serves on the board of directors of Wildcat Discovery Technologies, Inc. (“Wildcat”), a private technology company that uses proprietary methods to research and develop new battery materials. Continenza was appointed to the board of Wildcat as the Company’s designee in connection with the Company’s purchase of preferred securities of Wildcat.

Previously, Continenza served on the boards of directors of Datasite LLC (formerly known as Merrill Corporation) from July 2013 to December 2020 and Cenveo Corporation, an industry leader in transformative publishing solutions, from September 2018 to September 2022.

David E. Bullwinkle

Dave Bullwinkle has been the Chief Financial Officer and Senior Vice President of Kodak since July 2016. Bullwinkle is responsible for leading Kodak's worldwide treasury, internal audit, controller and tax teams. Between November 2018 and July 2023, Bullwinkle held the role of President of Eastman Business Park where he was responsible for advancing the growth strategy for that business.

Bullwinkle joined Kodak in 2004 and has worked in several financial management roles at Kodak including Worldwide BU Controller, Assistant Corporate Controller and External Reporting Manager. He served as the Director of Corporate Financial Planning and Analysis and Vice President, Finance at Kodak from November 2010 to June 2016, and as Director of Investor Relations from August 2013 to June 2016.

Prior to joining Kodak, Bullwinkle worked as the Manager of Financial Reporting at Birds Eye Foods, Inc. and previously at PricewaterhouseCoopers from 1996 to 2002 in various roles including serving as an Assurance Manager. Bullwinkle is a Certified Public Accountant in the State of New York.

Roger W. Byrd

Roger Byrd was appointed General Counsel, Secretary and Senior Vice President of Kodak in January 2019. He is responsible for leading the Company's global legal function and for providing legal guidance to senior leadership and the Board of Directors. Byrd also supports the Company with credit agreement compliance, securities reporting, corporate governance, M&A and financing transactions, joint ventures, and other strategic initiatives. Byrd joined Kodak in 2015 as Assistant General Counsel and Vice President, Legal Department.

Prior to joining Kodak, Byrd was a Partner at Nixon Peabody LLP. During his 23-year career at Nixon Peabody, he represented a broad range of clients in connection with a variety of M&A, financing and other corporate transactions. Byrd also served as General Counsel at Choice One Communications, Inc., a competitive local exchange carrier from 2005 – 2006.

Richard T. Michaels

Richard Michaels was appointed Chief Accounting Officer and Corporate Controller of Kodak in April 2021. From 2011 until April 2021 Michaels served as Kodak's Assistant Corporate Controller. Michaels joined Kodak in 2004 as Controller for the Graphics Communications Group and held several other controller positions at the Company prior to becoming the Assistant Corporate Controller.

Prior to joining Kodak, Michaels held various positions at PricewaterhouseCoopers from 1995 to 2004. Michaels is a Certified Public Accountant in the State of New York.

Terry R. Taber, PhD

Terry Taber has served as Kodak's Chief Technical Officer since January 2009. Effective January 2020, he is a Senior Vice President of Advanced Materials and Chemicals.

From May 1, 2017 to January 2020, Taber was named President of the Advanced Materials and 3D Printing Technology Division, which contained the research laboratories and included licensing as well as new business development activities related to Kodak's patents and proprietary technology, and focused on opportunities in smart material applications, printed electronics markets and 3D printing materials.

From January 1, 2015 to May 1, 2017, Taber was President of the Intellectual Property Solutions Division. From January 2007 to December 2008 he was the Chief Operating Officer of Kodak's Image Sensor Solutions ("ISS") business, a leading developer of advanced CCD and CMOS sensors serving imaging and industrial markets. Prior to Taber's role with ISS, he held a series of senior positions in Kodak's research and development and product organizations. Taber has served as a corporate vice president since December 2008, including as a senior vice president from December 2010 through February 2020.

During his more than 40 years at Kodak, Taber has been involved in new materials research, product development and commercialization, manufacturing, and executive positions in R&D and business management.

Taber's early responsibilities included research on new synthetic materials, an area in which he holds several patents, program manager for several film products, worldwide consumer film business product manager, Associate Director of R&D and Director of Materials & Media R&D.

In past board service, he was a founding Board Member of the Innovation & Material Sciences Institute and served on the Executive Advisory Board of FIRST Rochester (For Inspiration and Recognition of Science and Technology). Taber currently serves on the George Eastman Museum Board, effective June 2018. He also serves on the Executive Committee of the Greater Rochester Chamber of Commerce and on the Board of Trustees for Roberts Wesleyan College and Northeastern Seminary.

PART II

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

The Company's common stock is listed on the New York Stock Exchange (NYSE) under the symbol "KODK".

There were 693 shareholders of record of common stock on December 31, 2023.

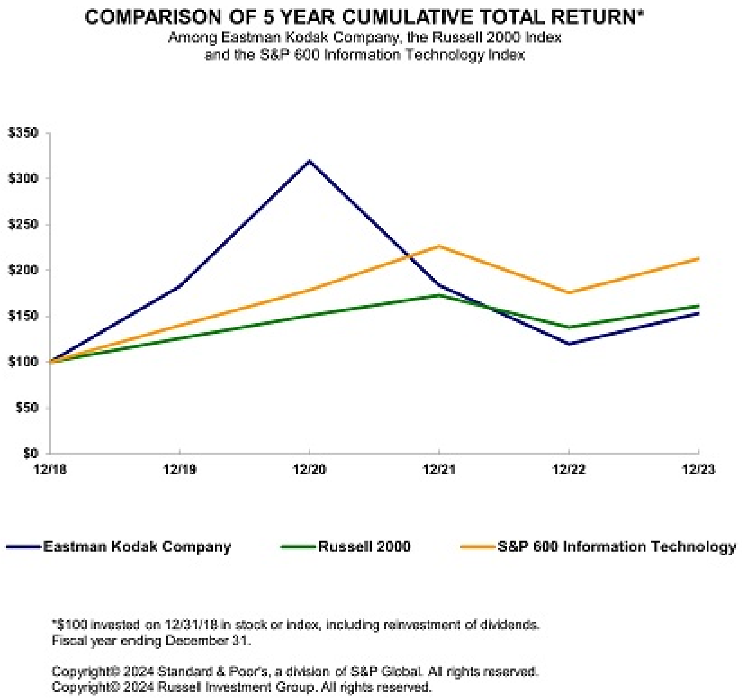
Information regarding securities authorized for issuance under equity compensation plans is included in Item 12. "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" in this Annual Report under the caption "Equity Compensation Plan Information."

DIVIDEND INFORMATION

No dividends on common stock were declared or paid during 2023 or 2022.

Dividends for common shareholders may be restricted under Kodak's debt and preferred stock agreements.

The graph below matches Eastman Kodak Company's cumulative 5-Year total shareholder return on common stock with the cumulative total returns of the Russell 2000 index and the S&P 600 Information Technology index. The graph tracks the performance of a $100 investment in our common stock and in each index (with the reinvestment of all dividends) from 12/31/2018 to 12/31/2023.



The stock price performance included in this graph is not necessarily indicative of future stock price performance.

ISSUER PURCHASES OF EQUITY SECURITIES DURING THE QUARTER ENDED DECEMBER 31, 2023

	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum That May Be Purchased under the Plans or Programs (2)
October 1 through 31, 2023	1,531	$ 3.89	N/A	N/A
November 1 through 30, 2023	—	$ —	N/A	N/A
December 1 through 31, 2023	—	$ —	N/A	N/A
Total	1,531	$ 3.89		

(1) These purchases were made to satisfy tax withholding obligations in connection with the vesting of restricted stock units issued to employees.
(2) Kodak does not have a publicly announced repurchase plan or program.

ITEM 6. [RESERVED]

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help the reader understand the results of operations and financial condition of Kodak and should be read in conjunction with the consolidated financial statements and notes thereto included in Part II, Item 8. "Financial Statements and Supplementary Data" ("Item 8") of this Annual Report on Form 10-K. All references to Notes relate to Notes to the Financial Statements in Item 8.

CAUTIONARY STATEMENT PURSUANT TO SAFE HARBOR PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This report on Form 10-K includes "forward–looking statements" as that term is defined under the Private Securities Litigation Reform Act of 1995.

Forward–looking statements include statements concerning Kodak's plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, liquidity, investments, financing needs and business trends and other information that is not historical information. When used in this document, the words "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "predicts," "forecasts," "strategy," "continues," "goals," "targets" or future or conditional verbs, such as "will," "should," "could," or "may," and similar words and expressions, as well as statements that do not relate strictly to historical or current facts, are intended to identify forward–looking statements. All forward–looking statements, including management's examination of historical operating trends and data, are based upon Kodak's current expectations and assumptions. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or those expressed in or implied by such forward-looking statements. Important factors that could cause actual events or results to differ materially from the forward-looking statements include, among others, the risks and uncertainties described in more detail in this report on Form 10–K under the headings "Business," "Risk Factors," "Legal Proceedings" and/or "Management's Discussion and Analysis of Financial Condition and Results of Operations–Liquidity and Capital Resources," and in other filings the Company makes with the SEC from time to time, as well as the following:

- Kodak's ability to improve and sustain its operating structure, cash flow, profitability and other financial results;
- Kodak's ability to achieve strategic objectives, cash forecasts, financial projections, and projected growth;
- Kodak's ability to achieve the financial and operational results contained in its business plans;

- Kodak's ability to obtain additional or alternate financing if and as needed, Kodak's continued ability to manage world-wide cash through inter-company loans, distributions and other mechanisms, and Kodak's ability to provide or facilitate financing for its customers;

- Kodak's ability to fund continued investments, capital needs, collateral requirements and restructuring payments and service its debt and Series B Preferred Stock and Series C Preferred Stock;

- Changes in foreign currency exchange rates, commodity prices, interest rates and tariff rates;

- The impact of the global economic environment, including inflationary pressures, geopolitical issues such as the war in Ukraine and the conflicts involving Israel, medical epidemics, and Kodak's ability to effectively mitigate the associated increased costs of aluminum and other raw materials, energy, labor, shipping, delays in shipment and production times, and fluctuations in demand;

- Kodak's ability to effectively compete with large, well-financed industry participants or with competitors whose cost structure is lower than Kodak's;

- The performance by third parties of their obligations to supply products, components or services to Kodak and Kodak's ability to address supply chain disruptions and continue to obtain raw materials and components available from single or limited sources of supply, which may be adversely affected by the war in Ukraine, the conflicts involving Israel, and residual effects of the COVID-19 pandemic;

- Kodak's ability to comply with the covenants in its various credit facilities;

- Kodak's ability to effectively anticipate technology and industry trends and develop and market new products, solutions and technologies, including products based on its technology and expertise that relate to industries in which it does not currently conduct material business;

- Kodak's ability to effect strategic transactions, such as investments, acquisitions, strategic alliances, divestitures and similar transactions, or to achieve the benefits sought to be achieved from such strategic transactions;

- Kodak's ability to discontinue, sell or spin-off certain non-core businesses or operations, or otherwise monetize assets;

- The impact of the investigations, litigation and claims arising out of the circumstances surrounding the announcement on July 28, 2020, by the U.S. International Development Finance Corporation of the signing of a non-binding letter of interest to provide a subsidiary of Kodak with a potential loan to support the launch of an initiative for the manufacture of pharmaceutical ingredients for essential generic drugs; and

- The potential impact of force majeure events, cyber-attacks or other data security incidents that could disrupt or otherwise harm Kodak's operations.

Future events and other factors may cause Kodak's actual results to differ materially from the forward–looking statements. All forward–looking statements attributable to Kodak or persons acting on its behalf apply only as of the date of this report on Form 10-K and are expressly qualified in their entirety by the cautionary statements included in this document. Kodak undertakes no obligation to update or revise forward–looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events, except as required by law.

The following Management's Discussion and Analysis ("MD&A") provides a historical and prospective narrative on the Company's financial condition and results of operations for the year ended December 31, 2023 as compared to the year ended December 31, 2022. Cross references to Notes in this MD&A are to the Notes in the Financial Statements included in Part II, Item 8, "Financial Statements and Supplementary Data". The discussion of the Company's financial condition and results of operations for the year ended December 31, 2022 compared to the same period in 2021 is included in Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in the Company's Annual Report on Form 10–K for the year ended December 31, 2022.

EXECUTIVE OVERVIEW

Consolidated revenues in the year ended December 31, 2023 were $1.117 billion, a decline of $88 million (7%) from 2022. Currency impacted revenue favorably in 2023 compared to 2022 ($1 million).

Print revenues, which accounted for 74% of Kodak's total revenues in 2023, declined by $110 million (12%) compared to 2022. Advanced Materials and Chemicals revenue improved $21 million (9%) from 2022 to 2023.

Economic Environment and Other Global Events*:*
Kodak's products are sold and serviced in numerous countries across the globe with more than half of sales generated outside the U.S. Current global economic conditions remain highly volatile due to the uncertain and unpredictable macroeconomic environment, heightened levels of inflation, the war in Ukraine, the conflicts involving Israel, and other global events which impacted Kodak's operations. Kodak is experiencing increased manufacturing costs due to volume declines for certain businesses and increased labor, material and distribution costs, as well as supply chain disruptions and shortages in materials and labor.

Kodak has implemented various pricing actions to mitigate the impact of increased manufacturing costs, primarily within its Print and Advanced Materials and Chemicals segments. Largely beginning in the latter part of the second quarter of 2021, in order to mitigate the impact of higher aluminum, energy and packaging costs within Prepress Solutions, the Print segment implemented surcharges on purchases of plates that continue to be periodically reviewed and adjusted accordingly. In addition, the Advanced Materials and Chemicals segment implemented various pricing actions primarily within its Industrial Films and Chemicals and Motion Picture businesses.

The Print segment is experiencing a slowdown in customer demand for plates that negatively impacted volume due to current global economic conditions and the impact of pricing actions. In addition to the pricing actions described above, Kodak has implemented supply chain and workforce optimization, productivity improvements and other cost savings activities. The combined actions have mitigated the impact of increased manufacturing costs. However, the potential worsening of economic conditions and the negative impact on customer demand due to further pricing actions could unfavorably impact this segment's operating results.

The Advanced Materials and Chemicals segment has also experienced labor shortages in certain manufacturing areas. Increased demand for consumer film products along with manufacturing equipment limitations and labor shortages have contributed to increased backorders. Kodak has increased headcount in this segment to better meet demand, but supply will continue to be constrained by manufacturing equipment limitations without further capital improvements.

Kodak has implemented numerous measures to mitigate the challenges associated with supply chain disruptions and shortages in materials, including increasing safety stock on certain materials, increasing lead-times, providing suppliers with longer forecasts of future demand and certifying additional sources or substitute materials where possible. These measures have enabled Kodak to largely meet current demand.

Following the cessation of U.S. plate manufacturing operations by Kodak's key competitors, Kodak has faced increasing competition in the U.S. from low-priced plates imported from China and Japan. On September 28, 2023, Kodak filed petitions with the U.S. Department of Commerce and the U.S. International Trade Commission requesting relief from unfairly traded imports of plates from China and Japan in the form of the imposition of anti-dumping and/or countervailing duties on such imported plates. On November 15, 2023 the U.S. International Trade Commission determined that there is a reasonable indication that a U.S. industry is materially injured by reason of imports of aluminum lithographic printing plates from China and Japan that are allegedly sold in the U.S. at less than fair value and subsidized by the government of China. The U.S. Department of Commerce has commenced investigations to determine dumping and subsidy margins against imports of plates manufactured in China and Japan. On February 27, 2024, the Commerce Department announced the preliminary findings in its countervailing duty investigation on imports of plates manufactured in China and imposed a provisional duty of 38.50% on practically all such plates. The preliminary findings from the anti-dumping investigations are due to be announced in the second quarter of 2024. There can be no assurance that the provisional countervailing duties will become final or that Kodak will otherwise obtain the relief sought or, if relief is obtained, that the final rates of duties that may be imposed on such imported plates will provide effective relief.

Kodak is monitoring the events surrounding the conflicts involving Israel and the impact on the operations of its Israel subsidiary. A leased warehouse in Israel has been destroyed; however, none of Kodak's employees were injured. While the implications of this conflict are difficult to predict at this time, Kodak has been able to adapt its operations to avoid material disruption to its business. The direct operations of Kodak's Israel subsidiary are less than 1% of total consolidated revenue and assets for 2023.

Kodak also continues to monitor the events surrounding the war in Ukraine and the various sanctions imposed in response to the war. Kodak is in compliance with all sanctions. Kodak is experiencing worldwide supply constraints for aluminum and increased energy and transportation costs due in part to the war in Ukraine. The extent to which the war in Ukraine will impact the global economy and Kodak's business and operations remains uncertain.

The war in Ukraine and the international response have disrupted Kodak's ability to operate its Russian subsidiary in the ordinary course, affecting its ability to pay vendors and employees, receive amounts owed from customers in Russia and deliver product. Kodak is in the process of an orderly winding down of its Russian subsidiary having ceased its direct Russian operations. The direct operations of Kodak's Russian subsidiary are not material to the Company's financial statements (less than 1% of total consolidated revenues and assets for 2021, 2022 and 2023), and there were no material impacts to the consolidated results of operations for the years ended December 31, 2022 and 2023.

The ongoing changes in global economic conditions and the impact of other global events on Kodak's operations and financial performance remains uncertain and will depend on several factors such as the slowdown in customer demand, the ability to offset higher labor, material and distribution costs through pricing actions, duration of supply chain disruptions and the ability to secure raw materials and components.

Business Overview and Strategy:

Segments within the print industry and the film industry face competition from digital substitution. Kodak's strategy is to:

- Focus product investment in core competency areas of print and advanced materials, leveraging Kodak's proprietary technologies to deliver technologically advanced products in the product goods packaging, graphic communications and functional printing markets;
- Grow profitability through a focus on customers across Kodak's Print segment;
- Promote the use of film and expand the applications of Kodak's film and chemicals to best utilize the existing infrastructure; and
- Continue to streamline processes to drive cost reductions and improve operating leverage.

A discussion of opportunities and challenges related to Kodak's strategy follows:

- Print's digital plate products include traditional digital plates and KODAK SONORA Process Free Plates. SONORA Process Free Plates allow Kodak customers to skip the plate processing step prior to mounting plates on a printing press. This improvement in the printing process is intended to save time and costs for customers. Also, SONORA Process Free Plates reduce the environmental impact of the printing process because they eliminate the use of chemicals (including solvents), water and power that is otherwise required to process a traditional plate. The segment's digital plate products are experiencing challenges from higher prices and availability of raw materials, digital substitution and competitive pricing pressures. Kodak seeks to mitigate the impact of increases in manufacturing costs through a combination of surcharges and price increases, improved production efficiency and cost reduction initiatives. In addition, Kodak seeks to offset the impact of short-term and long-term market dynamics on pricing and volume pressures through innovations in Kodak product lines, including investing in digital print technologies.

- In Print's digital printing businesses, the PROSPER business is expected to grow as the legacy VERSAMARK business continues to decline as a percentage of the segment’s total revenue. The PROSPER Inkjet Systems business is expected to continue to build profitability. Kodak launched the PROSPER 7000 Turbo Press in June 2022. The PROSPER 7000 Turbo Press enables commercial, publishing and newspaper printers to compete more effectively with offset and to shift more long run jobs from conventional printing processes to inkjet. Kodak completed the placement of the first PROSPER 7000 Turbo Press in the third quarter of 2023. Investment in the next generation technology, ULTRASTREAM, is focused on the ability to place ULTRASTREAM writing systems in Kodak branded presses and in various original equipment manufacturers in applications ranging from commercial print to packaging. The first flexible packaging printing system utilizing Kodak's ULTRASTREAM inkjet technology was placed during the second quarter of 2022. In addition, Kodak officially launched the KODAK PROSPER ULTRA 520 Digital Press utilizing Kodak's ULTRASTREAM inkjet technology, which offers offset print quality in a smaller footprint. Kodak completed the placement of the first KODAK PROSPER ULTRA 520 Digital Press in the fourth quarter of 2023.

- Advanced Materials and Chemicals segment is using Kodak's deep expertise in chemistry and strengths in deposition and coating processes that come from decades of experience in film manufacturing to work on new initiatives:

  - EV/Energy Storage Battery Material Manufacturing - Coating of substrates is a critical aspect of manufacturing materials for batteries and Kodak plans to capitalize on its expertise in coating technology to develop opportunities in this area. Kodak is currently in the process of expanding its pilot coating facility. On July 13, 2022, Kodak invested $25 million to acquire a minority preferred equity interest in Wildcat Discovery Technologies, Inc. (“Wildcat”), a private technology company that uses proprietary methods to research and develop new battery materials, including an EV battery. Kodak has also entered into an agreement to provide coating and engineering services in collaboration with Wildcat to develop and scale film coating technologies. Wildcat has granted Kodak certain rights to negotiate a production or licensing arrangement with Wildcat when and if Wildcat’s technology reaches commercial readiness.

  - Light-Blocking Technology - Kodak plans to leverage a proprietary technology initially developed for electrophotographic toners to commercialize a carbon-less fabric coating designed to offer superior light management, from complete blackout to selective light filtering, and coating compatibility with an unmatched range of fabrics. Kodak has installed a production-scale machine to coat fabrics in Eastman Business Park, located in Rochester, NY.

  - Transparent Antennas - Kodak plans to leverage its proprietary copper micro-wire technologies and high-resolution printing expertise to contract-manufacture custom transparent antennas for automotive, commercial construction, and other applications requiring excellent radio frequency (“RF”) and optical performance. The integration of antennas is growing worldwide due to the rapid expansion of 5G and an overall increase in RF communications, and the ubiquity of glass surfaces makes transparent antennas attractive for multiple end-use markets.

  - Reagent Manufacturing - Kodak plans to capitalize on its existing chemical manufacturing expertise, including current production of unregulated Key Starting Materials for pharmaceuticals, to implement an expansion into manufacturing Diagnostic Test Reagent solutions. Kodak has started construction of a lab and manufacturing facility to manufacture reagents for healthcare applications within an existing building located at Eastman Business Park ("EBP").

- Film and related component manufacturing operations and Kodak Research Laboratories utilize capacity at EBP, which helps cost absorption for both Kodak operations and tenants at EBP.

- Kodak plans to capitalize on its intellectual property through new business or licensing opportunities, focusing on opportunities in 3D printing materials, smart material applications and printed electronics markets.

RESULTS OF OPERATIONS

(in millions)	Year Ended December 31, 2023	% of Sales	Year Ended December 31, 2022	% of Sales	$ Change vs. 2022
Revenues	$ 1,117		$ 1,205		$ (88)
Cost of revenues	907		1,035		(128)
Gross profit	210	19%	170	14%	40
Selling, general and administrative expenses	159	14%	153	13%	6
Research and development costs	34	3%	34	3%	—
Restructuring costs and other	7	1%	10	1%	(3)
Other operating expense (income), net	6	1%	(1)	0%	7
Earnings (loss) from continuing operations before interest expense, pension income excluding service cost component, loss on early extinguishment of debt, other (income) charges, net and income taxes	4	0%	(26)	(2%)	30
Interest expense	52	5%	40	3%	12
Pension income excluding service cost component	(161)	(14%)	(98)	(8%)	(63)
Loss on early extinguishment of debt	27	2%	—	-	27
Other (income) charges, net	(1)	(0%)	1	0%	(2)
Earnings from continuing operations before income taxes	87	8%	31	3%	56
Provision for income taxes	12	1%	5	0%	7
NET EARNINGS	$ 75	7%	$ 26	2%	$ 49

Revenues

For the year ended December 31, 2023, revenues declined approximately $88 million compared with the same period in 2022 primarily due to lower volume in Print ($154 million) and Advanced Materials and Chemicals ($11 million), partially offset by improved pricing and product mix within Print ($43 million) and Advanced Materials and Chemicals ($32 million). See segment discussions for additional details.

Gross Profit

Gross profit for 2023 improved approximately $40 million compared with the same period in 2022, primarily due to improved pricing and product mix in Print ($41 million) and Advanced Materials and Chemicals ($31 million), lower aluminum costs in Print ($25 million) and favorable foreign currency ($2 million). Partially offsetting these favorable impacts was higher manufacturing costs in Print and Advanced Materials and Chemicals ($43 million and $7 million, respectively) and a reduction in employee benefit reserves in the prior year ($9 million). See segment discussions for additional details.

Selling, General and Administrative Expenses

Consolidated SG&A for 2023 increased $6 million in 2023 primarily due to an increase in selling and administrative costs ($11 million), the net impact of a reduction in employee benefit reserves in the prior year ($4 million) and higher stock-based compensation costs ($2 million) partially offset by an increase in income representing insurance reimbursement of legal costs ($5 million) and lower consulting and project costs ($6 million).

Research and Development Costs
Consolidated R&D expenses were unchanged in 2023.

Restructuring Costs and Other
These costs, as well as restructuring costs reported in Cost of revenues, are discussed under the "Restructuring Costs and Other" section in this MD&A and Note 18, "Restructuring Costs and Other."

Interest Expense
The increase in interest expense in 2023 of $12 million primarily reflects the impact of the refinancing transactions that closed in the third quarter of 2023. Refer to Note 8, "Debt and Credit Facilities" for further information.

Other Operating Expense (Income), Net
For details, refer to Note 15, "Other Operating Expense (Income), Net."

Pension Income
For details, refer to Note 19, "Retirement Plans."

Loss on Early Extinguishment of Debt
For details, refer to Note 8, "Debt and Credit Facilities."

Other (Income) Charges, Net
For details, refer to Note 16, "Other (Income) Charges, Net."

Provision for Income Taxes
For details, refer to Note 17, "Income Taxes."

DETAILED RESULTS OF OPERATIONS

Net Revenues from Continuing Operations by Reportable Segment

	Year Ended December 31,	
(in millions)	**2023**	**2022**
Print	$ 828	$ 938
Advanced Materials and Chemicals	255	234
Brand	17	17
Total of reportable segments	1,100	1,189
All Other	17	16
Consolidated total	$ 1,117	$ 1,205

Kodak's segment measure of profit and loss is an adjusted earnings before interest, taxes, depreciation and amortization ("Operational EBITDA"). As demonstrated in the table below, Operational EBITDA represents the earnings from continuing operations before income taxes excluding non-service cost components of pension and other postemployment benefits income; depreciation and amortization expense; restructuring costs and other; stock-based compensation expense; consulting and other costs; idle costs; other operating (expense) income, net; loss on early extinguishment of debt; interest expense and other income (charges), net.

Kodak's segments are measured using Operational EBITDA both before and after allocation of corporate selling, general and administrative expenses ("SG&A"). The segment earnings measure reported is after allocation of corporate SG&A as this most closely aligns with U.S. GAAP. Research and development activities not directly related to the other segments are reported within the Advanced Materials and Chemicals segment.

Segment Operational EBITDA and Consolidated Earnings from Continuing Operations Before Income Taxes

(in millions)	Year Ended December 31, 2023	2022
Print	$ 20	$ 5
Advanced Materials and Chemicals	10	(1)
Brand	15	14
All Other	2	3
Depreciation and amortization	(30)	(29)
Restructuring costs and other	(10)	(13)
Stock-based compensation	(7)	(5)
Consulting and other costs (1)	13	2
Idle costs (2)	(3)	(3)
Other operating (expense) income, net, (3)	(6)	1
Interest expense (3)	(52)	(40)
Pension income excluding service cost component (3)	161	98
Loss on early extinguishment of debt (3)	(27)	—
Other income (charges), net (3)	1	(1)
Consolidated earnings from continuing operations before income taxes	$ 87	$ 31

(1) Consulting and other costs are primarily professional services and internal costs associated with certain corporate strategic initiatives, investigations and litigation. Consulting and other costs include $15 million and $10 million of income in the years ended December 31, 2023 and 2022, respectively, representing insurance reimbursement of legal costs previously paid by the Company associated with investigations and litigation matters. Kodak received $20 million of insurance reimbursement proceeds in the year ended December 31, 2023, of which $5 million was recorded in Other current assets in the Consolidated Statement of Financial Position as of December 31, 2022. Kodak received $5 million of insurance reimbursement proceeds in the year ended December 31, 2022.

(2) Consists of third-party costs such as security, maintenance and utilities required to maintain land and buildings in certain locations not used in any Kodak operations and the costs, net of any rental income received, of underutilized portions of certain properties.

(3) As reported in the Consolidated Statement of Operations.

In 2023, Kodak decreased employee benefit reserves by $1 million primarily composed of a reduction in workers' compensation reserves driven by changes in discount rates. The decrease in reserves in 2023 impacted SG&A by approximately $1 million.

Kodak decreased employee benefit reserves by $15 million in 2022 composed of a reduction in workers' compensation reserves of approximately $13 million driven by changes in discount rates and a decrease in other employee benefit reserves of approximately $2 million, driven by both changes in discount rates and favorable experience. The decrease in reserves in 2022 impacted gross profit by approximately $9 million, R&D by approximately $1 and SG&A by approximately $5 million.

2023 Segments

Change in Segments
Effective February 2023 Kodak changed its organizational structure. The Traditional Printing segment and the Digital Printing segment were combined into one segment, named the Print segment. No changes were made to Kodak's other segments. Prior year segment information was revised to conform with the new organizational structure.

PRINT SEGMENT

Revenues

	Year Ended December 31,		
(in millions)	2023	2022	$ Change
Revenues	$ 828	$ 938	$ (110)
Operational EBITDA	20	5	15
Operational EBITDA as a % of revenues	2%	1%	

Revenues
The decrease in Print revenues of approximately $110 million primarily reflected reduced volumes in Prepress Solutions consumables, equipment and service ($105 million, $10 million and $4 million, respectively), volume declines in Electrophotographic Printing Solutions consumables and service as well as equipment ($12 million and $7 million, respectively), volume declines in PROSPER annuities and components ($7 million and $4 million, respectively) and volume declines in VERSAMARK consumables and service ($5 million). The unfavorable impacts were partially offset by improved pricing and product mix in Prepress Solutions consumables and equipment ($29 million and $3 million, respectively), improved pricing and product mix in PROSPER annuities and Electrophotographic Printing Solutions consumables and service ($3 million each), improved pricing in Versamark consumables and service ($2 million) and favorable foreign exchange ($1 million).

Operational EBITDA
Print Operational EBITDA improved approximately $15 million primarily due to improved pricing in Prepress Solutions consumables ($29 million) and PROSPER annuities and Electrophotographic Printing Solutions consumables and service ($3 million each), improved product mix in Prepress Solutions equipment and improved pricing and product mix in VERSAMARK annuities ($2 million each), lower aluminum and R&D costs ($25 million and $2 million, respectively) and favorable foreign currency ($2 million). These favorable impacts were partially offset by increased manufacturing costs ($43 million) driven by lower volume and increases in costs such as utilities, transportation and supplies, higher selling and administrative costs ($4 million) and the net impact of the change in workers' compensation and employee benefit reserves ($8 million)

ADVANCED MATERIALS AND CHEMICALS SEGMENT

	Year Ended December 31,		
(in millions)	2023	2022	$ Change
Revenues	$ 255	$ 234	$ 21
Operational EBITDA	10	(1)	11
Operational EBITDA as a % of revenues	4%	0%	

Revenues
The improvement in Advanced Materials and Chemicals revenues of approximately $21 million is the result of pricing and product mix improvements in Industrial Film and Chemicals ($28 million) and price improvements in Motion Picture ($4 million) partially offset by lower volumes in Industrial Film and Chemicals ($5 million) and Motion Picture ($4 million).

Operational EBITDA
Advanced Materials and Chemicals Operational EBITDA improved approximately $11 million reflecting improved pricing and product mix as well as higher margins in Industrial Film and Chemicals ($27 million and $2 million, respectively) and pricing improvements in Motion Picture ($4 million) partially offset by increased manufacturing costs ($7 million), higher SG&A costs ($6 million) and the impact of net changes in workers' compensation and employee benefit reserves ($6 million).

BRAND SEGMENT

	Year Ended December 31,		
(in millions)	2023	2022	$ Change
Revenues	$ 17	$ 17	$ -
Operational EBITDA	15	14	1
Operational EBITDA as a % of revenues	88%	82%	

There were no material changes to Brand revenues or Operational EBITDA in 2023.

RESTRUCTURING COSTS AND OTHER

2023
Restructuring actions taken in 2023 were initiated to reduce Kodak's cost structure as part of its commitment to drive sustainable profitability and included actions to complete the process of ceasing manufacturing of the Electrophotographic Printing Solutions equipment products as well as various targeted reductions in manufacturing, service, sales and administrative functions.

As a result of these actions, for the year ended December 31, 2023 Kodak recorded $10 million of charges of which $7 million were reported as Restructuring costs and other in the Consolidated Statement of Operations. The remaining $3 million represented inventory write-downs and were reported as Cost of revenues in the accompanying Consolidated Statement of Operations.

Kodak made cash payments related to restructuring of approximately $9 million for the year ended December 31, 2023.

The restructuring actions implemented in 2023 are expected to generate future annual cash savings of approximately $9 million. These savings are expected to reduce future annual Cost of revenues and SG&A expenses by $5 million and $4 million, respectively. Kodak expects the majority of the annual savings to take effect by the end of the second quarter of 2024 as actions are completed. See Note 18, "Restructuring Costs and Other" for additional information on Kodak's restructuring actions.

LIQUIDITY AND CAPITAL RESOURCES

Management's Assessment of Liquidity
Kodak ended the year with a cash balance of $255 million, an increase of $38 million from December 31, 2022.

The financing transactions entered into during the third quarter of 2023 (see "July 21, 2023 Financing Transactions" below for further information) and prior financing transactions provided additional liquidity to the Company to fund on-going operations and obligations, invest in growth opportunities in Kodak's businesses of Print and Advanced Materials and Chemicals and for corporate infrastructure investments expected to contribute to improvements in operational efficiencies and cash flow.

Available liquidity includes cash balances and cash flows from operating activities. The amount of available liquidity is subject to fluctuations and includes cash balances held by various entities worldwide. At December 31, 2023 and 2022 approximately $167 million and $152 million, respectively, of cash and cash equivalents were held within the U.S. and approximately $88 million and $65 million, respectively, of cash and cash equivalents were held outside the U.S. Cash balances held outside the U.S. are generally required to support local country operations and may have high tax costs or other limitations that delay the ability to repatriate, and therefore may not be readily available for transfer to other jurisdictions. Kodak utilizes cash balances outside the U.S. to fund needs in the U.S. through the use of inter-company loans.

As of December 31, 2023 and 2022, outstanding inter-company loans to the U.S. were $460 million and $399 million, respectively, which includes short-term inter-company loans from Kodak's international finance center of $173 million and $109 million, respectively. In China, where approximately $29 million and $24 million of cash and cash equivalents was held as of December 31, 2023 and 2022, respectively, there are limitations related to net asset balances that may impact the ability to make cash available to other jurisdictions in the world. Under the terms of the Amended and Restated Term Loan Credit Agreement, the Company is permitted to invest up to $60 million (or $75 million after the Deleveraging Milestone Date) in Restricted Subsidiaries that are not Loan Parties and in joint ventures or Unrestricted Subsidiaries that are not party to the Amended and Restated Term Loan Credit Agreement.

The Company's Hong Kong subsidiary has an $80 million inter-company loan from one of the Company's Chinese subsidiaries with a maturity date of November 16, 2024, the proceeds of which were in turn loaned to the Company. The inter-company loan terms provide for it to be repaid over two years in four equal installments, with the first $20 million installment due by November 16, 2023 and the remaining installments due in 2024. The Company paid $2 million of the first $20 million installment in January 2024 and is evaluating alternatives for the remaining installments which would allow Kodak and its subsidiaries to perform their obligations to each other while minimizing the impact on U.S. liquidity taking into account requirements imposed by Chinese regulators. Any amounts repaid to the Chinese subsidiary may not be able to be loaned, repatriated or otherwise moved back to the U.S., in which case the Company's U.S. liquidity would be reduced. If the inter-company loan is not extended, refinanced or amended and the Hong Kong subsidiary does not pay any of the individual installments by the end of the 30-day grace period following notice by the Chinese subsidiary after a failure to pay on the due date of such installment, the Hong Kong subsidiary would default on the inter-company loan. The Chinese subsidiary has not issued notice to the Hong Kong subsidiary based on the failure to make the first full installment payment.

Kodak's cash flows continue to be negatively impacted by higher manufacturing costs due to volume declines and increased labor, material and distribution costs, supply chain disruptions and shortages in materials and labor. The impacts from price increases, continued cost reduction actions and supply chain-related cost improvements that were largely implemented during 2022 have positively impacted Kodak's operations in 2023. The economic uncertainties surrounding the current inflationary environment and other global events represent additional elements of complexity in Kodak's plans to return to sustainable positive cash flow. The Company cannot predict the duration and scope of such events, including the war in Ukraine and the conflicts involving Israel, and other factors such as the ability to continue to secure raw materials and components, the impact of rising costs of labor, commodity and distribution costs, or how quickly and to what extent normal economic and operating conditions can resume.

During the third quarter of 2023, Kodak entered into multiple long-term brand licensing arrangements and recorded total deferred revenue of approximately $57 million. Kodak received approximately $12 million and $40 million of cash proceeds related to these licensing arrangements in 2023 and first quarter of 2024, respectively. Kodak expects to receive the remaining $5 million in 2025.

Kodak's plans to return to sustainable positive cash flow include increasing profitability through pricing actions and reducing operating expenses by executing on cost controls, implementing effective working capital utilization, continuing to simplify the organizational structure, investing in information technology systems to drive operational efficiencies, generating cash from selling and leasing underutilized assets or through new brand licensing opportunities and implementing ways to reduce cash collateral needs.

Kodak believes that its liquidity position is adequate to fund its operating and investing needs and to provide the flexibility to respond as necessary to ordinary changes in the business and economic environment. Kodak’s ability to adequately fund its long-term liquidity, debt servicing and capital requirements will be dependent on generating positive cash flows from operations, managing world-wide cash through intercompany loans, distributions or other mechanisms, and the ability to convert, redeem or extend the existing Series B and Series C Preferred Stock past their current maturities of May 26, 2026.

July 21, 2023 Financing Transactions:
On February 26, 2021, the Company and certain of its subsidiaries (the "Subsidiary Guarantors") entered into a Credit Agreement (the “Original Term Loan Credit Agreement”) with certain funds affiliated with Kennedy Lewis Investment Management LLC (“KLIM”) as lenders (the “Original Term Loan Lenders”) and Alter Domus (US) LLC, as administrative agent.

On June 30, 2023, the Company entered into an amendment (the “Term Loan Amendment”) to the Original Term Loan Credit Agreement (the Original Term Loan Credit Agreement and, as amended and restated by the Term Loan Amendment, the “Amended and Restated Term Loan Credit Agreement”), with KLIM as lenders (the “Term Loan Lenders”) and Alter Domus (US) LLC, as administrative agent (the “Agent”). Subject to the terms and conditions of the Term Loan Amendment, the Term Loan Lenders provided the Company with a commitment to provide term loans in an aggregate principal amount of $450 million (the “Term Loans”).

On July 21, 2023, the Amended and Restated Term Loan Credit Agreement became effective and the Company completed its borrowing of the Term Loans. The Company received net proceeds from the Term Loans of approximately $435 million, of which $318 million, representing the aggregate principal amount of the Original Term Loans plus accrued paid-in-kind interest and prepayment premium and $2 million of cash interest, was paid by the Company to refinance the obligations under the Original Term Loan Credit Agreement.

Approximately $28 million of the net proceeds from the Term Loans were used to repay in full the Company’s outstanding Convertible Notes, representing the aggregate principal amount of the Convertible Notes plus accrued paid-in-kind interest.

The Company repaid in full the amounts outstanding under its 2023 Amended ABL Credit Agreement, using $59 million of the net proceeds from the Term Loans to fund the L/C Cash Collateral account and paying approximately $1 million in fees in connection with the Amended and Restated L/C Facility Agreement (defined below).

The remaining net proceeds from the Term Loans of approximately $29 million are being used by the Company for general corporate purposes and working capital needs.

The Term Loan Amendment also amended and restated the Original Term Loan Credit Agreement to, among other things, (i) extend the maturity date to the earlier of August 15, 2028 or the date that is 91 days prior to the maturity date or mandatory redemption date of any of the Company’s then-outstanding Series B Preferred Stock or Series C Preferred Stock or any extensions or refinancings of any of the foregoing, (ii) make certain other changes to the terms of the Original Term Loan Credit Agreement and (iii) make certain other changes to the terms of the Guarantee and Collateral Agreement, dated as of February 26, 2021, among the Company, the Subsidiary Guarantors and the Agent.

The Term Loans bear interest at a rate of 7.5% per annum payable in cash and 5.0% per annum payable “in-kind” or in cash at the Company’s option, for an aggregate interest rate of 12.5% per annum.

The Amended and Restated Term Loan Credit Agreement continues to limit, among other things, the ability of the Company and its Restricted Subsidiaries (as defined in the Amended and Restated Term Loan Credit Agreement) to (i) incur indebtedness, (ii) incur or create liens, (iii) dispose of assets, (iv) make restricted payments and (v) make investments. The Amended and Restated Term Loan Credit Agreement contains customary affirmative covenants, including delivery of certain of the Company's financial statements, and customary event of default provisions, including a cross-default provision that would give rise to an event of default if there is a default under or acceleration of "Material Indebtedness" other than inter-company indebtedness. Material Indebtedness includes obligations having a principal amount of at least $20 million (increasing to $25 million after the Deleveraging Milestone Date). The Amended and Restated Term Loan Credit Agreement does not include a financial maintenance covenant or any subjective acceleration clauses.

During the first quarter of 2024, the Company prepaid $17 million of the Term Loans with net proceeds from the sale of Target Non-Core Assets (as defined in the Amended and Restated Term Loan Agreement).

ABL Credit Agreement
Approximately $58 million of letters of credit were issued under the 2023 Amended ABL Credit Agreement and Amended ABL Credit Agreement as of both July 21, 2023 and December 31, 2022. As noted above, upon the termination of the 2023 Amended ABL Credit Agreement, the letters of credit totaling $58 million were transferred to the Amended and Restated L/C Facility. The lenders' security interest in any of the Company's or its subsidiaries' assets or property securing the 2023 Amended ABL Credit Agreement was released.

Letter of Credit Facility Agreement
Approximately $31 million and $43 million of letters of credit were issued under the Amended and Restated L/C Facility Agreement and L/C Facility Agreement as of December 31, 2023 and 2022, respectively. The letters of credit under the Amended and Restated L/C Facility Agreement are collateralized by cash collateral (the "L/C Cash Collateral"). The L/C Cash Collateral was $32 million and $44 million at December 31, 2023 and 2022, respectively, which was classified as Restricted Cash.

On June 30, 2023, the Company and the Subsidiary Guarantors entered into an amendment (the "June 2023 L/C Facility Amendment") to the 2023 Amended L/C Facility Agreement (as amended and restated by the June 2023 L/C Facility Amendment, the "Amended and Restated L/C Facility Agreement") with Bank of America, N.A., as L/C Lender, L/C Agent and Issuing Bank. The June 2023 L/C Facility Amendment became effective on July 21, 2023.

Under the terms and conditions of the June 2023 L/C Facility Amendment, the L/C Lender increased the commitment to issue letters of credit on the Company's behalf from an aggregate amount of up to $50 million to an aggregate amount of up to $100 million (the "L/C Facility Commitments") until August 30, 2023, provided that, at all times, the Company posted L/C Cash Collateral in an amount greater than or equal to 104% of the aggregate amount of letters of credit issued and outstanding at any given time.

The Company used $59 million of the net proceeds from the Term Loans to cash collateralize the letters of credit transferred to the L/C Facility from the 2023 Amended ABL Credit agreement, increasing the balance on deposit in the L/C Cash Collateral account to $102 million. In August 2023, the Company used $68 million of the funds in the L/C Cash Collateral account to cash collateralize its undiscounted actuarial workers' compensation obligations directly with the New York State Workers' Compensation Board ("NYS WCB"), reducing the issued letters of credit to $31 million and the balance on deposit in the L/C Cash Collateral account to $32 million (see further discussion on NYS WCB below), and elected to reduce the L/C Facility Commitments to $50 million effective August 15, 2023. The Amended and Restated L/C Facility Agreement does not include a minimum liquidity or financial maintenance covenant.

Cash Flow:

Cash, cash equivalents and restricted cash balances were as follows:

(in millions)	As of December 31, 2023	As of December 31, 2022
Cash, cash equivalents and restricted cash	$ 377	$ 286

Cash Flow Activity

(in millions)	Year Ended December 31, 2023	Year Ended December 31, 2022	Year-Over-Year Change
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	$ 38	$ (116)	$ 154
Cash flows from investing activities:			
Net cash used in investing activities	(32)	(56)	24
Cash flows from financing activities:			
Net cash provided by financing activities	85	43	42
Effect of exchange rate changes on cash, cash equivalents and restricted cash	—	(8)	8
Net increase (decrease) in cash, cash equivalents and restricted cash	$ 91	$ (137)	$ 228

Operating Activities

Net cash from operating activities improved $154 million for the year ended December 31, 2023 as compared with the prior year primarily due to improved earnings, an increase in proceeds from insurance reimbursements ($15 million), a refund from a governmental authority ($9 million), decreased investment in inventory and an increase in liabilities excluding borrowings and trade payables driven by an increase in deferred revenue associated with brand licensing arrangements. This improvement was partially offset by an increase in trade receivables driven by $40 million in receivables recorded for brand licensing arrangements and a reduction in trade payables.

Investing Activities

Net cash used in investing activities decreased $24 million for the year ended December 31, 2023 as compared to the prior year primarily due to the investment in Wildcat in the third quarter of 2022.

Financing Activities

Net cash provided by financing activities increased $42 million in the year ended December 31, 2023 compared to the corresponding period in 2022 driven primarily by the net proceeds received from the July 21, 2023 financing transactions.

Other Collateral Requirements

The NYS WCB requires security deposits related to self-insured workers' compensation obligations, which security deposits are recalculated annually. Due to changes in 2019 to the manner in which the required security deposit is determined, the Company has been required to post additional collateral over the last several years. At December 31, 2022, the Company posted $75.0 million of collateral, representing 107% of the Company's undiscounted actuarial workers' compensation obligations. Effective May 1, 2023, the Company added New York to its existing workers compensation liability insurance policy and is no longer self-insured for future claims. As a result, the NYS WCB confirmed the Company will no longer be obligated to post any additional collateral. Further, the NYS WCB confirmed the Company can request a review of the security deposits supporting the historical liability beginning on July 1, 2025 with the submission of a current actuarial report. Based on the results of the actuarial valuation report, the required security deposits may be eligible for reduction in future periods.

Based on the legacy nature of the Company's workers' compensation obligations, the undiscounted actuarial obligation has been declining and the Company expects this trend to continue. While it may not be indicative of the rate of future declines, the undiscounted actuarial liability declined by an average of $5.3 million per year between 2014 and 2023. Accordingly, subject to the possibility of other changes to the calculation of required security deposits by the NYS WCB, the Company expects the amount of the required security deposits to decline over time and the gradual return of the security deposits that have been made or the capital used to support such security deposits.

As a result of the Company's credit ratings, during the second quarter of 2020 two surety bond holders notified the Company they required approximately $9 million of incremental collateral. The Company reduced the surety bond value by approximately $9 million in July 2020 with an equivalent increase to an existing letter of credit with the NYS WCB. The Company could be required to provide up to an additional $4 million of letters of credit to the issuers of certain surety bonds in the future to fully collateralize the bonds.

Other Uses of Cash Related to Financing Transactions

The holders of the Term Loans are entitled to quarterly cash interest payments at a rate of 7.5% per annum. The holders of Series B Preferred Stock are entitled to cumulative dividends payable quarterly in cash at a rate of 4% per annum. All interest and dividends have been paid when due.

Defined Benefit Pension and Postretirement Plans

Kodak made contributions (funded plans) or paid net benefits (unfunded plans) totaling approximately $13 million relating to its non-U.S. defined benefit pension and postretirement benefit plans in 2023. For 2024, the forecasted contribution (funded plans) and net benefit payment (unfunded plans) requirements for its non-U.S. defined benefit pension and postretirement plans are approximately $12 million. Kodak does not expect to make any cash contributions to the Kodak Retirement Income Plan, Kodak's U.S. defined benefit pension plan ("KRIP") in 2024, and expects benefit payments (unfunded plans) related to its non-major U.S. plans to be less than $1 million.

As of December 31, 2023, the fair value of plan assets of KRIP was $3.5 billion and KRIP's projected benefit obligation was $2.4 billion, as a result of which KRIP was over funded by $1.2 billion (see Note 19, "Retirement Plans" in the Notes to Financial Statements). Kodak, in conjunction with the Kodak Retirement Income Plan Committee, has been exploring how best to preserve and maximize the value of KRIP's over-funding for the benefit of key stakeholders including current and former employees and Kodak shareholders. There can be no assurances that Kodak will receive excess assets from KRIP or concerning the timing or amount of any such receipt. All liabilities of KRIP must be satisfied before any excess assets will revert to Kodak, and any amounts that ultimately revert to Kodak will depend on the amount of KRIP's liabilities and the future investment performance and value of its assets. Also, any amount received will be subject to material excise tax and other obligations. To the extent Kodak receives net proceeds from excess KRIP assets, Kodak must use such proceeds to pay down the Term Loans to defined levels pursuant to the Plan Reversion Proceeds provisions of the Amended and Restated Term Loan Credit Agreement before such proceeds would be available for other purposes.

Capital Expenditures

Cash flows from investing activities included $32 million for capital expenditures for the year ended December 31, 2023. Kodak expects approximately $45 million to $65 million of cash flows for investing activities from capital expenditures for the year ending December 31, 2024.

BEPS Pillar 2

In December 2021, the Organization for Economic Cooperation and Development ("OECD") introduced Base Erosion and Profit Shifting ("BEPS") Pillar 2 rules that impose a global minimum tax rate of 15%. Numerous countries, including European Union member states, have enacted or are expected to enact legislation to be effective as early as January 1, 2024, with general implementation of a global minimum tax by January 1, 2025. Kodak is in the process of assessing the tax effects of Pillar 2 legislation for when it comes into effect. Due to the complexities in applying the legislation, the potential impact of the enacted or substantively enacted legislation on Kodak's consolidated financial statements and related disclosures is not yet reasonably estimable.

U.S. International Development Finance Corporation Non-Binding Letter of Interest

On July 28, 2020, the U.S. International Development Finance Corporation signed a non-binding letter of interest to provide a subsidiary of the Company with a potential $765 million loan to support the launch of Kodak Pharmaceuticals, an initiative that would manufacture pharmaceutical ingredients for essential generic drugs. The DFC Loan would have been for facility upgrades and construction, provide working capital, and finance other necessary direct expenditures supporting the launch of Kodak Pharmaceuticals. As previously reported, on April 22, 2022 the Company received a letter from the DFC advising the Company that the authority conferred on the DFC by Executive Order 13922 expired on March 27, 2022 and that, consequently, the DFC is unable to consider the project further and the Company's application has been closed.

The Company remains interested in working with governmental agencies to leverage its assets and technology to on-shore manufacturing of pharmaceutical and other healthcare materials. As described under "Overview" above, the Company is also continuing to explore expanding further into the pharmaceutical space on a smaller scale than contemplated by the DFC Loan using other sources of capital, including a portion of the capital raised by the Company on July 21, 2023.

Contractual Obligations

The impact that contractual obligations are expected to have on Kodak's cash flow in future periods is as follows:

		As of December 31, 2023					
(in millions)	**Total**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029+**
Long-term debt (1)	$ 593	$ 1	$ 1	$ 1	$ 1	$ 582	$ 7
Interest payments on debt (2)	195	37	38	40	41	37	2
Operating lease obligations	54	17	8	6	5	5	13
Purchase obligations (3)	25	14	5	2	2	1	1
Convertible preferred stock cash dividends (7)	11	4	4	3	—	—	—
Total (4) (5) (6)	$ 878	$ 73	$ 56	$ 52	$ 49	$ 625	$ 23

(1) Primarily represents the maturity values of Kodak's long-term debt obligations as of December 31, 2023. The loans made under the Amended and Restated Term Credit Agreement become due on August 15, 2028 or the date that is 91 days prior to the maturity date or mandatory redemption date of any of the Company's then outstanding Series B Preferred Stock or Series C Preferred Stock or any extensions or refinancings of any of the foregoing. The loans made under the Amended and Restated Term Credit Agreement receive 5% paid-in-kind interest at maturity. Paid-in-kind interest is included in the principal amount due. The contractual obligations do not reflect any contingent mandatory annual principal prepayments that may be required to be made upon achieving certain excess cash flow targets or from the Net Proceeds from the sale of Target Non-Core Assets, as such terms are defined in the Amended and Restated Term Loan Credit Agreement. Refer to Note 8, "Debt and Credit Facilities".

(2) Includes cash interest payments on the Term Loan Credit Agreement, the RED-Rochester LLC debt and commitment fees for the Amended and Restated L/C Facility Agreement.

(3) Purchase obligations include agreements related to raw materials, supplies, production and administrative services, as well as marketing and advertising, that are enforceable and legally binding on Kodak and that specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. Purchase obligations exclude agreements that are cancelable without penalty.

(4) Due to uncertainty regarding the completion of tax audits and possible outcomes, an estimate of the timing of payments related to uncertain tax positions and interest cannot be made. See Note 17, "Income Taxes," for additional information regarding Kodak's uncertain tax positions.

(5) For 2024, the Company is forecasting $12 million in contributions and net benefit payments for its Non-U.S. major defined benefit retirement plans and other postretirement benefit plans. Expected contributions are excluded from the contractual obligations table because they do not represent contractual cash outflows, as they are dependent on numerous factors which may result in a wide range of outcomes.

(6) Because timing of their future cash outflows are uncertain, the other long-term liabilities presented in Note 7, “Other Long-Term Liabilities,” are excluded from this table.

(7) On February 26, 2021, the Company issued 1,000,000 shares of 4% Series B Convertible Preferred Stock, no par value per share (the “Series B Preferred Stock”) and 1,000,000 shares of 5% Series C Convertible Preferred Stock, no par value per share (the “Series C Preferred Stock”). The Series B and Series C Preferred Stock have a liquidation preference of $100 per share. The holders of Series B Preferred Stock are entitled to cumulative dividends payable quarterly in cash at a rate of 4% per annum. The holder of Series C Preferred Stock is entitled to cumulative dividends payable quarterly in additional shares of Series C Preferred Stock. If holders of the Series B and Series C Preferred stock convert their shares into common stock, dividends will decrease. The Company is required to redeem all shares not converted prior to May 28, 2026 at $100 per share plus the amount of any accrued and unpaid dividends. Due to uncertainty regarding the number of shares that will be redeemed, the redemption amount has not been included in the above table. Refer to Note 9, "Redeemable, Convertible Preferred Stock".

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Preparation of the Company’s Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Significant accounting policies used in the preparation of the Consolidated Financial Statements are more fully described in Note 1, “Basis of Presentation and Summary of Significant Accounting Policies”. The accounting policies most critical to the preparation of the consolidated financial statements and require the most difficult, subjective or complex judgments are described below.

Revenue Recognition

Kodak sells a wide portfolio of products and services to its customers. Kodak’s agreements have varying terms and conditions depending on the goods and services being sold, the rights and obligations conveyed, and the legal jurisdiction of the arrangement. While most of Kodak’s agreements have standard terms and conditions, more complex equipment arrangements may contain nonstandard terms and conditions that require significant contract interpretation to determine the appropriate accounting.

For equipment sales, revenue recognition may depend on completion of installation based on the type of equipment, level of customer specific customization and other contractual terms. In instances in which the agreement with the customer contains a customer acceptance clause, revenue is deferred until customer acceptance is obtained, provided the customer acceptance clause is considered to be substantive.

Kodak’s brand licensing agreements (symbolic licenses) may include upfront payments with a defined license period or a perpetual license term. Significant judgment is required to determine the term over which revenue will be recognized and whether a significant financing component exists.

Taxes

Kodak accounts for income taxes using the asset and liability method. This approach requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of operating losses, credit carryforwards and temporary differences between the carrying amounts and tax basis of Kodak's assets and liabilities.

Kodak records a valuation allowance to reduce its net deferred tax assets to the amount that is more likely than not to be realized. Management is required to exercise judgment in assessing the realizability of Kodak's deferred tax assets, considering all available positive and negative evidence. Inherent in this process is the requirement to estimate forecasted earnings, future taxable income, and prudent and feasible tax planning strategies on a jurisdiction-by-jurisdiction basis. It is possible that actual results will differ from assumptions and require adjustments to allowances. Future periods may also provide positive evidence sufficient to conclude that all or part of the valuation allowance recorded in each jurisdiction can be reversed.

Kodak's ability to utilize its U.S. net operating losses ("NOLs") and tax credits may be subject to limitations imposed by Section 382 of the Internal Revenue Code. Section 382 limits the utilization of NOLs in the event of significant changes in the stock ownership of the Company. An ownership change occurs if, among other things, the aggregate ownership of stockholders owning five percent of Kodak's stock increases by more than 50 percentage points over a three-year rolling period. An ownership change can also occur by other items, such as the sale of Kodak shares that are owned by its 5% shareholders. Future transactions, when combined with reported transactions within the testing period, could aggregate an ownership change during the testing period in excess of 50 percentage points.

A Section 382 ownership change would significantly impair Kodak's ability to utilize NOLs and tax credits in the U.S. As of December 31, 2023, Kodak had available U.S. NOL carry-forwards for income tax purposes of approximately $1,577 million and unused foreign tax credits of $281 million. Any impairment of these tax attributes would be fully offset by a corresponding decrease in Kodak's U.S. valuation allowance, which would result in no net tax provision.

Kodak's intent is to repatriate its offshore earnings when prudent. As such, it has recorded deferred tax liabilities of $16 million and $17 million for potential taxes on undistributed earnings, primarily attributable to foreign withholding taxes, as of December 31, 2023 and 2022, respectively.

Kodak operates within multiple taxing jurisdictions worldwide and is subject to audit in these jurisdictions. These audits can involve complex issues, which may require many years to resolve. Management believes that adequate provisions have been made for such issues, however, there is the possibility that the ultimate resolution of such issues could have an adverse effect on the earnings of Kodak. Conversely, if these issues are resolved favorably, the related provisions would be reduced, thus having a positive impact on earnings. Management's ongoing assessments of the outcomes of these issues and related tax positions requires judgment.

Pension and Other Postretirement Benefits

Kodak's defined benefit pension and other postretirement benefit costs and obligations are estimated using several key assumptions. The assumptions that have the most significant effect on the Company's consolidated financial position and results of operations are the expected long-term rate of return on plan assets ("EROA") and discount rates. Actual results that differ from Kodak's assumptions are recorded as unrecognized gains and losses as a component of accumulated other comprehensive income in shareholders' equity and are amortized to earnings over the estimated future service period of the active participants in the plan or, if the plan is almost entirely inactive, the average remaining lifetime expectancy of inactive participants, to the extent such total net unrecognized gains and losses exceed 10% of the greater of the plan's projected benefit obligation or the calculated value of plan assets. Significant differences in actual experience or significant changes in future assumptions would affect Kodak's pension and other postretirement benefit costs and obligations.

Return on Plan Assets

EROA is a long-term assumption, which Kodak reviews annually. Kodak utilizes asset and liability modeling studies to adjust asset exposures to conform to its investment strategy, and to review its liability hedging program. These studies generate forward-looking estimates of correlation, risk and return which are used in the development of the EROA. The EROA is estimated utilizing a forward-looking building block model which factors in the expected risk of each asset category, return, and correlation over a five to seven-year horizon, and weighs the exposures by the strategic asset allocation.

Historical inputs are utilized in the forecasting model, including historical asset returns with adjustments based on the forward-looking view. Kodak aggregates investments into major asset categories based on the underlying benchmark of the strategy. Each allocation to these major asset categories is determined to accomplish unique objectives, including enhancing portfolio return, providing portfolio diversification, or hedging plan liabilities, in accordance with the overall investment strategy.

The EROA, once set, is applied to the calculated value of plan assets in the determination of the expected return component of Kodak's pension expense. Kodak uses a calculated value of plan assets, which recognizes gains and losses in the fair value of assets over a four-year period, to calculate expected return on assets.

At December 31, 2023, the calculated value of the assets of Kodak's major U.S. and non-U.S. defined benefit pension plans was approximately $4.2 billion and the fair value of the assets of Kodak's major U.S. and non-U.S. defined benefit pension plans was approximately $4.1 billion. Asset gains and losses that are not yet reflected in the calculated value of plan assets are not included in amortization of unrecognized gains and losses.

Kodak's major U.S. defined benefit pension plan accounts for substantially all of Kodak's net pension income and represents approximately 87% of the total fair value of major plan assets as of December 31, 2023. The following table presents actual and expected return on plan assets, as well as the corresponding percentages for Kodak's major U.S. defined benefit pension plan:

	Year Ended December 31,		
(in millions)	2023	2022	2021
Actual return on plan assets	$ (170)	$ (152)	$ 716
Expected return on plan assets	(257)	178	167
Actual rate of return on plan assets	3.9%	(6.1%)	17.7%
Expected rate of return on plan assets	7.5%	5.3%	5.2%

The actual rate of return on Kodak's major U.S. defined benefit pension plan for 2023 was 3.9%, lower than the expected rate of return of 7.5%, driven by lower than expected returns in the private equity asset class. For 2022 the actual rate of return was negative 6.1%, lower than the expected rate of return of 5.3%, driven by lower than expected bond performance due to rising interest rates. For 2021 the actual rate of return exceeded the expected rate of return driven by higher returns for the U.S. Plan's private equity and hedge fund portfolio. The expected average rate of return on plan assets is a long-term, forward-looking assumption and will likely differ from the actual return in any specific year.

Gains or losses from direct investments in derivative instruments by Kodak's major U.S defined benefit pension plan can be volatile from year to year and could materially affect the fair value of plan assets. The total net realized (losses) gains from these derivative investments that were included in the actual return on plan assets balance in the table above for the years ending December 31, 2023, 2022 and 2021 were approximately ($1) million, ($128) million and ($23) million, respectively. Refer to the Derivative Instruments discussion below for additional information.

Approximately $2.7 billion and $2.6 billion of the total fair value of Kodak's major U.S. defined pension plan as of December 31, 2023 and 2022, respectively, represents plan assets where the fair market value is not readily determinable and are measured using the net asset value ("NAV") per share expedient. Except for investments in private equity funds and real estate funds, the remaining investments have redemption rights and can be, and historically have been, redeemed by the U.S. Plan at NAV. For private equity funds and real estate funds, the investors do not have an option to redeem their interest in these funds but rather receive distributions from time to time through the liquidation of the underlying investments in the funds. Secondary sales of a material portion of the investments in these funds are infrequent and historically, immaterial portions of these funds were sold for values not significantly different from NAV.

Discount Rates:
Generally, Kodak bases the discount rate assumption for its significant plans on high quality corporate bond yields in the respective countries as of the measurement date. Specifically, for its U.S., Canadian, Euro-zone and UK plans, Kodak determines a discount rate using a cash flow model to incorporate the expected timing of benefit payments and an AA-rated corporate bond yield curve. For Kodak's U.S. Plan, the Citigroup Above Median Pension Discount Curve is used. For Kodak's non-U.S. plans, discount rates are determined by comparison to published local high-quality bond yields or indices considering estimated plan duration and removing any outlying bonds, as warranted.

Changes in discount rates for Kodak's major U.S. defined benefit plan has the most significant effect on the total projected benefit obligations for Kodak.

The table below shows the discount rates for Kodak's major U.S. pension plan for the years shown:

	Year Ended December 31,		
	2023	2022	2021
Discount Rates - Projected Benefit Obligation:			
U.S. Plan	4.92%	5.13%	2.54%

As discount rates reflect the market rate on the measurement date, the rates can be volatile from year to year. The decrease in the discount rate for Kodak's major U.S. defined benefit pension plan from December 31, 2022 to December 31, 2023 resulted in an increase in the projected benefit obligation of approximately $40 million at December 31, 2023. The increase in the discount rate for Kodak's major U.S. defined benefit pension plan from December 31, 2021 to December 31, 2022 resulted in a decrease in the projected benefit obligation of approximately $582 million at December 31, 2022.

Sensitivity Analysis:
The following table illustrates the sensitivity to a change to certain key assumptions used in the calculation of expense for the year ending December 31, 2023 and the projected benefit obligation ("PBO") at December 31, 2023 for Kodak's major U.S. and non-U.S. defined benefit pension plans:

(in millions)	Impact on 2024 Pre-Tax Pension Expense Increase (Decrease)		Impact on PBO December 31, 2023 Increase (Decrease)	
	U.S.	Non-U.S.	U.S.	Non-U.S.
Change in assumption:				
25 basis point decrease in discount rate	$ 6	$ (1)	$ 44	$ 12
25 basis point increase in discount rate	(6)	1	(43)	(12)
25 basis point decrease in EROA	9	1	N/A	N/A
25 basis point increase in EROA	(9)	(1)	N/A	N/A

Total pension income from continuing operations before special termination benefits, curtailments and settlements for the major U.S. defined benefit pension plan was $149 million for 2023 and is expected to be approximately $152 million in 2024. The increase in pension income for 2024 is driven primarily by lower interest expense. Pension expense from continuing operations before special termination benefits, curtailments and settlements for the major non-U.S. defined benefit pension plans was $3 million for 2023 and is projected to be $2 million in 2024.

Derivative Instruments:
Kodak's major U.S. defined benefit plan utilizes derivative investments primarily to hedge liability interest rate risk to U.S. government bonds. Kodak's major U.S. defined benefit pension plan's derivative portfolio consists of exchange traded futures contracts. As of December 31, 2023 and 2022 the notional amount of these derivative instruments approximated $384 million and $389 million, respectively. Daily variation margin payments are made to or received from the counterparty for changes in the market value of futures contracts and are recorded as realized gains and losses in the Gain on Plan Assets balance. As these futures contracts have short-term maturities, the fair value of these derivative instruments at December 31, 2023 and 2022 was $1 million and $0 million, respectively, which represents the unrealized gains and losses on these contracts. Refer to Note 19, "Retirement Plans" in the Notes to Financial Statements for additional information.

An increase in interest rates is the primary factor that could precipitate material losses in Kodak's major U.S. defined benefit plan's existing derivatives portfolio. A 25-basis point increase in interest rates would cause a loss from the government bond derivatives of approximately $8 million. However, as illustrated in the above table, a 25-basis point increase in the discount rate used to measure the PBO of the U.S. Plan would cause a $43 million decrease in the PBO. Accordingly, while an increase in interest rates would expose the U.S. Plan's derivative investments to losses, it would also likely result in an offsetting decrease to the U.S. Plan's PBO.

Kodak's major U.S. defined benefit plan invests in a diversified portfolio of hedge funds that utilize a variety of investment strategies. The total net asset value of these hedge funds was approximately $1.6 billion and $1.5 billion as of December 31, 2023 and 2022 respectively. Separate from the major U.S. defined benefit plan's direct investments in exchange traded futures contracts, hedge funds may utilize derivative instruments to execute their investment strategy.

Any gains or losses, as well as changes in the fair value of derivative investments held by the hedge fund, are included in the hedge fund's net asset value. Losses could occur in the future from hedge fund investments which may result in part from the use of derivative investments by the hedge funds. However, the maximum potential loss on any individual fund would be limited to the U.S. Plan's investment in that fund.

Inventories

Inventories are stated at the lower of average cost or net realizable value. Judgment is required to assess the ultimate demand for and realizable value of inventory. The analysis of inventory carrying values considers several factors including length of time inventory is on hand, historical sales, product shelf life, product life cycle, product category, and product obsolescence.

New Accounting Pronouncements

A description of new accounting pronouncements is contained in Note 1, "Basis of Presentation & Summary of Significant Accounting Policies".

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Kodak, as a result of its global operating and financing activities, is exposed to changes in foreign currency exchange rates, commodity prices, and interest rates, which may adversely affect its results of operations and financial position. In seeking to minimize the risks associated with such activities, Kodak may enter into derivative contracts. Kodak does not utilize financial instruments for trading or other speculative purposes. Foreign currency forward contracts are used to hedge existing foreign currency denominated assets and liabilities, especially those of Kodak's international finance center, as well as forecasted foreign currency denominated intercompany sales.

Kodak's exposure to changes in interest rates results from its investing and borrowing activities used to meet its liquidity needs. Long-term debt is generally used to finance long-term investments, while short-term debt is used to meet working capital requirements.

Using a sensitivity analysis based on estimated fair value of open foreign currency forward contracts using available forward rates, if the U.S. dollar had been 10% stronger at December 31, 2023 and 2022, the fair value of open forward contracts would have decreased $12 million and $11 million, respectively. Such changes in fair value would be substantially offset by the revaluation or settlement of the underlying positions hedged.

The majority of the Company's debt is fixed rate debt. The fair market value of fixed-rate debt is sensitive to changes in interest rates. At December 31, 2023 and 2022, a 10% change in market interest rates would change the fair value of the Company's debt by approximately $5 million and $2 million, respectively.

Kodak's financial instrument counterparties are high-quality investment or commercial banks with significant experience with such instruments. Kodak manages exposure to counterparty credit risk by requiring specific minimum credit standards and diversification of counterparties. Kodak has procedures to monitor the credit exposure amounts. The maximum credit exposure at December 31, 2023 was not significant to Kodak.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Eastman Kodak Company

Opinion on the Financial Statements

We have audited the accompanying consolidated statement of financial position of Eastman Kodak Company (the Company) as of December 31, 2023 and 2022, the related consolidated statement of operations, comprehensive (loss) income, equity (deficit) and cash flow for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedule listed in the Index at Item 15 (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated March 14, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. 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.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

	Retirement Benefits – Valuation of Private Equity Investment
Description of the Matter	As described in Note 19 to the consolidated financial statements, at December 31, 2023 the Company's U.S Plan holds $1,097 million in private equity investments. The private equity investments are valued primarily based on independent appraisals, discounted cash flow models, cost and comparable market transactions. These investments are valued by the U.S. Plan using the net asset value (NAV) per share expedient. For investments with lagged pricing, the Company uses the latest available net asset values, and also considers expected return and other relevant material events for the year-end valuation of these investments. Auditing the net asset value of these private equity investments is challenging because of the higher estimation uncertainty associated with the inputs to the underlying net asset values and estimated returns used in determining year-end valuations for investments with lagged pricing. Additionally, certain information regarding the net asset value of these private equity investments is based on unaudited information available to management at the time of valuation.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's controls over the valuation of plan assets. This included testing management's controls over private equity investment valuation, which included a

look-back analysis to identify if there were significant changes in the private equity fund valuations subsequent to year-end, inspecting responses to questionnaires sent to asset managers and evaluating the fourth quarter returns of benchmark indices to assess whether the valuations of the U.S. Plan's private equity investments with lagged pricing should be adjusted.

Our audit procedures included, among others, comparing private equity investment returns to selected relevant benchmark indices to test the fourth quarter market activity for investments with lagged pricing, obtaining the latest audited financial statements for a sample of investments and comparing to the Company's recorded values and understanding any significant differences. We also inquired of management about changes to the investment portfolio and/or related investment strategies and considerations. We assessed the historical accuracy of management's estimates by comparing actual activity to previous estimates. We evaluated for contrary evidence by confirming the net asset values of the investments and ownership interests directly with the trustees and a sample of managers at year end. We also assessed the appropriateness of the disclosures in the consolidated financial statements.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2020.

Rochester, New York
March 14, 2024

# of Firm Id	EY-42;	Auditor Name:	Ernst & Young	Auditor Location:	Rochester, New York, USA

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Eastman Kodak Company

Opinion on Internal Control Over Financial Reporting

We have audited Eastman Kodak Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Eastman Kodak Company (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

As indicated in the accompanying Management's Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Graphic Systems Services, Inc. (GSS), which is included in the 2023 consolidated financial statements of the Company and constituted less than 1% of total assets as of December 31, 2023 and less than 1% of total net revenues for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of GSS.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statement of financial position of the Company as of December 31, 2023 and 2022, the related consolidated statement of operations, comprehensive (loss) income, equity (deficit) and cash flow for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedule listed in the Index at Item 15 and our report dated March 14, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

/s/ Ernst & Young LLP

Rochester, New York
March 14, 2024

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF OPERATIONS

(in millions, except per share data)	Year Ended December 31,		
	2023	2022	2021
Revenues			
Sales	$ 917	$ 983	$ 925
Services	200	222	225
Total net revenues	1,117	1,205	1,150
Cost of revenues			
Sales	765	885	830
Services	142	150	156
Total cost of revenues	907	1,035	986
Gross profit	210	170	164
Selling, general and administrative expenses	159	153	177
Research and development costs	34	34	33
Restructuring costs and other	7	10	6
Other operating expense (income), net	6	(1)	(6)
Earnings (loss) from continuing operations before interest expense, pension income excluding service cost component, loss on early extinguishment of debt, other (income) charges, net and income taxes	4	(26)	(46)
Interest expense	52	40	33
Pension income excluding service cost component	(161)	(98)	(102)
Loss on early extinguishment of debt	27	—	—
Other (income) charges, net	(1)	1	(5)
Earnings from continuing operations before income taxes	87	31	28
Provision for income taxes	12	5	4
NET EARNINGS	$ 75	$ 26	$ 24
Basic earnings per share attributable to Eastman Kodak Company common shareholders	$ 0.71	$ 0.16	$ 0.28
Diluted earnings per share attributable to Eastman Kodak Company common shareholders	$ 0.67	$ 0.16	$ 0.27
Number of common shares used in basic and diluted earnings per share:			
Basic	79.4	78.9	78.4
Diluted	90.5	80.6	80.5

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

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF COMPREHENSIVE (LOSS) INCOME

(in millions)

	Year Ended December 31,		
	2023	2022	2021
NET EARNINGS	$ 75	$ 26	$ 24
Other comprehensive (loss) income, net:			
Currency translation adjustments	(8)	(12)	6
Pension and other postretirement benefit plan obligation activity, net of tax	(173)	253	661
Other comprehensive (loss) income, net attributable to Eastman Kodak Company	(181)	241	667
COMPREHENSIVE (LOSS) INCOME, NET	$ (106)	$ 267	$ 691

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

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions)

	As of December 31, 2023	As of December 31, 2022
ASSETS		
Cash and cash equivalents	$ 255	$ 217
Trade receivables, net of allowances of $8 and $7 respectively	195	177
Inventories, net	217	237
Other current assets	45	48
Current assets held for sale	—	2
Total current assets	712	681
Property, plant and equipment, net	169	154
Goodwill	12	12
Intangible assets, net	24	28
Operating lease right-of-use assets	30	39
Restricted cash	110	62
Pension and other postretirement assets	1,216	1,233
Other long-term assets	82	76
TOTAL ASSETS	**$ 2,355**	**$ 2,285**
LIABILITIES, REDEEMABLE, CONVERTIBLE PREFERRED STOCK AND EQUITY		
Accounts payable, trade	$ 125	$ 134
Short-term borrowings and current portion of long-term debt	1	1
Current portion of operating leases	13	15
Other current liabilities	144	143
Total current liabilities	283	293
Long-term debt, net of current portion	457	316
Pension and other postretirement liabilities	237	230
Operating leases, net of current portion	24	31
Other long-term liabilities	213	171
Total liabilities	1,214	1,041
Commitments and contingencies (Note 11)		
Redeemable, convertible preferred stock, no par value, $100 per share liquidation preference	210	203
Equity		
Common stock, $0.01 par value	—	—
Additional paid in capital	1,156	1,160
Treasury stock, at cost	(11)	(11)
Accumulated deficit	(495)	(570)
Accumulated other comprehensive income	281	462
Total equity	931	1,041
TOTAL LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY	**$ 2,355**	**$ 2,285**

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

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF EQUITY (DEFICIT)

(in millions, except share data)

	Common Stock	Additional Paid in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total	Redeemable Convertible Preferred Stock [1]
Equity (deficit) as of December 31, 2021	$ —	$ 1,166	$ (596)	$ 221	$ (10)	$ 781	$ 196
Net earnings	—	—	26	—	—	26	—
Other comprehensive income (loss) (net of tax):							
Currency translation adjustments	—	—	—	(12)	—	(12)	—
Pension and other postretirement liability adjustments	—	—	—	253	—	253	—
Preferred stock cash and accrued dividends	—	(4)	—	—	—	(4)	—
Preferred stock in-kind dividends	—	(5)	—	—	—	(5)	5
Preferred stock deemed dividends	—	(2)	—	—	—	(2)	2
Treasury stock purchases [2]	—	—	—	—	(1)	(1)	—
Stock-based compensation	—	5	—	—	—	5	—
Equity (deficit) as of December 31, 2022	$ —	$ 1,160	$ (570)	$ 462	$ (11)	$ 1,041	$ 203
Net earnings	—	—	75	—	—	75	—
Other comprehensive income (loss) (net of tax):							
Currency translation adjustments	—	—	—	(8)	—	(8)	—
Pension and other postretirement liability adjustments	—	—	—	(173)	—	(173)	—
Preferred stock cash and accrued dividends	—	(4)	—	—	—	(4)	—
Preferred stock in-kind dividends	—	(5)	—	—	—	(5)	5
Preferred stock deemed dividends	—	(2)	—	—	—	(2)	2
Stock-based compensation	—	7	—	—	—	7	—
Equity (deficit) as of December 31, 2023	$ —	$ 1,156	$ (495)	$ 281	$ (11)	$ 931	$ 210

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF EQUITY (DEFICIT) (Continued)

	Common Stock	Additional Paid in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Income) Loss	Treasury Stock	Total	Redeemable Convertible Preferred Stock (1)
Equity (deficit) as of December 31, 2020	$ —	$ 1,152	$ (620)	$ (446)	$ (9)	77	$ 191
Net earnings	—	—	24	—	—	24	—
Other comprehensive income (net of tax):							
Currency translation adjustments	—	—	—	6	—	6	—
Pension and other postretirement liability adjustments	—	—	—	661	—	661	—
Repurchase of Series A Preferred Stock	—	—	—	—	—	-	(100)
Exchange of Series A Preferred Stock	—	92	—	—	—	92	(92)
Expiration of Series A embedded derivative	—	11	—	—	—	11	—
Issuance of convertible, redeemable Series B Preferred Stock, net	—	(95)	—	—	—	(95)	93
Issuance of common stock	—	10	—	—	—	10	—
Issuance of convertible, redeemable Series C Preferred Stock, net	—	—	—	—	—	—	97
Preferred stock cash and accrued dividends	—	(4)	—	—	—	(4)	—
Preferred stock in-kind dividends	—	(4)	—	—	—	(4)	4
Preferred stock deemed dividends	—	(3)	—	—	—	(3)	3
Treasury stock purchases (2)	—	—	—	—	(1)	(1)	—
Stock-based compensation	—	7	—	—	—	7	—
Equity (deficit) as of December 31, 2021	$ —	$ 1,166	$ (596)	$ 221	$ (10)	$ 781	$ 196

(1) There are 60 million shares of no-par value preferred stock authorized, 2.1 million of which are issued and outstanding at December 31, 2023 and 2022. 2.0 million shares of preferred stock were issued and outstanding at December 31, 2021.

(2) Represents purchases of common stock to satisfy tax withholding obligations.

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

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF CASH FLOW

(in millions)	Year Ended December 31, 2023	2022	2021
Cash flows from operating activities:			
Net earnings	$ 75	$ 26	$ 24
Adjustments to reconcile to net cash provided by (used in) operating activities:			
Depreciation and amortization	30	29	31
Pension and other postretirement income	(145)	(77)	(83)
Change in fair value of the Preferred Stock and Convertible Notes embedded derivatives	2	(3)	(7)
Asset impairments	5	1	—
Stock based compensation	7	5	7
Non-cash changes in workers' compensation and other employee benefit reserves	(1)	(15)	(4)
Net loss on sales of assets	—	—	1
Loss on early extinguishment of debt	27	—	—
Benefit from deferred income taxes	(1)	(3)	(1)
Increase in trade receivables	(16)	(12)	(5)
Decrease (increase) in miscellaneous receivables	6	(1)	(3)
Decrease (increase) in inventories	19	(31)	(19)
(Decrease) increase in trade accounts payable	(14)	(12)	38
Increase (decrease) in liabilities excluding borrowings and trade payables	21	(36)	(29)
Other items, net	23	13	3
Total adjustments	(37)	(142)	(71)
Net cash provided by (used in) operating activities	38	(116)	(47)
Cash flows from investing activities:			
Additions to properties	(32)	(31)	(21)
Purchase of preferred equity interest	—	(25)	—
Net proceeds from sales of businesses/assets, net	—	—	1
Net cash used in investing activities	(32)	(56)	(20)
Cash flows from financing activities:			
Net proceeds from Amended and Restated Term Loan Agreement	435	—	—
Net proceeds from Original Term Loan Credit Agreement	—	49	215
Repayment of Original Term Loan Credit Agreement	(316)	—	—
Proceeds from issuance of Convertible Notes	—	—	25
Repayment of Convertible Notes	(28)	—	—
Other debt acquisition costs	(1)	—	(2)
Net proceeds from Series C Preferred Stock	—	—	99
Net proceeds from the sale of common stock	—	—	10
Repurchase of Series A Preferred Stock	—	—	(100)
Preferred stock dividend payments	(4)	(4)	(7)
Treasury stock purchases	—	(1)	(1)
Finance lease payments	(1)	(1)	(1)
Net cash provided by financing activities	85	43	238
Effect of exchange rate changes on cash, cash equivalents and restricted cash	—	(8)	(4)
Net increase (decrease) in cash, cash equivalents and restricted cash	91	(137)	167
Cash, cash equivalents and restricted cash, beginning of period	286	423	256
Cash, cash equivalents and restricted cash, end of period (1)	$ 377	$ 286	$ 423

(1) Refer to Note 2, "Cash, Cash Equivalents and Restricted Cash" for the components of cash, cash equivalents and restricted cash.

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

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF CASH FLOW (Continued)

(in millions)

SUPPLEMENTAL CASH FLOW INFORMATION

	Year Ended December 31,		
(in millions)	2023	2022	2021
Cash paid for interest and income taxes was:			
Interest (net of portion capitalized of $3 million in 2023 and 2022 and $0 million in 2021)	$ 26	$ 23	$ 14
Income taxes (net of refunds)	$ 9	$ 6	$ 2

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

NOTE 1: BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING PRINCIPLES

The consolidated financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The following is a description of the significant accounting policies of Kodak.

BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of Eastman Kodak Company ("EKC") and all companies directly or indirectly controlled by EKC, either through majority ownership or otherwise. Kodak consolidates variable interest entities if Kodak has a controlling financial interest and is determined to be the primary beneficiary of the entity.

RECLASSIFICATIONS

Certain amounts from previous periods have been reclassified to conform to the current period classification due to Kodak's new organization structure as of February 2023. Refer to Note 26, "Segment Information" and Note 14, "Revenue" for additional information.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of commitments and contingencies at year end and the reported amounts of revenues and expenses during the reporting periods presented. Actual results could differ from these estimates.

FOREIGN CURRENCY

For most subsidiaries and branches outside the U.S., the local currency is the functional currency. The financial statements of these subsidiaries and branches are translated into U.S. dollars as follows: assets and liabilities at year-end exchange rates; revenue, expenses and cash flows at average exchange rates; and shareholders' equity at historical exchange rates. For those subsidiaries for which the local currency is the functional currency, the resulting translation adjustment is recorded as a component of Accumulated other comprehensive income in the accompanying Consolidated Statement of Financial Position.

For certain other subsidiaries and branches outside the U.S., operations are conducted primarily in U.S. dollars, which is therefore the functional currency. Monetary assets and liabilities of these foreign subsidiaries and branches, which are recorded in local currency, are remeasured at year-end exchange rates, while revenue, expense, and gain and loss accounts, which are recorded in local currency, are remeasured at average exchange rates. Non-monetary assets and liabilities are remeasured at historical exchange rates. Adjustments that result from the remeasurement of the assets and liabilities of these subsidiaries are included in Other (income) charges, net in the accompanying Consolidated Statement of Operations.

The effects of foreign currency transactions, including related hedging activities, are included in Other (income) charges, net, in the accompanying Consolidated Statement of Operations.

CASH EQUIVALENTS

All highly liquid investments with a remaining maturity of three months or less at date of purchase are considered to be cash equivalents.

INVENTORIES

Inventories are stated at the lower of cost or net realizable value. The cost of inventories is determined by the average cost method, which approximates current cost. Kodak provides inventory reserves for excess, obsolete or slow-moving inventory based on changes in customer demand, technology developments or other economic factors.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at cost, net of accumulated depreciation. Kodak capitalizes additions and improvements while maintenance and repairs are charged to expense as incurred. Upon sale or other disposition, the applicable amounts of asset cost and accumulated depreciation are removed from the accounts and the net amount, less proceeds from disposal, is charged or credited to Other operating expense (income), net in the Consolidated Statement of Operations.

Kodak calculates depreciation expense using the straight-line method over the assets' estimated useful lives, which are as follows:

	Estimated Useful Lives
Buildings and building improvements	5-40
Land improvements	4-20
Leasehold improvements	3-20
Equipment	3-20
Tooling	1-3
Furniture and fixtures	5-10

Kodak depreciates leasehold improvements over the shorter of the lease term or the assets' estimated useful life.

INTERNAL USE SOFTWARE

Expenditures for software purchases and software developed for internal use are capitalized and depreciated on a straight-line basis over the estimated useful lives, generally 3 to 10 years. For software developed for internal use, certain costs are capitalized, including external direct costs of materials and services associated with developing or obtaining the software, and payroll and payroll-related costs for employees who are directly associated with internal-use software projects. Capitalization of these costs ceases no later than the point at which the project is substantially complete and ready for its intended use. Costs associated with preliminary project stage activities, training, maintenance, and other post-implementation stage activities are expensed as incurred. The carrying value of owned software and development costs is recorded in Property, plant and equipment, net while the carrying value of cloud-based software and development costs is recorded in Other current assets and Other long-term assets. The carrying value of software and development costs is reviewed for impairment when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable.

GOODWILL

Goodwill is not amortized but is required to be assessed for impairment at least annually and whenever events or changes in circumstances occur that would more likely than not reduce the fair value of the reporting unit below its carrying amount.

When testing goodwill for impairment, Kodak may assess qualitative factors for some or all of its reporting units to determine whether it is more likely than not (that is, a likelihood of more than 50 percent) that the fair value of a reporting unit is less than its carrying amount, including goodwill. If Kodak determines based on this qualitative test of impairment that it is more likely than not that a reporting unit's fair value is less than its carrying amount or elects to bypass the qualitative assessment for some or all of its reporting units, then a quantitative goodwill impairment test is performed. The amount of goodwill impairment, if any, is calculated as the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. Determining the fair value of a reporting unit involves the use of significant estimates and assumptions. Refer to Note 5, "Goodwill and Other Intangible Assets".

WORKERS' COMPENSATION

Kodak participates in high-deductible insurance programs with retention and per occurrence deductible levels for claims related to workers' compensation. The estimated liability for workers' compensation is based on actuarially estimated, discounted cost of claims, including claims incurred but not reported. Historical loss development factors are utilized to project the future development of incurred losses, and the amounts are adjusted based on actual claim experience, settlements, claim development trends, changes in state regulations and judicial interpretations. Refer to Note 6, "Other Current Liabilities" and Note 7, "Other Long-Term Liabilities" for the estimated liabilities. Amounts recoverable from insurance companies or third parties are estimated using historical experience and estimates of future recoveries. Estimated recoveries are not offset against the related accrual. The amount recorded for the estimated recoveries at December 31, 2023 and 2022 was $16 million and $15 million, respectively, of which $12 million was reported in Other long-term assets in the Consolidated Statement of Financial Position in both periods. The remaining $4 million and $3 million, respectively, was reported in Other current assets in the Consolidated Statement of Financial Position.

LEASES

Kodak as lessee

Kodak determines if an arrangement is a lease at inception. The primary criteria used to classify transactions as operating or finance leases are: (1) whether the ownership transfers at the end of the lease, (2) whether the lease term is equal to or greater than 75% of the economic life of the asset, and (3) whether the present value of the minimum lease payments is equal to or greater than 90% of the fair value of the asset at inception of the lease. Kodak does not have leases that include assets of a specialized nature, generally does not provide residual value guarantees or have any leases for which the exercise of end-of-lease purchase options is reasonably assured at lease inception.

Operating lease right-of-use ("ROU") assets represent the right to use an underlying asset for the lease term and operating lease liabilities represent the obligation to make lease payments arising from the operating lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The ROU assets are adjusted for prepayments and lease incentives. Variable lease payments are excluded from the measurement of ROU assets and lease liabilities and are recognized in expense in the period in which the obligation for those payments is incurred. Lease agreements may include options to extend or terminate the lease at Kodak's discretion, which are included in the determination of the lease term when they are reasonably certain to be exercised.

Kodak's lease agreements are primarily for real estate space and vehicles. Arrangements for goods and services are assessed to determine if the arrangement contains a lease at its inception. Operating leases are included within Operating lease right-of-use assets, Current portion of operating leases and Operating leases, net of current portion in the Consolidated Statement of Financial Position. Finance leases are included in Property, plant and equipment, net, Short-term borrowings and current portion of long-term debt and Long-term debt, net of current portion in the Consolidated Statement of Financial Position.

When available, the rate implicit in the lease is used to discount lease payments to present value; however, many leases do not provide a readily determinable implicit rate. Therefore, Kodak applies its incremental borrowing rate to discount the lease payments at lease commencement. The incremental borrowing rate is the rate of interest that EKC would have to pay to borrow, on a collateralized basis, over a similar term. Renewal options and/or termination options are factored into the determination of lease payments if considered probable.

Rental expense related to operating leases is recognized on a straight-line basis over the lease term. The lease agreements may include both lease and non-lease components. Kodak does not separate lease and non-lease components for real estate leases but does separate lease and non-lease components for equipment leases.

Kodak as Lessor
Kodak places its own equipment at customer sites under sales-type and operating lease arrangements. Arrangements classified as sales-type leases with revenue recognition at inception generally transfer title to the equipment by the end of the lease term or have a lease term that is for a major part of the remaining economic life of the equipment; and collectability is considered probable. Leases meeting the sales-type lease criteria with variable lease payments that do not depend upon a reference rate or index are classified as operating leases if they would otherwise result in a day-one loss. If the arrangement meets the criteria for a sales-type lease but collectability is not considered probable, Kodak will not derecognize the asset and will record all payments received as a liability until the earlier of collectability becoming probable or the termination of the lease. Arrangements that do not meet the sales-type lease criteria are classified as operating leases with revenue recognized over the term. Contracts with customers may include multiple performance obligations including equipment, optional software licenses and service agreements. For such arrangements, revenue is allocated to each performance obligation based on its relative standalone selling price. Equipment subject to operating leases is included in Property, plant and equipment, net in the Consolidated Statement of Financial Position and is depreciated to estimated residual value over its expected useful life. Equipment operating lease terms and depreciable lives generally vary from 3 to 7 years.

The Eastman Business Park segment’s core operations are commercial real estate management activities including real estate leasing and related facility management services. Kodak also leases underutilized portions of its other real estate properties to third parties under both operating lease and sublease agreements. Payments received under operating lease agreements as part of the Eastman Business Park segment are recognized on a straight-line basis over the term and are reported in Revenues in the Consolidated Statement of Operations. Payments received under lease and sublease agreements for other underutilized space are recognized on a straight-line basis and reported as cost reductions in Cost of revenues, Selling, general and administrative (“SG&A”) expenses, research and development (“R&D”) costs and Other (income) charges, net.

Renewal options and/or termination options are factored into the determination of lease payments if considered probable. Kodak does not separate lease and non-lease components of contracts for real estate leases but does separate lease and non-lease components for equipment leases.

REVENUE

Kodak’s revenue transactions include sales of products (such as components and consumables for use in Kodak and other manufacturers’ equipment, film-based products and specialty materials and chemicals), equipment, software, services (such as equipment and software maintenance, engineering, coating and contract manufacturing services), integrated solutions, intellectual property and brand licensing, and commercial real estate management activities. Revenue from services includes extended warranty, customer support and maintenance agreements, consulting, training and education.

Revenue is recognized when control of the promised goods or services is transferred to customers in an amount that reflects the consideration Kodak expects to be entitled to in exchange for those goods or services.

For product sales (such as plates, film, inks, specialty materials and chemicals and other consumables), revenue is recognized when control has transferred from Kodak to the buyer, which may be upon shipment or upon delivery to the customer site, based on contract terms or legal requirements in certain jurisdictions. Equipment and software related service revenue is recognized using the time-based method ratably over the contractual period as it best depicts when the customer receives the benefit from the service. Service revenue for time and materials-based agreements is recognized as services are performed.

Equipment is generally dependent on, and interrelated with, the underlying operating system (firmware) and cannot function without the operating system. In these cases, the hardware and software licenses are accounted for as a single performance obligation. Contracts with customers may include multiple performance obligations including equipment and optional software licenses and service agreements. Service agreements generally have a one-year initial term subject to annual renewals and may be prepaid or paid over time. For such arrangements, revenue is allocated to each performance obligation based on its relative standalone selling price. Kodak applies the residual allocation method for sales of certain complex, highly customized equipment due to significant variability in pricing. Standalone selling prices are based on the observable prices of the products or services when sold separately or by using expected cost-plus margin when directly observable prices are not available. The Company reassesses its standalone selling prices at least annually.

For non-complex equipment installations and software sales, revenue is recognized when control of each distinct performance obligation has transferred from Kodak to the buyer, which is generally met when the equipment or software is delivered and installed at the customer site, as delivery and installation generally occur within the same period. For complex equipment installations or integrated software solutions, revenue is deferred until receipt of customer acceptance and control has transferred to the buyer.

Software licenses are sold both in bundled equipment arrangements as discussed above or on a stand-alone basis. Perpetual licenses are usually sold with post-contract support services (“PCS”) which are considered distinct performance obligations as the customer’s use of the existing software is not dependent upon future upgrades. Kodak recognizes software revenue at the time that the customer obtains control over the software which generally occurs upon installation, while revenue allocated to the PCS is recognized over the service period. The Company also sells SaaS arrangements with revenue recognized over the contract term.

In service arrangements such as consulting where final acceptance by the customer is required, revenue is deferred until all acceptance criteria have been met and Kodak has a legal right to payment.

Kodak’s licensing revenue is comprised of software licenses as discussed above, licenses to use functional intellectual property (e.g. patents and technical know-how) and licenses to use symbolic intellectual property (e.g. brand names and trademarks). The timing and the amount of revenue recognized from the licensing of intellectual property depends upon a variety of factors, including the nature of the performance obligations (functional vs. symbolic licenses), specific terms of each agreement, and the payment terms. Aside from software licenses discussed above, Kodak’s functional licenses generally provide the right to use functional intellectual property; therefore, non-sales/usage-based revenue is recognized when the customer has the right to use the intellectual property while sales and usage-based royalties are recognized in the period the related sales and usage occurs. Revenue for symbolic licenses such as brand licenses are recognized over time.

Real estate management revenue consists primarily of income from tenant leases, including rent and utilities, as well as facility management services and hosting onsite events. Usage based revenue is recognized as earned while tenant lease income is recognized on a straight-line basis over the lease term (Refer to Leases; Kodak as Lessor above).

Deferred revenue is recorded when cash payments are received in advance of satisfying performance obligations such as deposits required in advance on equipment orders, prepaid service contracts, prepaid tenant lease income or prepaid royalties on intellectual property arrangements. Interest expense is imputed for payments received greater than one year in advance of performance.

Payment terms and conditions vary by contract type, although terms generally include a requirement of payment within 30 to 60 days. With the exception of brand licensing arrangements, Kodak applies the practical expedient with respect to implied financial components and only imputes interest for payment terms greater than one year.

Sales and usage-based taxes are excluded from revenues.

Certain customers may receive cash-based incentives or credits, which are accounted for as variable consideration. At the time revenue is recognized, Kodak records reductions to revenue for customer incentive programs, rebates and promotional allowances. For those incentives that require estimation, such as for volume rebates, Kodak uses historical experience and both internal and customer data to estimate the sales incentive at the time revenue is recognized.

Incremental direct costs of obtaining a contract consist of sales commissions. Kodak expenses sales commissions when incurred if the amortization period would be one year or less. Capitalized sales commissions are amortized on a straight-line basis over the life of the contract. These costs are recorded in SG&A expenses in the Consolidated Statement of Operations. Kodak accrues the estimated cost of post-sale obligations, including basic product warranties, at the time of revenue recognition.

Kodak does not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less or for which revenue is recognized at the amount to which Kodak has the right to invoice for services performed.

Performance obligations with an original expected length of greater than one year generally consist of deferred service contracts, operating leases and brand licensing arrangements. As of December 31, 2023, there was approximately $98 million of unrecognized revenue from unsatisfied performance obligations. Approximately 15% of the revenue from unsatisfied performance obligations is expected to be recognized in 2024, 15% in 2025, 10% in 2026, 10% in 2027 and 50% thereafter.

ALLOWANCE FOR CREDIT LOSSES

Kodak records an allowance for credit losses against financial assets measured at amortized cost basis (primarily accounts receivable) for the current expected credit losses inherent in the asset over its expected life. The allowance for credit losses is maintained based on historical experience, current conditions and reasonable and supportable forecasts that affect the collectability of the reported amount. Kodak records a specific reserve for individual accounts when Kodak becomes aware of specific customer circumstances evidencing the customer's inability to pay, such as in the case of a bankruptcy filing or deterioration in the customer's operating results or financial position.

RESEARCH AND DEVELOPMENT COSTS

R&D costs, which include costs incurred in connection with new product development, fundamental and exploratory research, process improvement, product use technology and product accreditation, are expensed in the period in which they are incurred.

ADVERTISING

Advertising costs are expensed as incurred and are included in SG&A expenses in the accompanying Consolidated Statement of Operations. Advertising expenses amounted to $2 million, $3 million and $2 million for the years ended December 31, 2023, 2022 and 2021.

SHIPPING AND HANDLING COSTS

Amounts charged to customers and costs incurred by Kodak related to shipping and handling are included in Net revenue and Cost of revenues, respectively.

IMPAIRMENT OF LONG-LIVED ASSETS

The carrying values of long-lived assets, other than goodwill and intangible assets with indefinite useful lives, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying values may not be recoverable.

Long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities (the asset group). If the sum of the expected undiscounted cash flows from the use of and eventual disposition of such asset group is less than the carrying value of the asset group a loss is recognized to the extent the carrying value of the asset group exceeds its fair value. Kodak determines fair value through quoted market prices in active markets or using a discounted cash flow analysis.

The remaining useful lives of long-lived assets are reviewed in connection with the assessment of recoverability of long-lived assets and the ongoing strategic review of the business and operations. If the review indicates that the remaining useful life of the long-lived asset has changed significantly, the depreciation on that asset is adjusted to facilitate full cost recovery over its revised estimated remaining useful life.

The carrying values of indefinite-lived intangible assets are evaluated for potential impairment annually or whenever events or changes in circumstances indicate that it is more likely than not that the asset is impaired. The fair value of the Kodak trade name is valued using the income approach, specifically the relief from royalty method. Refer to Note 5, “Goodwill and Other Intangible Assets.”

INCOME TAXES

Kodak recognizes deferred tax liabilities and assets for the expected future tax consequences of operating losses, credit carry-forwards and temporary differences between the carrying amounts and tax basis of Kodak’s assets and liabilities. Kodak records a valuation allowance to reduce its net deferred tax assets to the amount that is more likely than not to be realized. For discussion of the amounts and components of the valuation allowances as of December 31, 2023 and 2022, refer to Note 17, “Income Taxes.”

The undistributed earnings of Kodak’s foreign subsidiaries are not considered permanently reinvested. Kodak has recognized a deferred tax liability (net of related foreign tax credits) on the foreign subsidiaries’ undistributed earnings.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. ASU 2016-13 (as amended by ASUs 2018-19, 2019-04, 2019-05, 2019-10, 2019-11, 2020-02, 2020-03 and 2022-02) requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. In addition, the ASU requires credit losses relating to available-for-sale debt securities to be recorded through an allowance for credit losses. The amendments in this ASU broaden the information that an entity must consider in developing its expected credit loss estimate for assets measured either collectively or individually. The ASU is effective for Kodak for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022 (January 1, 2023 for Kodak). Kodak adopted the new standard on January 1, 2023 using the modified retrospective approach and it did not have a material impact on Kodak's consolidated financial statements.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. ASU 2023-09 requires disclosure of additional categories of information about federal, state and foreign income taxes in the rate reconciliation table and more details about the reconciling items in some categories if items meet a quantitative threshold. The ASU requires entities to disclose income taxes paid, net of refunds, disaggregated by federal (national), state and foreign taxes for annual periods and to disaggregate the information by jurisdiction based on a quantitative threshold. The guidance makes several other changes to the disclosure requirements. The ASU is required to be applied prospectively, with the option to apply it retrospectively. The ASU is effective for Kodak for fiscal years beginning after December 15, 2024 (January 1, 2025 for Kodak).

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. ASU 2023-07 improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. In addition, the ASU enhances interim disclosure requirements, clarifies circumstances in which an entity can disclose multiple segment measures of profit or loss, and contains other disclosure requirements. The ASU does not change how an entity identifies its operating segments, aggregates those operating segments, or applies the quantitative thresholds to determine its reportable segments. The ASU is required to be applied retrospectively to all periods presented in the financial statements. The ASU is effective for Kodak for fiscal years beginning after December 15, 2023 (January 1, 2024 for Kodak) and interim periods within fiscal years beginning after December 15, 2024 (January 1, 2025 for Kodak).

NOTE 2: CASH, CASH EQUIVALENTS AND RESTRICTED CASH

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Statement of Financial Position that sums to the total of such amounts shown in the Statement of Cash Flows:

	As of December 31,	
(in millions)	**2023**	**2022**
Cash and cash equivalents	$ 255	$ 217
Restricted cash reported in Other current assets	12	7
Restricted cash	110	62
Total cash, cash equivalents and restricted cash shown in the Statement of Cash Flows	$ 377	$ 286

Restricted cash reported in Other current assets on the Consolidated Statement of Financial Position primarily represented amounts that support hedging activities and an escrow of $3 million in China to secure ongoing obligations under a supply agreement associated with the strategic relationship with Lucky HuaGuang Graphics Co. Ltd. ("HuaGuang"). The agreement with HuaGuang expires in the third quarter of 2024.

Restricted cash included $32 million and $44 million as of December 31, 2023 and 2022, respectively, representing the cash collateral required to be posted by the Company under the Letter of Credit Facility ("L/C Cash Collateral") (Refer to Note 8, "Debt and Credit Facilities" for information on the Restricted cash supporting the L/C Cash Collateral). In addition, restricted cash as of December 31, 2023 included $63 million representing cash collateral supporting the Company's undiscounted actuarial workers' compensation obligations with the New York State Workers' Compensation Board ("NYS WCB"). Restricted cash as of December 31, 2023 and 2022 included $8 million and $6 million, respectively, of security posted related to Brazilian legal contingencies and, for both periods, $5 million of cash collateral posted for a letter of credit for aluminum purchases in the United Kingdom. As of December 31, 2022 restricted cash also included an escrow of $5 million under the supply agreement with HuaGuang.

NOTE 3: INVENTORIES, NET

(in millions)	As of December 31, 2023	2022
Finished goods	$ 85	$ 98
Work in process	68	64
Raw materials	64	75
Total	$ 217	$ 237

NOTE 4: PROPERTY, PLANT AND EQUIPMENT, NET

(in millions)	As of December 31, 2023	2022
Land	$ 55	$ 51
Buildings and building improvements	137	134
Machinery and equipment	420	390
Construction in progress	27	29
Property, plant and equipment, gross	639	604
Accumulated depreciation	(470)	(450)
Property, plant and equipment, net	$ 169	$ 154

Depreciation expense was $26 million, $24 million and $26 million for the years ended December 31, 2023, 2022 and 2021, respectively.

NOTE 5: GOODWILL AND OTHER INTANGIBLE ASSETS

The following table presents the changes in the carrying value of goodwill by reportable segment.

(in millions)	Print	Advanced Materials and Chemicals	Brand	Consolidated Total
Balance as of December 31, 2021	$ 6	$ —	$ 6	$ 12
Impairment	—	—	—	—
As of December 31, 2022	6	—	6	12
Impairment	—	—	—	—
As of December 31, 2023	$ 6	$ —	$ 6	$ 12
Gross goodwill	$ 62	$ 8	$ 6	$ 76
Accumulated impairment losses	(56)	(8)	—	(64)
Balance as of December 31, 2023	$ 6	$ —	$ 6	$ 12

The Print segment has four goodwill reporting units: Prepress Solutions, Electrophotographic Printing Solutions; Prosper and Versamark; and Software. The Advanced Materials and Chemicals segment has two goodwill reporting units: Motion Picture and Industrial Films and Chemicals; and Advanced Materials and Functional Printing. The Brand segment has one goodwill reporting unit. As of December 31, 2023, goodwill is only recorded in the Brand and Software reporting units.

Based upon the results of Kodak’s December 31, 2023 and 2022 annual impairment tests, no impairment of goodwill is indicated. As of December 31, 2023 and 2022 the carrying value of the Brand reporting unit was negative.

`

The gross carrying amount and accumulated amortization by major intangible asset category as of December 31, 2023 and 2022 were as follows:

	As of December 31, 2023			
(in millions)	Gross Carrying Amount	Accumulated Amortization	Net	Weighted Average Remaining Amortization Period (in years)
Technology-based	$ 99	$ 92	$ 7	2 years
Kodak trade name	17	—	17	Indefinite life
Customer-related	9	9	—	0 years
Total	$ 125	$ 101	$ 24	

	As of December 31, 2022			
(in millions)	Gross Carrying Amount	Accumulated Amortization	Net	Weighted Average Remaining Amortization Period (in years)
Technology-based	$ 99	$ 88	$ 11	3 years
Kodak trade name	17	—	17	Indefinite life
Customer-related	9	9	-	1 year
Total	$ 125	$ 97	$ 28	

Based on the results of Kodak's December 31, 2023 annual impairment test, the carrying value of the Kodak trade name exceeded its fair value and Kodak recorded a pre-tax impairment charge of less than $1 million. Based on the results of Kodak's December 31, 2022 annual impairment test, the carrying value of the Kodak trade name exceeded its fair value and Kodak recorded a pre-tax impairment charge of $1 million driven by lower forecasted revenues primarily associated with the decision to cease manufacturing of the Electrophotographic Printing Solutions equipment products. The $1 million impairment charge is included in Other operating expense (income), net for the year ended December 31, 2022 in the Consolidated Statement of Operations.

Amortization expense related to intangible assets was $4 million for the year ended December 31, 2023 and $5 million for each of the years ended December 31, 2022 and 2021.

Estimated future amortization expense related to intangible assets that are currently being amortized as of December 31, 2023 was as follows:

(in millions)	
2024	$ 4
2025	3
Total	$ 7

NOTE 6: OTHER CURRENT LIABILITIES

(in millions)	As of December 31, 2023	2022
Deferred revenue and customer deposits	$ 37	$ 40
Employment-related liabilities	36	35
Customer rebates	12	18
Workers' compensation	10	9
Restructuring liabilities	5	7
Accrued interest	9	6
Preferred Stock dividends payable	1	1
Other	34	27
Total	$ 144	$ 143

The customer rebate amounts will potentially be settled through customer deductions applied to outstanding trade receivables in lieu of cash payments.

The Other component above consists of other miscellaneous current liabilities that, individually, were less than 5% of the total current liabilities component within the Consolidated Statement of Financial Position and therefore have been aggregated in accordance with Regulation S-X.

NOTE 7: OTHER LONG-TERM LIABILITIES

(in millions)	As of December 31, 2023	2022
Workers' compensation	$ 56	$ 59
Asset retirement obligations	43	43
Deferred taxes	27	27
Deferred brand licensing revenue (1)	63	11
Environmental liabilities	9	8
Embedded conversion option derivative liabilities	2	4
Other	13	19
Total	$ 213	$ 171

(1) During the third quarter of 2023, Kodak entered into multiple long-term brand licensing arrangements and recorded total deferred revenue of approximately $57 million. Kodak received approximately $12 million of cash proceeds related to these licensing arrangements in 2023 and approximately $40 million and $5 million, respectively, was recorded as an offset in Trade receivables, net and Other long-term assets in the Consolidated Statement of Financial Position. Approximately $54 million of the deferred revenue balance related to these licensing arrangements as of December 31, 2023 is recorded in Other long-term liabilities and the remaining $3 million in Other current liabilities in the Consolidated Statement of Financial Position. Kodak will recognize the total deferred revenue amount ratably over the term of the respective arrangements, ranging from five to twenty years. While the arrangements include up-front payments, Kodak determined that the contracts did not have a significant financing component.

The Other component above consists of other miscellaneous long-term liabilities that, individually, were less than 5% of the total liabilities component in the accompanying Consolidated Statement of Financial Position and therefore have been aggregated in accordance with Regulation S-X.

NOTE 8: DEBT AND CREDIT FACILITIES

Debt and finance leases and related maturities and interest rates were as follows at December 31, 2023 and 2022:

(in millions)	Type	Maturity	Weighted-Average Effective Interest Rate	As of December 31, 2023 Carrying Value	As of December 31, 2022 Carrying Value
Current portion:					
	RED-Rochester, LLC		11.45%	$ 1	$ 1
				1	1
Non-current portion:					
	Term Loans	2028	13.72%	446	—
	Original Term Loans	2026	13.68%	—	286
	Convertible Debt	2026	17.28%	—	18
	RED-Rochester, LLC	2033	11.45%	10	11
	Finance Leases	Various	Various	1	1
				457	316
				$ 458	$ 317

Annual maturities of debt and finance leases outstanding at December 31, 2023 were as follows:

(in millions)	Carrying Value	Maturity Value
2024	1	1
2025	1	1
2026	1	1
2027	1	1
2028	447	582
2029 and thereafter	7	7
Total	$ 458	$ 593

Term Loan Credit Agreement

On February 26, 2021, the Company and certain of its subsidiaries (the "Subsidiary Guarantors") entered into a Credit Agreement (the “Original Term Loan Credit Agreement”) with certain funds affiliated with Kennedy Lewis Investment Management LLC (“KLIM”) as lenders (the “Original Term Loan Lenders”) and Alter Domus (US) LLC, as administrative agent (the “Agent”). Pursuant to the Original Term Loan Credit Agreement, the Original Term Loan Lenders provided the Company with (i) an initial term loan in the amount of $225 million, which was drawn in full on the same date, and (ii) a commitment to provide delayed draw term loans in an aggregate principal amount of up to $50 million on or before February 26, 2023 (collectively, the “Original Term Loans”). The delayed draw term loans were drawn in full on June 15, 2022. The maturity date of the Original Term Loans was February 26, 2026, and the Original Term Loans were non-amortizing.

On June 30, 2023, the Company and the Subsidiary Guarantors entered into an amendment (the “Term Loan Amendment”) to the Original Term Loan Credit Agreement (the Original Term Loan Credit Agreement, as amended and restated by the Term Loan Amendment, the “Amended and Restated Term Loan Credit Agreement”), with certain funds affiliated with KLIM as lenders (the “Term Loan Lenders”) and the Agent.

Subject to the terms and conditions of the Term Loan Amendment, the Term Loan Lenders provided the Company with a commitment to provide term loans in an aggregate principal amount of $450 million (the “Term Loans”).

On July 21, 2023, the Amended and Restated Term Loan Credit Agreement became effective and the Company completed its borrowing of the Term Loans. The Company received net proceeds of $435 million from the Term Loans which were used to (i) refinance the obligations under the Original Term Loan Credit Agreement, (ii) repay in full and terminate the commitments under the Company's asset-based revolving credit facility made available pursuant to the 2023 Amended ABL Credit Agreement as defined below, (iii) repay in full the Company's outstanding 5.0% unsecured convertible promissory notes due May 28, 2026 (the "Convertible Notes") held by the Original Term Loan Lenders, (iv) pay certain fees and expenses related to the foregoing and the Amended and Restated L/C Facility Agreement (defined below), (v) provide cash collateral in respect of the Amended and Restated L/C Facility Agreement, as described below, or other collateral obligations, and (vi) for general corporate purposes and working capital needs of the Company and its subsidiaries (a net amount of $29 million).

The Term Loan Amendment also amended and restated the Original Term Loan Credit Agreement to, among other things, (i) extend the maturity date to the earlier of August 15, 2028 or the date that is 91 days prior to the maturity date or mandatory redemption date of any of the Company's then-outstanding Series B Preferred Stock or Series C Preferred Stock or any extensions or refinancings of any of the foregoing, (ii) make certain other changes to the terms of the Original Term Loan Credit Agreement and (iii) make certain other changes to the terms of the Guarantee and Collateral Agreement, dated as of February 26, 2021, among the Company, the Subsidiary Guarantors and the Agent.

The Term Loans bear interest at a rate of 7.5% per annum payable in cash and 5.0% per annum payable “in-kind” ("PIK") or in cash at the Company's option, for an aggregate interest rate of 12.5% per annum. Obligations under the Amended and Restated Term Loan Credit Agreement are secured by a first priority lien on substantially all assets of the Company and the Subsidiary Guarantors (subject to certain exceptions) not constituting L/C Cash Collateral, as defined below (collectively, the “Term Loan Priority Collateral”), and a second priority lien on the L/C Cash Collateral. The aggregate carrying value of the Term Loan Priority Collateral and L/C Cash Collateral as of December 31, 2023 was $4,205 million.

The Amended and Restated Term Loan Credit Agreement continues to limit, among other things, the ability of the Company and its Restricted Subsidiaries (as defined in the Amended and Restated Term Loan Credit Agreement) to (i) incur indebtedness, (ii) incur or create liens, (iii) dispose of assets, (iv) make restricted payments and (v) make investments. The Amended and Restated Term Loan Credit Agreement contains customary affirmative covenants, including delivery of certain of the Company's financial statements, and customary event of default provisions, including a cross-default provision that would give rise to an event of default if there is a default under or acceleration of “Material Indebtedness” other than inter-company indebtedness. Material Indebtedness includes obligations having a principal amount of at least $20 million (increasing to $25 million if the Term Loans are paid down to $200 million, which is referred to as the “Deleveraging Milestone Date”). The Amended and Restated Term Loan Credit Agreement does not include a financial maintenance covenant or any subjective acceleration clauses.

On an annual basis, the Company is obligated to prepay, within 10 business days following the filing of annual Form 10-K, outstanding Term Loans in an amount equal to Excess Cash Flow (“ECF”) as defined in the Amended and Restated Term Loan Credit Agreement provided no such prepayment is required if such prepayment would cause U.S. liquidity to be less than $60 million, or $85 million after the Deleveraging Milestone Date. For the year ended December 31, 2023, ECF was a negative amount. In addition to customary prepayment covenants, the Company is also required to use the Net Proceeds from the monetization of Target Non-Core Assets as such terms are defined in the Amended and Restated Term Loan Credit Agreement to make prepayments subject to certain exceptions. During the first quarter of 2024, the Company prepaid $17 million of the Term Loans with Net Proceeds from the sale of Target Non-Core Assets.

Loss on Early Extinguishment of Debt - Original Term Loans

The Company used $316 million of the net proceeds received from the Term Loans, which represented the aggregate principal amount of the Original Term Loans plus accrued PIK and prepayment premium, to refinance the Company's obligations under the Original Term Loan Credit Agreement. In addition, the Company used $2 million of the net proceeds to pay accrued and unpaid cash interest. The carrying value of the Original Term Loans as of July 21, 2023 approximated $293 million. The Company recorded a loss on early extinguishment of debt of approximately $23 million during the third quarter of 2023.

Board Rights Agreement

On June 30, 2023, in connection with the execution of the Term Loan Amendment, the Company entered into an amendment (the "Board Rights Agreement Amendment") to the letter agreement with KLIM, dated February 26, 2021 (the “Original Board Rights Agreement”). Pursuant to the Board Rights Agreement Amendment, KLIM's right to nominate one individual for election as a member of the Company’s board of directors will last until the date on which KLIM ceases to hold at least $200 million of the original principal amount of Term Loans. The individual nominated pursuant to the Original Board Rights Agreement was appointed to the Company's Board of Directors on April 1, 2021 and has been elected to serve one-year terms at each of the annual meetings since May 19, 2021.

Securities Purchase Agreement

On February 26, 2021, the Company and the Term Loan Lenders (the “Buyers”), entered into a Securities Purchase Agreement (the “Securities Purchase Agreement”) pursuant to which the Company sold to the Buyers (i) an aggregate of 1,000,000 shares (the “Purchased Shares”) of the Company’s common stock, par value $0.01 per share (“Common Stock”) for a purchase price of $10.00 in cash per share for an aggregate purchase price of $10 million and (ii) $25 million aggregate principal amount of the newly issued Convertible Notes in a private placement transaction. The issuance and sale of the Purchased Shares and Convertible Notes were consummated on February 26, 2021.

Convertible Notes

The Convertible Notes bore interest at a rate of 5.0% per annum, which was payable in cash on the maturity date and in additional shares of Common Stock on any conversion date. The payment of interest only at the maturity date has the same effect as delivering additional debt instruments to the Holders of the Convertible Notes and therefore is considered PIK. Therefore, PIK was being added to the carrying value of the debt through the term and interest expense was recorded using the effective interest method. The maturity date of the Convertible Notes was May 28, 2026.

Conversion Features

The Buyers had the right to elect at any time to convert the Convertible Notes into shares of the Company's Common Stock, par value $0.01 per share ("Common Stock"), at an initial conversion rate equal to 100 shares of Common Stock per each $1,000 principal amount of the Convertible Notes (based on an initial conversion price equal to $10.00 per share of Common Stock). The conversion rate and conversion price were subject to certain customary anti-dilution adjustments.

If the closing price of the Common Stock equaled or exceeded $14.50 (subject to adjustment in the same manner as the conversion price) for 45 trading days within any period of 60 consecutive trading days, the Company had the right to cause the mandatory conversion of the Convertible Notes into shares of Common Stock.

In the event of certain fundamental transactions, the Buyers had the right, within a period of 30 days following the occurrence of such transaction, to elect to either require prepayment of the Convertible Notes at par plus accrued and unpaid interest or convert all or a portion of the Convertible Notes into shares of Common Stock at the conversion rate then in effect plus any additional shares based on the price per share of Common Stock in connection with the fundamental transaction, or to receive the shares of a successor entity, if any.

Embedded Derivatives

The Convertible Notes were considered more akin to a debt-type instrument and the economic characteristics and risks of the embedded conversion features were not considered clearly and closely related to the Convertible Notes. Accordingly, these embedded features were bifurcated from the Convertible Notes and separately accounted for on a combined basis at fair value as a single derivative liability. Kodak allocated $12 million of the net proceeds received to a derivative liability based on the aggregate fair value of the embedded features on the date of issuance which reduced the net carrying value of the Convertible Notes. The derivative was being accounted for at fair value with subsequent changes in the fair value being reported as part of Other (income) charges, net in the Consolidated Statement of Operations. The fair value of the Convertible Notes embedded derivative at July 21, 2023, when the Convertible Notes were repaid, was a liability of $5 million. The fair value of the Convertible Notes embedded derivative as of December 31, 2022 was a liability of $2 million and is included in Other long-term liabilities in the accompanying Consolidated Statement of Financial Position. Refer to Note 13, "Financial Instruments" for information on the valuation of the derivative.

The carrying value of the Convertible Notes at December 31, 2022 was $18 million. The estimated fair value of the Convertible Notes as of December 31, 2022 was $16 million (Level 3). The carrying value was being accreted to the aggregate principal amount using the effective interest method from the date of issuance through the maturity date.

Loss on Early Extinguishment of Debt - Convertible Notes

The carrying value, including the fair value of the embedded derivative liability, of the Convertible Notes at July 21, 2023 approximated $24 million. The Company used $28 million of the net proceeds received from the Term Loans to repay in full the aggregate principal amount of the Convertible Notes plus accrued PIK interest. The Company recorded a loss on early extinguishment of debt of approximately $4 million during the third quarter of 2023.

Securities Registration Rights Agreement

On February 26, 2021, the Company and the Buyers entered into a Registration Rights Agreement (the "Securities Registration Rights Agreement") providing the Buyers with registration rights in respect of the Purchased Shares and the Common Stock issuable upon conversion of the Convertible Notes. The Securities Registration Rights Agreement contains other customary terms and conditions, including certain customary indemnification obligations; however, the Securities Registration Rights Agreement does not obligate the Company to facilitate an underwritten offering of the registered Common Stock by the Buyers.

Amended ABL Credit Agreement

On September 3, 2013, the Company entered into an Asset Based Revolving Credit Agreement (the "Original ABL Credit Agreement"). On February 26, 2021, the Company and the Subsidiary Guarantors entered into a fourth amendment to the ABL Credit Agreement (as amended in 2021, the "Amended ABL Credit Agreement"), among the Company, the Subsidiary Guarantors, the lenders party thereto, Bank of America, N.A., as agent (the "Agent"), and Bank of America, N.A. and JPMorgan Chase Bank, N.A., as arrangers, with the Agent and the Required Lenders. Each of the capitalized but undefined terms used in the context of describing the Amended ABL Credit Agreement has the meaning ascribed to such term in the Amended ABL Credit Agreement.

The Amended ABL Credit Agreement amended the ABL Credit Agreement to, among other things, (i) extend the maturity date to February 26, 2024 or the date that was 90 days prior to the earliest scheduled maturity date or mandatory redemption date of any of the Company's Term Loans, Convertible Notes, Series B Preferred Stock, Series C Preferred Stock or any refinancings of any of the foregoing and (ii) decreased the aggregate amount of commitments from $110 million to $90 million, which decreased the minimum Excess Availability to $11.25 million from the previous amount of $13.75 million. Commitments under the Amended ABL Credit Agreement continued to be able to be used in the form of revolving loans or letters of credit.

On March 14, 2023, the Company and the Subsidiary Guarantors entered into amendment No. 5 to the Amended and Restated Credit Agreement (the "2023 Amended ABL Credit Agreement") with the lenders party thereto (the "Lenders"), Bank of America, N.A., as administrative agent and collateral agent to, among other things: (i) extend the maturity date of the Company's asset based loan facility from February 26, 2024 to the earliest of June 12, 2024, the termination of the 2023 Amended L/C Facility Agreement (as defined below) or the date that is 91 days prior to the earliest scheduled maturity date or mandatory redemption date of any of the Company's Original Term Loans, Convertible Notes, Series B Preferred Stock, Series C Preferred Stock or any refinancings of any of the foregoing; (ii) require the Company to maintain daily Minimum Liquidity of $50 million, subject to certain cure rights, and to maintaining quarterly Minimum Liquidity of $80 million, and (iii) on February 26, 2024, decrease the aggregate amount of commitments from $90 million to $81 million. Each of the capitalized but undefined terms used in the context of describing the 2023 Amended ABL Credit Agreement has the meaning ascribed to such term in the 2023 Amended ABL Credit Agreement.

If Minimum Liquidity fell below the daily or quarterly required minimum, an Event of Default would have occurred, in which case the Agent had the right to declare the obligation of each Lender to make Revolving Loans and of the Issuing Banks to issue Letters of Credit to be terminated, and declare the Revolving Loans, all interest thereon and all other amounts payable under the 2023 Amended ABL Credit Agreement to be due and payable.

Approximately $58 million letters of credit were issued under the 2023 Amended ABL Agreement as of July 21, 2023 and December 31, 2022.

On July 21, 2023, the Company used the net proceeds from the Term Loans to repay in full the amounts outstanding under its 2023 Amended ABL Credit Agreement (the "ABL Prepayment"). Upon the administrative agent's receipt in full of the ABL Prepayment, the 2023 Amended ABL Credit Agreement was terminated and the lenders' security interest in any of the Company's or its subsidiaries assets or property securing the 2023 Amended ABL Credit Agreement was released.

Quarterly Minimum Liquidity was $143 million and $150 million at March 31, 2023 and December 31, 2022, respectively, and daily Minimum Liquidity exceeded the $50 million threshold. Quarterly Minimum Liquidity as of June 30, 2023 was not required to be calculated or furnished to the Lenders as the 2023 Amended ABL Credit Agreement was terminated on July 21, 2023.

The Company was required to maintain Excess Availability above the greater of 12.5% of lender commitments ($11.25 million at both May 31, 2023 and December 31, 2022) which was tested at the end of each month. Excess Availability was $17 million and $21 million as of May 31, 2023 and December 31, 2022, respectively. Excess Availability as of June 30, 2023 was not required to be calculated or furnished to the Lenders as the 2023 Amended ABL Credit Agreement was terminated on July 21, 2023.

If Excess Availability fell below the greater of 12.5% of lender commitments or $11.25 million, a Fixed Charge Coverage Ratio Trigger Event would have occurred. During any Fixed Charge Coverage Ratio Trigger Event, the Company would have been required to maintain a Fixed Charge Coverage Ratio of greater than or equal to 1.0 to 1.0. If Excess Availability fell below the greater of 12.5% of lender commitments or $11.25 million, Kodak could, in addition to the requirement to be in compliance with the minimum Fixed Charge Coverage Ratio, have become subject to cash dominion control. Since Excess Availability was greater than 12.5% of lender commitments or $11.25 million at May 31, 2023 and December 31, 2022, Kodak was not required to have a minimum Fixed Charge Coverage Ratio of 1.0 to 1.0.

If Excess Availability fell below the greater of 12.5% of lender commitments or $11.25 million and the Fixed Charge Coverage Ratio was less than 1.0 to 1.0, an Event of Default would have occurred and the Agent would have had the right to declare the obligation of each Lender to make Revolving Loans and of the Issuing Banks to issue Letters of Credit to be terminated, and declare the Revolving Loans, all interest thereon and all other amounts payable under the 2023 Amended ABL Credit Agreement to be due and payable.

As noted above, since Excess Availability was greater than 12.5% of lender commitments or $11.25 million, Kodak was not required to have a minimum Fixed Charge Coverage Ratio of 1.0 to 1.0. As of March 31, 2023, Consolidated EBITDA (minus Capital Expenditures and income taxes paid in cash) (as defined in the 2023 Amended ABL Credit Agreement) exceeded Fixed Charges by approximately $9 million, therefore the Fixed Charge Coverage Ratio was more than 1.0 to 1.0. The Fixed Charge Coverage Ratio as of June 30, 2023 was not required to be calculated or furnished to the Lenders as the 2023 Amended ABL Credit Agreement was terminated on July 21, 2023.

Each existing direct or indirect U.S. subsidiary of the Company (other than Immaterial Subsidiaries, Unrestricted Subsidiaries and certain other subsidiaries) provided an unconditional guarantee (and any such future subsidiaries were required to provide an unconditional guarantee) of the obligations of the Company under the Credit Agreements (as defined below).

Under the terms of the Amended ABL Credit Agreement, the Company could designate Restricted Subsidiaries as Unrestricted Subsidiaries provided the aggregate sales of all Unrestricted Subsidiaries are less than 7.5% of the consolidated sales of Kodak and the aggregate assets of all Unrestricted Subsidiaries are less than 7.5% of Kodak's consolidated assets. Further, on a pro forma basis at the time of designation and immediately after giving effect thereto, Excess Availability must be at least $30 million and the pro forma Fixed Charge Coverage Ratio must be no less than 1.0 to 1.0. Upon designation of Unrestricted Subsidiaries, the Company is required to provide to the Lenders reconciling statements to eliminate all financial information pertaining to Unrestricted Subsidiaries which is included in its annual and quarterly consolidated financial statements.

Under the Amended ABL Credit Agreement the Company designated three subsidiaries as Unrestricted Subsidiaries: Kodak PE Tech, LLC, Kodak Realty, Inc, and KP Services (Jersey) Ltd. Collectively, the Unrestricted Subsidiaries had sales of approximately $6 million and $7 million for the years ended December 31, 2022 and 2021, respectively, which represented 1% of Kodak's consolidated sales for each period. These subsidiaries had assets of $12 million as of December 31, 2022, which represented 1% of Kodak's consolidated assets as of such dates.

Letter of Credit Facility Agreement

On February 26, 2021, the Company and the Subsidiary Guarantors entered into a Letter of Credit Facility Agreement (the "L/C Facility Agreement") among the Company, the Subsidiary Guarantors, the lenders party thereto (the "L/C Lenders"), Bank of America, N.A., as agent, and Bank of America, N.A., as issuing bank. Pursuant to the L/C Facility Agreement, the L/C Lenders committed to issue letters of credit on the Company's behalf in an aggregate amount of up to $50 million, provided that the Company posts cash collateral in an amount greater than or equal to 103% of the aggregate amount of letters of credit issued and outstanding at any given time (the "L/C Cash Collateral").

On March 14, 2023, the Company entered into an amendment to the L/C Facility Agreement (the "2023 Amended L/C Facility Agreement") to, among other things: (i) extend the maturity date of the L/C Facility Agreement from February 26, 2024 to the earliest of June 12, 2024, the termination of the 2023 Amended ABL Credit Agreement, as applicable, or the date that is 91 days prior to the earliest scheduled maturity date or mandatory redemption date of any of the Company's Term Loans, Convertible Notes, Series B Preferred Stock, Series C Preferred Stock or any refinancing of any of the foregoing and (ii) require the Company to maintain daily Minimum Liquidity of $50 million, subject to certain cure rights, and to maintaining a quarterly Minimum Liquidity of $80 million. Each of the capitalized but undefined terms used in the context of describing the 2023 Amended L/C Facility Agreement has the meaning ascribed to such term in the 2023 Amended L/C Facility Agreement.

As with the 2023 Amended ABL Credit Agreement, the 2023 Amended L/C Facility Agreement required the Company to maintain Excess Availability above the greater of 12.5% of lender commitments or $11.25 million. If Excess Availability fell below the greater of 12.5% of lender commitments or $11.25 million, a Fixed Charge Coverage Ratio Trigger Event would have occurred under the 2023 Amended L/C Facility Agreement as with the 2023 Amended ABL Credit Agreement. During any Fixed Charge Coverage Ratio Trigger Event, the Company would have been required to maintain a Fixed Charge Coverage Ratio of greater than or equal to 1.0 to 1.0.

On June 30, 2023, the Company and the Subsidiary Guarantors entered into an amendment (the "June 2023 L/C Facility Amendment") to the 2023 Amended L/C Facility Agreement (as amended and restated by the June 2023 L/C Facility Amendment, the "Amended and Restated L/C Facility Agreement"), with Bank of America, N.A., as L/C Lender, L/C Agent and Issuing Bank. The June 2023 L/C Facility Amendment became effective on July 21, 2023.

Under the terms and conditions of the June 2023 L/C Facility Amendment, the L/C Lender increased the commitment to issue letters of credit on the Company's behalf from an aggregate amount of up to $50 million, to an aggregate amount of up to $100 million (the "L/C Facility Commitments"), until August 30, 2023; provided that, at all times, the Company posts cash collateral in an amount greater than or equal to 104% of the aggregate amount of letters of credit issued and outstanding at any given time (the "L/C Cash Collateral").

Upon the termination of the 2023 Amended ABL Credit Agreement on July 21, 2023, the letters of credit totaling $58 million issued under the 2023 Amended ABL Credit Agreement were transferred to the Amended and Restated L/C Facility Agreement. The Company used $59 million of the net proceeds from the Term Loans to cash collateralize the letters of credit transferred to the L/C Facility. In August 2023, the Company used $68 million of the funds in the L/C Cash Collateral account to cash collateralize the Company's undiscounted actuarial workers' compensation obligations directly with the NYS WCB, reducing the issued letters of credit to $31 million, and elected to reduce the L/C Facility Commitments to $50 million effective August 15, 2023.

The June 2023 L/C Facility Amendment also amended and restated the 2023 Amended L/C Facility Agreement to, among other things, (i) extended the maturity date to the earliest of (x) the fifth anniversary of the Restatement Date (as defined therein), (y) the date that is 90 days prior to the maturity of the Amended and Restated Term Loan Credit Agreement, as such date may be extended pursuant to the terms thereof (or the maturity date of any refinancing thereof), or (z) the date that is 90 days prior to the earliest scheduled maturity date or mandatory redemption date of any of the Company's then-outstanding Series B Preferred Stock or Series C Preferred Stock or any refinancings of any of the foregoing, (ii) eliminated the existing cash maintenance requirements, and (iii) made certain other changes to the terms of the 2023 Amended L/C Facility Agreement.

Approximately $31 million and $43 million letters of credit were issued under the Amended and Restated L/C Facility Agreement as of December 31, 2023 and 2022, respectively. The balance on deposit in the L/C Cash Collateral account as of December 31, 2023 and 2022 was approximately $32 million and $44 million, respectively.

The Company's obligations under the Amended and Restated L/C Facility Agreement are guaranteed by the Subsidiary Guarantors and are secured by (i) a first priority lien on the L/C Cash Collateral and (ii) a second priority lien on certain Term Loan Priority Collateral of the Company and U.S. subsidiary guarantors.

The Amended and Restated L/C Facility Agreement contains certain affirmative and negative covenants similar to the affirmative and negative covenants contained in the Amended and Restated Term Loan Credit Agreement. The Amended and Restated L/C Facility Agreement does not include a minimum liquidity or financial maintenance covenant.

The Company will pay an unused line fee of 37.5-50 basis points per annum, depending on whether the unused portion of the maximum commitments is less than or equal to 50% or greater than 50% of such commitments, respectively. The Company will pay a letter of credit fee of 3.75% per annum on issued and outstanding letters of credit, in addition to a fronting fee of 25 basis points on such letters of credit. Amounts drawn under any letter of credit will be reimbursed from the L/C Cash Collateral. If not so reimbursed, and not otherwise repaid by the Company to the L/C Lender, such amounts will accrue interest, to be paid monthly, at a floating Base Rate (as defined in the Amended and Restated L/C Facility Agreement) plus 2.75% per annum until repaid.

RED-Rochester, LLC

In January 2019 Kodak entered into a series of agreements with RED-Rochester, LLC ("RED"), which provides utilities to Eastman Business Park. Kodak received a payment of $14 million from RED. Kodak is required to pay a minimum annual payment to RED of approximately $2 million regardless of utility usage. Kodak is accounting for the $14 million payment from RED as debt. The minimum payments required under the agreement from Kodak to RED are reported as a reduction of the debt and interest expense using the effective interest method. The debt payments to RED continue until August 2033.

NOTE 9: REDEEMABLE, CONVERTIBLE PREFERRED STOCK

Redeemable convertible preferred stock was as follows:

	As of December 31,	
(in millions)	2023	2022
Series B preferred stock	$ 96	$ 95
Series C preferred stock	114	108
Total	$ 210	$ 203

Series A Preferred Stock

On November 15, 2016, the Company issued 2,000,000 shares of 5.50% Series A Preferred Stock, no par value per share, for an aggregate purchase price of $200 million, or $100 per share pursuant to a Series A Preferred Stock Purchase Agreement (the "Series A Purchase Agreement") with Southeastern Asset Management, Inc. ("Southeastern") and Longleaf Partners Small-Cap Fund, C2W Partners Master Fund Limited and Deseret Mutual Pension Trust, which are investment funds managed by Southeastern (such investment funds, collectively, the "Series A Purchasers"), dated November 7, 2016. The Company received net proceeds of $198 million after issuance costs.

The Company classified the Series A Preferred Stock as temporary equity in the Consolidated Statement of Financial Position.

Redemption Features

If any shares of Series A Preferred Stock had not been converted prior to the fifth anniversary of the initial issuance of the Series A Preferred Stock, the Company would have been required to redeem such shares at $100 per share plus the amount of accrued and unpaid dividends. As the Company concluded that the Series A Preferred Stock was considered more akin to a debt-type instrument, the redemption feature was considered to be clearly and closely related to the host contract and therefore was not required to be separated from the Series A Preferred Stock.

Repurchase and Exchange Agreement

On February 26, 2021 the Company entered into a Series A Preferred Stock Repurchase and Exchange Agreement (the "Repurchase and Exchange Agreement") with Southeastern and the Purchasers. The Company repurchased one million shares of the Series A Preferred Stock under the terms of the Repurchase and Exchange Agreement for $100,641,667, representing the liquidation value of the Series A Preferred Stock plus accrued and unpaid dividends. In addition, the Company and the Purchasers agreed to exchange the remaining one million shares of Series A Preferred Stock held by the Purchasers for shares of the Company's newly created 4.0% Series B Convertible Preferred Stock, no par value (the "Series B Preferred Stock") on a one-for-one basis plus accrued and unpaid dividends of $641,667. The exchange of shares of Series A Preferred Stock for shares of Series B Preferred Stock was a noncash financing activity.

Embedded Conversion Features

Each share of Series A Preferred Stock was convertible, at the option of each holder at any time, into shares of Common Stock at the initial conversion rate of 5.7471 (equivalent to an initial conversion price of $17.40 per share of Common Stock). If a holder elected to convert any shares of Series A Preferred Stock during a specified period in connection with a fundamental change (as defined in the Certificate of Designations), the conversion rate would have been adjusted under certain circumstances and such holder would also have been entitled to a payment in respect of accumulated dividends. If a holder elected to convert any shares of Series A Preferred Stock during a specified period following a reorganization event (as defined in the Certificate of Designations), such holder could have elected to have the conversion rate adjusted. In addition, the Company had the right to require holders to convert any shares of Series A Preferred Stock in connection with certain reorganization events, in which case the conversion rate would have been adjusted under certain circumstances. If shares of Series A Preferred Stock were not converted in connection with a reorganization event, such shares would have become convertible into the exchanged property from the reorganization event.

The Company had the right to convert Series A Preferred Stock into Common Stock at any time after the second anniversary of the initial issuance if the closing price of the Common Stock equaled or exceeded 125 percent of the then-effective conversion price for 45 trading days within a period of 60 consecutive trading days, with the last trading day of such 60 day period ending on the trading day immediately preceding the business day on which the Company issues a press release announcing the mandatory conversion.

Kodak allocated $43 million of the net proceeds from the issuance of the Series A Stock to a derivative liability based on the aggregate fair value of the embedded conversion features on the date of issuance, which reduced the net carrying value of the Series A Preferred Stock. The carrying value of the Series A Preferred Stock at the time of issuance, $155 million ($200 million aggregate gross proceeds less $43 million allocated to the derivative liability and $2 million in transaction costs), was being accreted to the mandatory redemption amount using the effective interest method to Additional paid in capital in the Consolidated Statement of Financial Position as a deemed dividend from the date of issuance through the mandatory redemption date, November 15, 2021.

Extinguishment of Series A Preferred Stock

The carrying value, including the fair value of the embedded derivative liability, of the Series A Preferred Stock prior to extinguishment approximated $203 million. Upon repurchase and exchange of the Series A Preferred Stock, Kodak recorded $8 million as a deemed dividend to Additional paid in capital in the Consolidated Statement of Financial Position, representing the difference between the fair value of consideration transferred and the carrying value of the Series A Preferred Stock.

Dividend and Other Rights

The holders of Series A Preferred Stock were entitled to cumulative dividends payable quarterly in cash at a rate of 5.50% per annum. Until the third quarter of 2018 all dividends owed on the Series A Preferred Stock were declared and paid when due. No quarterly dividend was declared in the third or fourth quarters of 2018 or the first and second quarters of 2019. After the second quarter of 2019, quarterly cash dividends were declared each quarter and were paid when due. In July 2020, the Company declared and paid the four quarterly dividends that were in arrears. The total amount of dividends in arrears was $11 million.

Series B Preferred Stock

The fair value of the Series B Preferred Stock at the time of issuance approximated $95 million. The Company has classified the Series B Preferred Stock as temporary equity in the Consolidated Statement of Financial Position.

Dividend and Other Rights

On February 25, 2021, the Company filed with the Department of Treasury of the State of New Jersey a Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of the Company (the “Series B Certificate of Designations”) which established the designation, number of shares, rights, preferences and limitations of the Series B Preferred Stock which became effective upon filing. The Series B Preferred Stock ranks senior to the Common Stock and pari passu with the Series C Preferred Stock with respect to dividend rights and rights on liquidation, winding-up and dissolution. The Series B Preferred Stock has a liquidation preference of $100 per share, and the holders of Series B Preferred Stock are entitled to cumulative dividends payable quarterly in cash at a rate of 4.0% per annum. If dividends on any Series B Preferred Stock are in arrears for six or more consecutive or non-consecutive dividend periods, the holders of the Series B Preferred Stock will be entitled to nominate one director at the next annual shareholder meeting and all subsequent shareholder meetings until all accumulated dividends on such Series B Preferred Stock have been paid or set aside. Dividends owed on the Series B Preferred Stock have been declared and paid when due. Holders of Series B Preferred Stock will have certain limited special approval rights, including with respect to the issuance of pari passu or senior equity securities of the Company.

Conversion Features

Each share of Series B Preferred Stock is convertible, at the option of each holder at any time, into shares of Common Stock at the initial conversion rate of 9.5238 shares of Common Stock for each share of Series B Preferred Stock (equivalent to an initial conversion price of $10.50 per share of Common Stock). The initial conversion rate and the corresponding conversion price are subject to certain customary anti-dilution adjustments. If a holder elects to convert any shares of Series B Preferred Stock during a specified period in connection with a fundamental change (as defined in the Series B Certificate of Designations), such holder can elect to have the conversion rate adjusted and can elect to receive a cash payment in lieu of shares for a portion of the shares. Such holder will also be entitled to a payment in respect of accumulated dividends. In addition, the Company will have the right to require holders to convert any shares of Series B Preferred Stock in connection with certain reorganization events in which case the conversion rate will be adjusted, subject to certain limitations.

The Company has the right to cause the mandatory conversion of the Series B Preferred Stock into shares of Common Stock if the closing price of the Common Stock has equaled or exceeded $14.50 (subject to adjustment in the same manner as the conversion price) for 45 trading days within a period of 60 consecutive trading days.

Embedded Conversion Features
The Company concluded that the Series B Preferred Stock was more akin to a debt-type instrument and that the economic characteristics and risks of the conversion option upon a fundamental change by the holder was not considered clearly and closely related to the Series B Preferred Stock. Accordingly, this embedded conversion feature was bifurcated from the Series B Preferred Stock and is being separately accounted for as a derivative. The Company allocated $1 million to the derivative liability based on the aggregate fair value of the embedded conversion feature on the date of issuance which reduced the original carrying value of the Series B Preferred Stock.

The derivative is being accounted for at fair value with subsequent changes in the fair value being reported as part of Other (income) charges, net in the Consolidated Statement of Operations. The fair value of the Series B Preferred Stock embedded derivative as of both December 31, 2023 and 2022 was a liability of $1 million and is included in Other long-term liabilities in the accompanying Consolidated Statement of Financial Position. Refer to Note 13, “Financial Instruments” for information on the valuation of the derivative.

The carrying value of the Series B Preferred Stock at the time of issuance, $93 million ($95 million fair value of Series B Preferred Stock on February 26, 2021 less $1 million allocated to the derivative liability and $1 million of transaction costs) is being accreted to the mandatory redemption amount using the effective interest method to Additional paid in capital in the Consolidated Statement of Financial Position as a deemed dividend from the date of issuance through the mandatory redemption date, May 28, 2026.

Redemption Features
If any shares of Series B Preferred Stock have not been converted prior to May 28, 2026 (the “Redemption Date”), the Company is required to redeem such shares at $100 per share plus the amount of accrued and unpaid dividends. As the Company concluded that the Series B Preferred Stock is considered more akin to a debt-type instrument, the redemption feature is considered to be clearly and closely related to the host contract and therefore was not required to be separated from the Series B Preferred Stock.

Series B Registration Rights Agreement
On November 15, 2016, the Company and the Series A Purchasers entered into a Registration Rights Agreement (the “Series A Registration Rights Agreement”) which provided the Series A Purchasers with customary registration rights in respect of the shares of Common Stock issuable upon conversion of the Series A Preferred Stock. The Series A Registration Rights Agreement contains other customary terms and conditions, including certain customary indemnification obligations. The Repurchase and Exchange Agreement extended the registration rights provided under the Series A Registration Rights Agreement to shares of Common Stock issuable upon conversion of the Series B Preferred Stock.

Series C Preferred Stock

Purchase Agreement
On February 26, 2021, the Company and GO EK Ventures IV, LLC (the “Investor”) entered into a Series C Preferred Stock Purchase Agreement (the “Purchase Agreement”) pursuant to which the Company agreed to sell to the Investor, and the Investor agreed to purchase from the Company, an aggregate of 1,000,000 shares of the Company’s newly created 5.0% Series C Convertible Preferred Stock, no par value per share (the “Series C Preferred Stock”), for a purchase price of $100 per share, representing $100 million of gross proceeds to the Company. The initial issuance and sale of 750,000 shares ($75 million gross proceeds) closed on February 26, 2021. The final issuance and sale of the remaining 250,000 shares ($25 million gross proceeds) closed on March 30, 2021 after expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act. The Investor is a fund managed by Grand Oaks Capital. The Company used the proceeds from the sale of the Series C Preferred Stock for general corporate purposes including the funding of growth initiatives. The Company has classified the Series C Preferred Stock as temporary equity in the Consolidated Statement of Financial Position.

Dividend and Other Rights

On February 25, 2021, the Company filed with the Department of Treasury of the State of New Jersey a Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of the Company (the "Series C Certificate of Designations") which established the designation, number of shares, rights, preferences and limitations of the Series C Preferred Stock and became effective upon filing. The Series C Preferred Stock ranks senior to the Common Stock and pari passu with the Series B Preferred Stock with respect to dividend rights and rights on liquidation, winding-up and dissolution. The Series C Preferred Stock has an initial liquidation preference of $100 per share, and holders of Series C Preferred Stock are entitled to cumulative dividends payable quarterly "in-kind" in the form of additional shares of Series C Preferred Stock at a rate of 5.0% per annum. If dividends on the Series C Preferred Stock are not declared and paid for any given fiscal quarter, the liquidation preference is automatically increased by the amount of such unpaid dividends. Holders of the Series C Preferred Stock are also entitled to participate in any dividends paid on the Common Stock (other than stock dividends) on an as-converted basis, with such dividends on any shares of the Series C Preferred Stock being payable upon conversion of such shares of Series C Preferred Stock to Common Stock. Dividends owed on the Series C Preferred Stock have been declared and additional Series C shares issued when due.

Holders of Series C Preferred Stock are entitled to vote together with the holders of the Common Stock as a single class, in each case, on an as-converted basis, except where a separate class vote is required by law. Holders of Series C Preferred Stock have certain limited special approval rights, including with respect to the issuance of pari passu or senior equity securities of the Company.

Pursuant to the Purchase Agreement, the Investor has the right to nominate one director at each annual or special meeting of the Company's shareholders ("Designee") until the earlier of the third anniversary of the execution of the Purchase Agreement and such time as the Investor and its Affiliates (as defined in the Purchase Agreement) do not hold at least a majority of the Series C Preferred Stock purchased under the Purchase Agreement. The Designee was elected to serve one-year terms at each of the annual meetings since May 19, 2021. In the third quarter of 2023 the Designee resigned and a successor Designee nominated by the Investor was appointed by the Company's Board of Directors to fill the vacancy.

Conversion Features

Each share of Series C Preferred Stock is convertible, at the option of each holder at any time, into shares of Common Stock at the initial conversion price of $10 per share of Common Stock. The initial conversion price and the corresponding conversion rate are subject to certain customary anti-dilution adjustments and to proportional increase in the event the liquidation preference of the Series C Preferred Stock is automatically increased as described above. If a holder elects to convert any shares of Series C Preferred Stock during a specified period in connection with a fundamental change (as defined in the Series C Certificate of Designations), such holder can elect to have the conversion rate adjusted and can elect to receive a cash payment in lieu of shares for a portion of the shares of Common Stock. Such holder will also be entitled to a payment in respect of accumulated dividends and a payment based on the present value of all required remaining dividend payments through May 28, 2026, the mandatory redemption date. Such additional payments will be payable at the Company's option in cash or in additional shares of Common Stock. In addition, the Company will have the right to require holders to convert any shares of Series C Preferred Stock in connection with certain reorganization events in which case the conversion rate will be adjusted, subject to certain limitations.

The Company has the right to cause the mandatory conversion of the Series C Preferred Stock into shares of Common Stock (i) at any time after February 26, 2023 if the closing price of the Common Stock has equaled or exceeded 200% of the then-effective conversion price for 45 trading days within a period of 60 consecutive trading days, or (ii) at any time after February 26, 2024 if the closing price of the Common Stock has equaled or exceeded 150% of the then-effective conversion price for 45 trading days within a period of 60 consecutive trading days.

Embedded Conversion Features

The Company concluded that the Series C Preferred Stock is more akin to a debt-type instrument and that the economic characteristics and risks of the conversion option upon a fundamental change by the holder is not considered clearly and closely related to the Series C Preferred Stock. Accordingly, this embedded conversion feature was bifurcated from the Series C Preferred Stock and separately accounted for as a derivative. The Company allocated $2 million of the net proceeds received to the derivative liability based on the aggregate fair value of the embedded conversion features on the dates of issuance which reduced the original carrying value of the Series C Preferred Stock.

The derivative is being accounted for at fair value with subsequent changes in the fair value being reported as part of Other (income) charges, net in the Consolidated Statement of Operations. The fair value of the Series C Preferred Stock derivative as of both December 31, 2023 and 2022 was a liability of $1 million and is included in Other long-term liabilities in the accompanying Consolidated Statement of Financial Position. Refer to Note 13, "Financial Instruments" for information on the valuation of the derivative.

The carrying value of the Series C Preferred Stock at the time of issuance, $97 million ($100 million aggregate gross proceeds less $2 million allocated to the derivative liability and $1 million in transaction costs) is being accreted to the mandatory redemption amount using the effective interest method to Additional paid in capital in the Consolidated Statement of Financial Position as a deemed dividend from the date of issuance through the mandatory redemption date.

Redemption Features

If any shares of Series C Preferred Stock have not been converted prior to the Redemption Date, the Company is required to redeem such shares at $100 per share plus the amount of accrued and unpaid dividends thereon; provided that the holders of the Series C Preferred Stock have the right to extend such redemption date by up to two years. As the Company concluded that the Series C Preferred Stock is more akin to a debt-type instrument, the redemption feature is considered to be clearly and closely related to the host contract and therefore was not required to be separated from the Series C Preferred Stock.

Series C Registration Rights Agreement

On February 26, 2021, the Company and the Investor entered into a Registration Rights Agreement (the "Series C Registration Rights Agreement") which provides the Investor with customary registration rights in respect of the shares of Common Stock issuable upon conversion of the Series C Preferred Stock. The Series C Registration Rights Agreement contains other customary terms and conditions, including certain customary indemnification obligations.

NOTE 10: LEASES

Kodak as lessee

The table below presents the lease-related assets and liabilities on the balance sheet:

(in millions)	Classification in the Consolidated Statement of Financial Position	December 31, 2023	December 31, 2022
Assets			
Operating lease assets	Operating lease right-of-use assets	$ 30	$ 39
Finance lease assets	Property, plant and equipment, net	1	1
Total lease assets		$ 31	$ 40
Liabilities			
Current			
Operating	Current portion of operating leases	$ 13	$ 15
Noncurrent			
Operating	Operating leases, net of current portion	24	31
Finance	Long-term debt, net of current portion	1	1
Total lease liabilities		$ 38	$ 47

Lease Costs

The table below presents certain information related to the lease expense for finance and operating leases. Lease expense is presented gross of sublease income. See “Kodak as Lessor” section below for income from subleases.

(in millions)	Year Ended December 31, 2023	2022	2021
Finance lease expense			
Amortization of leased assets	$ 1	$ 1	$ 1
Interest on lease liabilities	—	—	—
Operating lease expense	16	17	19
Variable lease expense (1)	7	7	9
Total lease expense	$ 24	$ 25	$ 29

(1) Variable lease expense is related to real estate leases and primarily includes taxes, insurance and operating costs.

Other Information

The table below presents supplemental information related to leases. Changes in operating lease liabilities and operating lease assets are included in Increase (decrease) in liabilities excluding borrowings and trade payables, and Other items, net, respectively, in the Consolidated Statement of Cash Flows.

(in millions)	Year Ended December 31, 2023	2022	2021
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows for operating leases	$ 20	$ 19	$ 21
Operating cash flow for finance leases	—	—	—
Financing cash flow for finance leases	1	1	1
Total	$ 21	$ 20	$ 22
Weighted-average remaining lease term (in years)			
Operating	5	5	5
Finance	3	3	2
Weighted-average discount rate			
Operating	13.22%	12.17%	11.91%
Finance	6.42%	5.18%	5.56%

Undiscounted Cash Flows

The table below reconciles the undiscounted cash flows for the next five years and thereafter to the finance lease liabilities and operating lease liabilities recorded on the balance sheet.

Undiscounted future cash flows: (in millions)	Operating Leases	Finance Leases
2024	$ 17	$ —
2025	8	1
2026	6	—
2027	5	—
2028	5	—
Thereafter	13	—
Total minimum lease payments	54	1
Less: amount of lease payments representing interest	(17)	—
Present value of future minimum lease payments	37	1
Less: current obligations under leases	13	—
Long-term lease obligations	$ 24	$ 1

At December 31, 2023 leases that had not yet commenced were not significant.

Kodak as Lessor

Kodak's net investment in sales-type leases as of December 31, 2023 and 2022 was $3 million and $4 million, respectively. The current portion of the net investment in sales-type leases is included in Other current assets in the Consolidated Statement of Financial Position. The portion of the net investment in sales-type leases due after one year is included in Other long-term assets.

The table below reconciles the undiscounted cash flows to be received for the next five years and thereafter to the net investment in sales-type leases recorded in the Consolidated Statement of Financial Position:

(in millions)	
2024	$ 1
2025	1
2026 and thereafter	1
Total minimum lease payments	3
Less: unearned interest	—
Net investment in sales-type leases	$ 3

Undiscounted cash flows to be received for the next five years and thereafter for operating leases and subleases are:

(in millions)		
2024	$	9
2025		5
2026		3
2027		2
2028		2
Thereafter		6
Total minimum lease payments	$	27

Income recognized on lease arrangements for the years ended December 31, 2023, 2022 and 2021 is presented below:

	Year Ended December 31,		
(in millions)	2023	2022	2021
Lease income - sales-type leases	$ 1	$ 1	$ 3
Lease income - operating leases	9	8	8
Variable lease income (1)	5	5	5
Total lease income	$ 15	$ 14	$ 16

(1) Variable lease income primarily represents operating costs under real estate leases and incremental variable income based on usage under equipment leases.

Equipment subject to operating leases and the related accumulated depreciation were as follows:

	As of December 31,	
(in millions)	2023	2022
Equipment subject to operating leases	$ 26	$ 19
Accumulated depreciation	(18)	(16)
Equipment subject to operating leases, net	$ 8	$ 3

Equipment subject to operating leases, net is included in Property, plant and equipment, net in the Consolidated Statement of Financial Position.

NOTE 11: COMMITMENTS AND CONTINGENCIES

Asset Retirement Obligations

Kodak’s asset retirement obligations primarily relate to asbestos contained in buildings that Kodak owns. In many of the countries in which Kodak operates, environmental regulations exist that require Kodak to handle and dispose of asbestos in a special manner if a building undergoes major renovations or is demolished. Otherwise, Kodak is not required to remove the asbestos from its buildings. Kodak records a liability equal to the estimated fair value of its obligation to perform asset retirement activities related to the asbestos, computed using an expected present value technique, when sufficient information exists to calculate the fair value. Kodak does not have a liability recorded related to every building that contains asbestos because Kodak cannot estimate the fair value of its obligation for certain buildings due to a lack of sufficient information about the range of time over which the obligation may be settled through demolition, renovation or sale of the building.

The following table provides asset retirement obligation activity (in millions) (there was no significant activity in 2023):

	For the Year Ended December 31,	
(in millions)	2023	2022
Asset Retirement Obligations at start of period	$ 43	$ 42
Liabilities incurred in the current period	—	1
Liabilities settled in the current period	—	(2)
Revision in estimated cash flows	—	2
Asset Retirement Obligations at end of period	$ 43	$ 43

Other Commitments and Contingencies
As of December 31, 2023 the Company had outstanding letters of credit of $31 million issued under the Amended and Restated L/C Facility Agreement, as well as bank guarantees and letters of credit of $1 million, surety bonds in the amount of $19 million, and restricted cash of $122 million, primarily related to cash collateral supporting the Company's undiscounted actuarial workers' compensation obligations with the NYS WCB, cash collateral to ensure payment of possible casualty and workers' compensation claims, for the outstanding letters of credit under the Amended and Restated L/C Facility Agreement, to ensure payment of possible legal contingencies, hedging activities, environmental liabilities, rental payments and to support various customs, tax and trade activities. The restricted cash is recorded in Current assets and Restricted cash in the Consolidated Statement of Financial Position.

Kodak's Brazilian operations are involved in various litigation matters and have received or been the subject of numerous governmental assessments related to indirect and other taxes in various stages of litigation, as well as civil litigation and disputes associated with former employees and contract labor. The tax matters, which comprise the majority of the litigation matters, are primarily related to federal and state value-added taxes and income taxes. Kodak's Brazilian operations are disputing these matters and intend to vigorously defend their position. Kodak routinely assesses these matters as to the probability of ultimately incurring a liability in its Brazilian operations and records its best estimate of the ultimate loss in situations where it assesses the likelihood of loss as probable. As of December 31, 2023, Kodak's Brazilian Operations maintained accruals of approximately $4 million for claims aggregating approximately $127 million inclusive of interest and penalties where appropriate. The unreserved portion of the indirect taxes, civil litigation and disputes involving former employees and contract labor claims, inclusive of any related interest and penalties, for which there was at least a reasonable possibility that a loss may be incurred, amounted to approximately $6 million.

In connection with assessments in Brazil, local regulations require Kodak to post security for a portion of the amounts in dispute. As of December 31, 2023, Kodak has posted security composed of $8 million of pledged cash reported within Restricted cash in the Consolidated Statement of Financial Position and liens on certain Brazilian assets with a net book value of approximately $45 million. Generally, any encumbrances on the Brazilian assets would be removed to the extent the matter is resolved in Kodak's favor.

The Company has received five requests under New Jersey law demanding, among other things, that the Company take certain actions in response to alleged breaches of fiduciary duty relating to option grants and securities transactions and alleged proxy statement disclosure deficiencies (each a "Derivative Demand", and collectively the "Derivative Demands") in the context of an announcement on July 28, 2020 (the "DFC Announcement") by the U.S. International Development Finance Corporation (the "DFC") regarding the signing of a non-binding letter of interest to provide a subsidiary of the Company with a potential $765 million loan (the "DFC Loan") to support the launch of Kodak Pharmaceuticals, an initiative that would manufacture pharmaceutical ingredients for essential generic drugs (the "DFC Pharmaceutical Project").

On May 19, 2021 Louis Peters, one of the persons making a Derivative Demand (“Peters”), commenced a derivative lawsuit on behalf of the Company against certain officers and current and former directors of the Company and the Company as a nominal defendant in the Supreme Court of the State of New York in Monroe County seeking damages and equitable relief based on alleged breaches of fiduciary duty and unjust enrichment resulting from stock trades, option grants and a charitable contribution in the context of the DFC Announcement of the potential DFC Loan and DFC Pharmaceutical Project (the “State Derivative Lawsuit”). The plaintiff filed an amended complaint in the State Derivative Lawsuit on August 23, 2021, and the Company and individual defendants filed motions to dismiss (or alternatively, in the case of the Company, a motion for summary judgment) in the State Derivative Lawsuit on October 22, 2021. On March 17, 2022, the court issued an order staying the State Derivative Lawsuit pending the resolution of the Federal Derivative Lawsuit described below.

On September 2, 2021 Herbert Silverberg, another person making a Derivative Demand (“Silverberg”), commenced a derivative lawsuit on behalf of the Company against one current and one former director of the Company and the Company as a nominal defendant in the Federal District Court for the Western District of New York seeking damages and equitable relief on a basis overlapping with the State Derivative Lawsuit and alleged proxy statement misrepresentations and omissions. On October 4, 2021 Peters commenced a derivative lawsuit on behalf of the Company against the same parties named in the State Derivative Lawsuit in the Federal District Court for the Western District of New York seeking damages and equitable relief on a basis overlapping with the State Derivative Lawsuit and alleged violations of Section 10(b) of the Exchange Act. The Federal derivative lawsuits filed by Silverberg and Peters were consolidated into a single proceeding (the “Federal Derivative Lawsuit”) on January 18, 2022, and Peters was appointed as lead plaintiff in the Federal Derivative Lawsuit. An amended consolidated complaint combining the allegations contained in the Federal derivative lawsuits filed by Silverberg and Peters was filed in the Federal Derivative Lawsuit on February 16, 2022, and the Company and individual defendants served motions to dismiss or, in the alternative in the case of the Company, for summary judgment on April 15, 2022. Threshold discovery in the case was completed, and the Company and individual defendants formally filed their motions to dismiss/for summary judgment on September 30, 2022. The plaintiffs filed an opposition to the motions to dismiss/for summary judgment on November 14, 2022, and the Company and the individual defendants filed responses to the plaintiffs’ opposition on December 27, 2022 and December 23, 2022, respectively. A hearing with respect to the motions to dismiss/for summary judgment was held on August 9, 2023, and the lawsuit was dismissed in its entirety with prejudice on September 26, 2023. The plaintiffs filed a notice of appeal of the dismissal on October 25, 2023.

Additional shareholder derivative lawsuits may be brought based on the other Derivative Demands (any such lawsuits, collectively with the State Derivative Lawsuit and the Federal Derivative Lawsuit, the “Fiduciary Matters”). The Company, acting through a Special Committee of Independent Directors, previously determined that there was no merit to the claims alleged by the Derivative Demands made through the time of its determination (except with respect to the charitable contribution, which was not fully considered by the Special Committee). See the Company’s Current Report on Form 8-K filed with the SEC on September 16, 2020. The Company, acting through a separate Special Litigation Committee of Independent Directors, concurred with the first Special Committee’s findings and further concluded that it is not in the Company’s interest to bring or allow any other shareholder to assert any of the claims alleged by the State Derivative Lawsuit or Federal Derivative Lawsuit (with the exception of the Peters claim purportedly arising under Section 10(b) of the Exchange Act, which was not addressed as no demand was made with respect to such claim). The second Special Litigation Committee will carefully review any other additional complaints constituting Fiduciary Matters which may be filed.

The DFC Announcement has also prompted investigations by several congressional committees, the SEC and the New York Attorney General’s office. The Company has cooperated in those investigations.

As previously reported, the Attorney General of the State of New York (the “NYAG”) has threatened to file a lawsuit against the Company and its Chief Executive Officer alleging violations of New York State’s Martin Act (the “Threatened Claim”). In connection with the Threatened Claim and pursuant to a special process under New York law, in 2021 additional documents were produced by the Company to the NYAG and the NYAG took testimony of the Company’s Chief Executive Officer and General Counsel. The Company had discussions with the NYAG regarding a potential resolution of the Threatened Claim in the spring of 2022, but those discussions did not result in a resolution. If the Threatened Claim is ultimately brought by the NYAG, the Company intends to vigorously defend itself against the Threatened Claim.

In addition, Kodak is involved in various lawsuits, claims, investigations, remediations and proceedings, including, from time to time, commercial, customs, employment, environmental, tort and health and safety matters, which are being handled and defended in the ordinary course of business. Kodak is also subject, from time to time, to various assertions, claims, proceedings and requests for indemnification concerning intellectual property, including patent infringement suits involving technologies that are incorporated in a broad spectrum of Kodak's products. These matters are in various stages of investigation and litigation and are being vigorously defended. Based on information currently available, Kodak does not believe that it is probable that the outcomes in these various matters, individually or collectively, will have a material adverse effect on its financial condition or results of operations. Litigation is inherently unpredictable, and judgments could be rendered or settlements entered that could adversely affect Kodak's operating results or cash flows in a particular period. Kodak routinely assesses all of its litigation and threatened litigation as to the probability of ultimately incurring a liability and records its best estimate of the ultimate loss in situations where it assesses the likelihood of loss as probable.

NOTE 12: GUARANTEES

In accordance with the terms of a settlement agreement concerning certain of the Company's historical environmental liabilities at EBP, in the event the historical liabilities exceed $99 million, the Company will become liable for 50% of the portion above $99 million with no limitation to the maximum potential future payments. There is no liability recorded related to this guarantee.

Indemnifications
Kodak may, in certain instances, indemnify third parties when it sells businesses and real estate, and in the ordinary course of business with its customers, suppliers, service providers and business partners. Additionally, Kodak indemnifies officers and directors who are, or were, serving at Kodak's request in such capacities. Historically, costs incurred to settle claims related to these indemnifications have not been material to Kodak's financial position, results of operations or cash flows. Further, the fair value of any right to indemnification granted during the year ended December 31, 2023 was not material to Kodak's financial position, results of operations or cash flows.

Extended Warranty Arrangements
Kodak offers its customers extended warranty arrangements that are generally one year, but may range from three months to six years after the original warranty period. Kodak provides repair services and routine maintenance under these arrangements. Kodak has not separated the extended warranty costs from the routine maintenance service costs, as it is not practicable to do so. Therefore, these costs have been aggregated in the discussion that follows. The change in Kodak's deferred revenue balance in relation to these extended warranty and maintenance arrangements, which is reflected in Other current liabilities in the accompanying Consolidated Statement of Financial Position, was as follows:

(in millions)		
Deferred revenue on extended warranties as of December 31, 2021	$	19
New extended warranty and maintenance arrangements		89
Recognition of extended warranty and maintenance arrangement revenue		(89)
Deferred revenue on extended warranties as of December 31, 2022		19
New extended warranty and maintenance arrangements		87
Recognition of extended warranty and maintenance arrangement revenue		(89)
Deferred revenue on extended warranties as of December 31, 2023	$	17

Costs incurred under these extended warranty and maintenance arrangements for the years ended December 31, 2023, 2022 and 2021 amounted to $77 million, $78 million and $82 million, respectively.

NOTE 13: FINANCIAL INSTRUMENTS

Kodak, as a result of its global operating and financing activities, is exposed to changes in foreign currency exchange rates and interest rates, which may adversely affect its results of operations and financial position. Kodak manages such exposures, in part, with derivative financial instruments. Foreign currency forward contracts are used to mitigate currency risk related to foreign currency denominated assets and liabilities, as well as forecasted foreign currency denominated intercompany assets.

Kodak's exposure to changes in interest rates results from its investing and borrowing activities used to meet its liquidity needs. Kodak does not utilize financial instruments for trading or other speculative purposes.

Kodak's foreign currency forward contracts are not designated as hedges and are marked to market through net earnings at the same time that the exposed assets and liabilities are re-measured through net earnings (both in Other (income) charges, net in the Consolidated Statement of Operations). The notional amount of such contracts open at December 31, 2023 and 2022 was approximately $279 million and $308 million, respectively. The majority of the contracts of this type held by Kodak at December 31, 2023 and 2022 were denominated in euros, Chinese renminbi and Japanese yen. The net effect of foreign currency forward contracts in the results of operations is shown in the following table:

	Year Ended December 31,		
(in millions)	**2023**	**2022**	**2021**
Net loss (gain) from derivatives not designated as hedging instruments	$ 12	$ 16	$ (1)

Kodak had no derivatives designated as hedging instruments for the years ended December 31, 2023 and 2022. Kodak's derivative counterparties are high-quality investment or commercial banks with significant experience with such instruments. Kodak manages exposure to counterparty credit risk by requiring specific minimum credit standards and diversification of counterparties. Kodak has procedures to monitor the credit exposure amounts. The maximum credit exposure at December 31, 2023 was not significant to Kodak.

In the event of a default under the Company's Credit Agreements, or a default under any derivative contract or similar obligation of Kodak, subject to certain minimum thresholds, the derivative counterparties would have the right, although not the obligation, to require immediate settlement of some or all open derivative contracts at their then-current fair value, but with liability positions netted against asset positions with the same counterparty.

As discussed in Note 8, "Debt and Credit Facilities", the Company concluded that the Convertible Notes were considered more akin to a debt-type instrument and that the economic characteristics and risks of certain of the embedded conversion features were not considered clearly and closely related to the Convertible Notes. The embedded conversion features not considered clearly and closely related are the conversion at the option of the holder ("Optional Conversion"), the mandatory conversion by Kodak ("Mandatory Conversion") and the conversion in the event of a fundamental transaction by the holder at the then applicable conversion rate ("Fundamental Change Conversion"). Accordingly, these embedded conversion features were bifurcated from the Convertible Notes and separately accounted for on a combined basis as a single derivative asset or liability. The derivative was revalued when the Convertible Notes were repaid in the third quarter of 2023. The embedded conversion features expired on July 21, 2023 upon the repayment of the Convertible Notes. The derivative was in a liability position at December 31, 2022 and was reported in Other long-term liabilities in the Consolidated Statement of Financial Position. The derivative was being accounted for at fair value with changes in fair value included in Other (income) charges, net in the Consolidated Statement of Operations.

As discussed in Note 9, "Redeemable, Convertible Preferred Stock", the Company concluded that the Series B Preferred Stock and the Series C Preferred Stock are more akin to a debt-type instrument and that the economic characteristics and risks of the conversion in the event of a fundamental change ("Fundamental Change Conversion") is not considered clearly and closely related to the Series B and Series C Preferred Stock. Accordingly, this embedded conversion feature was bifurcated from both the Series B and Series C Preferred Stock and are separately accounted for as a derivative asset or liability. Both derivatives were in a liability position at December 31, 2023 and 2022 and were reported in Other long-term liabilities in the Consolidated Statement of Financial Position. The derivatives are being accounted for at fair value with changes in fair value included in Other (income) charges, net in the Consolidated Statement of Operations.

The Company concluded that the Series A Preferred Stock was more akin to a debt-type instrument and that the economic characteristics and risks of the embedded conversion features, except where the conversion price was increased to the liquidation preference, were not considered clearly and closely related to the Series A Preferred Stock. The embedded conversion features not considered clearly and closely related were the conversion at the option of the holder, the ability of Kodak to automatically convert the stock after the second anniversary of issuance and the conversion in the event of a fundamental change or reorganization ("Fundamental Change or Reorganization Conversion"). Accordingly, these embedded conversion features were bifurcated from the Series A Preferred Stock and separately accounted for on a combined basis as a single derivative asset or liability. The embedded conversion features were revalued as of February 26, 2021 when the Company repurchased one million shares of Series A Preferred Stock and exchanged the remaining one million shares of Series A Preferred Stock for Series B Preferred Stock. The revaluation as of February 26, 2021 resulted in the recognition of $2 million of net expense which was included in Other (income) charges, net in the Consolidated Statement of Operations. With the repurchase and exchange of the shares of the Series A Preferred Stock the embedded conversion features derivative liability expired.

The net effect of the Preferred Stock and Convertible Notes embedded derivatives in the results of operations is shown in the following table:

	Year Ended December 31,		
(in millions)	2023	2022	2021
Net loss (gain) from Preferred Stock and Convertible Notes embedded derivatives	$ 2	$ (3)	$ (7)

Fair Value

Fair values of Kodak's foreign currency forward contracts are determined using observable inputs (Level 2 fair value measurements) and are based on the present value of expected future cash flows (an income approach valuation technique) considering the risks involved and using discount rates appropriate for the duration of the contracts. The gross fair value of foreign currency forward contracts in an asset position are reported in Other current assets in the Consolidated Statement of Financial Position and the gross fair value of foreign currency contracts in a liability position are reported in Other current liabilities. The gross fair value of foreign currency forward contracts in an asset position as of December 31, 2023 and 2022 was $3 million and $1 million, respectively. The gross fair value of the foreign currency forward contracts in a liability position as of December 31, 2023 and 2022 was $0 million and $1 million, respectively.

The fair value of the embedded conversion features derivatives was calculated using unobservable inputs (Level 3 fair measurements). The value of the embedded derivatives associated with the Convertible Notes and Series A, Series B and Series C Preferred Stock was calculated using a binomial lattice model.

The following tables present the key inputs in the determination of fair value for the embedded conversion features:

Convertible Notes:

	Valuation Date	
	July 21, 2023	December 31, 2022
Total value of embedded derivative liability (in millions)	$ 5	$ 2
Kodak's closing stock price	$ 5.26	$ 3.05
Expected stock price volatility	60.00%	50.00%
Risk free rate	4.50%	4.17%
Implied credit spread on the Convertible Notes	17.75%	26.19%

Series B Preferred Stock:

	Valuation Date December 31,	
	2023	2022
Total value of embedded derivative liability (in millions)	$ 1	$ 1
Kodak's closing stock price	$ 3.90	$ 3.05
Expected stock price volatility	60.00%	50.00%
Risk free rate	4.14%	4.17%
Implied credit spread on the Series B Preferred Stock	18.34%	27.19%

Series C Preferred Stock:

	Valuation Date December 31,	
	2023	2022
Total value of embedded derivative liability (in millions)	$ 1	$ 1
Kodak's closing stock price	$ 3.90	$ 3.05
Expected stock price volatility	60.00%	50.00%
Risk free rate	4.14%	4.17%
Implied credit spread on the Series C Preferred Stock	20.34%	29.19%

The Fundamental Change Conversion values at issuance were calculated as the difference between the total value of the Convertible Notes, Series B or Series C Preferred Stock, as applicable, and the sum of the net present value of the cash flows if the Convertible Notes are repaid at their maturity or the Series B and Series C Preferred Stock is redeemed on its redemption date and the values of the other embedded derivatives. The Fundamental Change Conversion value reduces the value of the embedded conversion features derivative liability. Other than events which alter the likelihood of a fundamental change, the value of the Fundamental Change Conversion reflects the value as of the issuance date, amortized for the passage of time.

The calculation of the Fundamental Change or Reorganization Conversion values for the Series A Preferred Stock was the same as the calculation described above for the Fundamental Change Conversion values for the Convertible Notes and Series B and C Preferred Stock.

The fair values of long-term borrowings were $396 million and $271 million at December 31, 2023 and 2022, respectively. Fair values of long-term borrowings (Level 2 fair value measurements) are determined by reference to quoted market prices, if available, or by pricing models based on the value of related cash flows discounted at current market interest rates.

Transfers between levels of the fair value hierarchy are recognized based on the actual date of the event or change in circumstances that caused the transfer. There were no transfers between levels of the fair value hierarchy during the year ended December 31, 2023.

The carrying values of cash and cash equivalents, restricted cash and the current portion of long-term borrowings approximate their fair values.

NOTE 14: REVENUE

Disaggregation of Revenue

The following tables present revenue disaggregated by major product, portfolio summary and geography (in millions).

Major product:

	Year Ended December 31, 2023				
(in millions)	Print	Advanced Materials and Chemicals	Brand	Other	Total
Core products and services (1)					
Plates, inks and other consumables	$ 571	$ 26	$ —	$ —	$ 597
Ongoing service arrangements	185	—	—	—	185
Total annuities	756	26	—	—	782
Equipment & Software	72	—	—	—	72
Film and chemicals	—	215	—	—	215
Total core products and services	828	241	—	—	1,069
Growth products (2)	—	14	—	—	14
Other (3)	—	—	17	17	34
Total	$ 828	$ 255	$ 17	$ 17	$ 1,117

(in millions)	Print	Advanced Materials and Chemicals	Brand	Other	Total
	Year Ended December 31, 2022				
Core products and services (1)					
Plates, inks and other consumables	$ 652	$ 26	$ —	$ —	$ 678
Ongoing service arrangements	205	—	—	—	205
Total annuities	857	26	—	—	883
Equipment & Software	81	—	—	—	81
Film and chemicals	—	192	—	—	192
Total core products and services	938	218	—	—	1,156
Growth products (2)	—	16	—	—	16
Other (3)	—	-	17	16	33
Total	$ 938	$ 234	$ 17	$ 16	$ 1,205

(in millions)	Print	Advanced Materials and Chemicals	Brand	Other	Total
	Year Ended December 31, 2021				
Core products and services (1)					
Plates, inks and other consumables	$ 599	$ 22	$ —	$ —	$ 621
Ongoing service arrangements	213	—	—	—	213
Total annuities	812	22	—	—	834
Equipment & Software	96	—	—	—	96
Film and chemicals	—	180	—	—	180
Total core products and services	908	202	—	—	1,110
Growth products (2)	—	9	—	—	9
Other (3)	—	1	15	15	31
Total	$ 908	$ 212	$ 15	$ 15	$ 1,150

(1) Core products and services includes the Print segment and the Motion Picture and Industrial Film and Chemicals businesses within the Advanced Materials and Chemicals segment, excluding coating and product commercialization services ("Coating Services").

(2) Growth products consist of Coating Services and Advanced Materials and Functional Printing within the Advanced Materials and Chemicals segment.

(3) Other consists of Intellectual Property Licensing ("IP Licensing"), Brand Licensing and Eastman Business Park.

Table of Contents

Geography (1):

	Year Ended December 31, 2023				
(in millions)	Print	Advanced Materials and Chemicals	Brand	Other	Total
United States	$ 250	$ 199	$ 17	$ 17	$ 483
Canada	17	2	—	—	19
North America	267	201	17	17	502
Europe, Middle East and Africa	360	20	—	—	380
Asia Pacific	178	33	—	—	211
Latin America	23	1	—	—	24
Total Sales	$ 828	$ 255	$ 17	$ 17	$ 1,117

	Year Ended December 31, 2022				
(in millions)	Print	Advanced Materials and Chemicals	Brand	Other	Total
United States	$ 276	$ 177	$ 17	$ 16	$ 486
Canada	20	2	—	—	22
North America	296	179	17	16	508
Europe, Middle East and Africa	410	19	—	—	429
Asia Pacific	199	35	—	—	234
Latin America	33	1	—	—	34
Total Sales	$ 938	$ 234	$ 17	$ 16	$ 1,205

	Year Ended December 31, 2021				
(in millions)	Print	Advanced Materials and Chemicals	Brand	Other	Total
United States	$ 244	$ 152	$ 15	$ 15	$ 426
Canada	20	2	—	—	22
North America	264	154	15	15	448
Europe, Middle East and Africa	387	17	—	—	404
Asia Pacific	224	41	—	—	265
Latin America	33	—	—	—	33
Total Sales	$ 908	$ 212	$ 15	$ 15	$ 1,150

(1) Sales are reported in the geographic area in which they originate. No non-U.S. country generated more than 10% of net sales in the years ended December 31, 2023, 2022 and 2021.

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed trade receivables, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) in the Consolidated Statement of Financial Position. The contract assets are transferred to trade receivables when the rights to consideration become unconditional. The amounts recorded for contract assets are reported in Other current assets in the Consolidated Statement of Financial Position. The contract liabilities primarily relate to brand licensing agreements, prepaid service contracts or upfront payments for certain equipment purchases. The amounts recorded for contract liabilities are reported in Other current liabilities and Other long-term liabilities in the Consolidated Statement of Financial Position. Contract assets and liabilities consisted of the following:

	As of December 31,	
(in millions)	**2023**	**2022**
Contract assets	$ 1	$ 1
Contract liabilities - current	37	40
Contract liabilities - long-term	63	11
Total	$ 100	$ 51

Activity in deferred revenue accounts consisted of:

		Year Ended December 31,	
(in millions)	**2023**	**2022**	**2021**
Beginning liabilities recognized in revenue	$ 33	$ 38	$ 37
Cash payments received, net of revenue recognized	39	30	28

NOTE 15: OTHER OPERATING EXPENSE (INCOME), NET

		Year Ended December 31,	
(in millions)	**2023**	**2022**	**2021**
Asset impairments (1) (2)	$ 5	$ 1	$ —
Legal settlements	—	(1)	(7)
Loss related to the sales of assets	—	—	1
Other	1	(1)	—
Total	$ 6	$ (1)	$ (6)

(1) In the fourth quarter of 2023, Kodak recorded an impairment charge of $4 million related to the Electrophotographic Printing Solutions ("EPS") business due to the continued impacts of the decision to cease manufacturing of the EPS equipment products. The fair value of EPS was estimated using a discounted cash flow method (Level 3).

(2) In the fourth quarter of 2022, Kodak recorded an impairment charge of $1 million related to the Kodak trade name. Refer to Note 5, "Goodwill and Other Intangible Assets".

NOTE 16: OTHER (INCOME) CHARGES, NET

(in millions)	Year Ended December 31, 2023	2022	2021
Interest income (1)	$ (15)	$ (1)	$ (1)
Change in fair value of embedded conversion features derivative (2)	2	(3)	(7)
Loss on foreign exchange transactions	9	4	2
Other	3	1	1
Total	$ (1)	$ 1	$ (5)

(1) Includes $9 million of interest income associated with a refund received in the first quarter of 2023 from a governmental authority in a location outside the U.S. that was previously held in order to guarantee potential tax disputes in that jurisdiction.

(2) Refer to Note 13, "Financial Instruments".

NOTE 17: INCOME TAXES

The components of earnings (loss) from continuing operations before income taxes and the related provision for U.S. and other income taxes were as follows (in millions):

(in millions)	Year Ended December 31, 2023	2022	2021
Earnings (loss) from continuing operations before income taxes:			
U.S.	$ 36	$ (2)	$ (12)
Outside the U.S.	51	33	40
Total	$ 87	$ 31	$ 28
U.S. income taxes:			
Deferred benefit	(1)	(3)	(1)
Income taxes outside the U.S.:			
Current provision	12	7	4
Deferred provision	1	1	1
Total provision	$ 12	$ 5	$ 4

The differences between income taxes computed using the U.S. federal income tax rate and the provision for income taxes for continuing operations were as follows (in millions):

(in millions)	Year Ended December 31, 2023	2022	2021
Amount computed using the statutory rate	$ 18	$ 7	$ 6
Increase (reduction) in taxes resulting from:			
Unremitted foreign earnings	1	(2)	(1)
Operations outside the U.S.	13	4	8
Legislative tax law and rate changes	—	—	(28)
Valuation allowance	(19)	(9)	20
Tax settlements and adjustments, including interest	—	4	(1)
Other, net	(1)	1	—
Provision for income taxes	$ 12	$ 5	$ 4

The significant components of deferred tax assets and liabilities were as follows (in millions):

(in millions)	As of December 31, 2023	2022
Deferred tax assets		
Restructuring programs	$ 1	$ 2
Leasing	2	3
Foreign tax credit	281	358
Inventories	11	14
Investment tax credit	25	26
Employee deferred compensation	23	22
Depreciation	31	33
Research and development costs	42	42
Tax loss carryforwards	529	506
Other deferred revenue	2	2
Other	79	74
Total deferred tax assets before valuation allowances	$ 1,026	$ 1,082
Valuation allowances	(778)	(826)
Total net deferred tax assets	$ 248	$ 256
Deferred tax liabilities		
Pension and postretirement obligations	$ (251)	$ (258)
Goodwill/intangibles	(8)	(8)
Unremitted foreign earnings	(16)	(17)
Total deferred tax liabilities	(275)	(283)
Net deferred tax liabilities	$ (27)	$ (27)

Deferred tax liabilities are reported in the following component within the Consolidated Statement of Financial Position (in millions):

(in millions)	As of December 31, 2023	2022
Other long-term liabilities	$ (27)	$ (27)
Net deferred tax liabilities	$ (27)	$ (27)

As of December 31, 2023, Kodak had available domestic and foreign net operating loss ("NOL") carryforwards for income tax purposes of approximately $2,181 million, of which approximately $1,007 million have an indefinite carryforward period. The $1,007 million with an indefinite carryforward period includes $150 million of U.S interest carryforward. The remaining $1,174 million that do not have an indefinite carryforward period expire between the years 2024 and 2042. Kodak also had foreign tax and investment tax credit carryforwards of $281 million and $25 million, respectively, which expire between 2024 and 2035. A total of $147 million of the foreign tax credit carryforwards will expire in 2024 if left unutilized. If written off, these tax attributes are expected to be fully offset by a corresponding decrease in Kodak's valuation allowance, resulting in no net tax provision.

As of December 31, 2023, approximately $77 million of unused foreign tax credits expired and were written off. These tax attributes were fully offset by a corresponding decrease in Kodak’s valuation allowance, which resulted in no net tax provision.

Kodak’s ability to utilize its U.S. NOLs and tax credits may be subject to limitations imposed by Section 382 of the Internal Revenue Code. Section 382 limits the utilization of NOLs in the event of significant changes in the stock ownership of the Company. An ownership change occurs if, among other things, the aggregate ownership of stockholders owning five percent of Kodak’s stock increases by more than 50 percentage points over a three-year rolling period. An ownership change can also occur by other events, such as the sale of Kodak shares that are owned by its 5% shareholders. Future transactions, when combined with reported transactions within the testing period could aggregate to an ownership change during the testing period in excess of 50 percentage points.

Kodak’s intent is to repatriate its offshore earnings when prudent. As such, it has recorded deferred tax liabilities of $16 million and $17 million for potential taxes on undistributed earnings, primarily attributable to foreign withholding taxes, as of December 31, 2023 and 2022, respectively.

Kodak’s valuation allowance as of December 31, 2023 was $778 million. Of this amount, $290 million was attributable to Kodak’s net deferred tax assets outside the U.S. of $279 million and $488 million related to Kodak’s net deferred tax assets in the U.S. of $472 million, for which Kodak believes it is not more likely than not that the assets will be realized.

Kodak’s valuation allowance as of December 31, 2022 was $826 million. Of this amount, $285 million was attributable to Kodak’s net deferred tax assets outside the U.S. of $275 million, and $541 million related to Kodak’s net deferred tax assets in the U.S. of $524 million, for which Kodak believes it is not more likely than not that the assets will be realized.

Accounting for Uncertainty in Income Taxes

A reconciliation of the beginning and ending amount of Kodak’s liability for income taxes associated with unrecognized tax benefits is as follows (in millions):

	Year Ended December 31,		
(in millions)	2023	2022	2021
Balance as of January 1	$ 3	$ 4	$ 8
Tax positions related to the current year:			
Additions	—	—	—
Tax positions related to prior years:			
Additions	1	1	—
Reductions	(1)	(2)	(1)
Settlements with taxing jurisdictions	(1)	—	(3)
Balance as of December 31	$ 2	$ 3	$ 4

Kodak’s policy regarding interest and/or penalties related to income tax matters is to recognize such items as a component of provision for income taxes. Kodak had approximately $10 million of interest and penalties associated with uncertain tax benefits accrued as of December 31, 2023 and 2022.

Kodak had uncertain tax benefits of approximately $13 million as of December 31, 2023 and 2022, that, if recognized, would affect the effective income tax rate. Kodak has classified certain income tax liabilities as current or noncurrent based on management’s estimate of when these liabilities will be settled. The current liabilities are recorded in Other current liabilities in the Consolidated Statement of Financial Position. Noncurrent income tax liabilities are recorded in Other long-term liabilities in the Consolidated Statement of Financial Position.

It is reasonably possible that the liability associated with Kodak’s unrecognized tax benefits will increase or decrease within the next twelve months. These changes may be the result of settling ongoing audits or the expiration of statutes of limitations. Audit outcomes and the timing of audit settlements are subject to significant uncertainty.

Although management believes that adequate provision has been made for such issues, there is the possibility that the ultimate resolution of such issues could have an adverse effect on the earnings of Kodak. Conversely, if these issues are resolved favorably in the future, the related provision would be reduced, thus having a positive impact on earnings.

During 2023, Kodak settled an open tax audit for the years 2013 through 2017 with a non-US taxing authority. This settlement included a cash payment of $1 million which is reflected in the provision for income taxes.

During 2022, Kodak settled an open tax audit for the years 2015 through 2018 with a non- U.S. taxing authority. This settlement included a cash payment of $2 million which is reflected in the provision for taxes and a decrease in net deferred tax assets of $3 million which is fully offset by a reduction in the valuation allowance.

Kodak is subject to taxation and files income tax returns in the U.S. federal jurisdiction and in many state and foreign jurisdictions. Kodak has substantially concluded all U.S. federal income tax matters for years through 2018 and state income tax matters for years through 2015 with the respective tax authorities. With respect to countries outside the U.S., Kodak has substantially concluded all material foreign income tax matters through 2013 with respective foreign tax jurisdiction authorities.

NOTE 18: RESTRUCTURING COSTS AND OTHER

Kodak recognizes the need to continually rationalize its workforce and streamline its operations in the face of ongoing business and economic changes. Charges for restructuring initiatives are recorded in the period in which Kodak commits to a formalized restructuring plan, or executes the specific actions contemplated by the plan and all criteria for liability recognition under the applicable accounting guidance have been met.

The activity incurred in relation to restructuring programs during the three years ended December 31, 2023 were as follows (in millions):

(in millions)	**Severance** Reserve (1)	**Exit Costs** Reserve (1)	**Inventory Write-** downs (1)	Total
Balance as of December 31, 2020	$ 10	$ 1	$ —	$ 11
Charges	6	—	—	6
Utilization/cash payments	(10)	—	—	(10)
Other adjustments & reclasses (2)	(2)	—	—	(2)
Balance as of December 31, 2021	4	1	—	5
Charges	6	4	3	13
Utilization/cash payments	(6)	—	(3)	(9)
Other adjustments & reclasses (2)	(2)	—	—	(2)
Balance as of December 31, 2022	2	5	—	7
Charges	8	(1)	3	10
Utilization/cash payments	(6)	(3)	(3)	(12)
Balance as of December 31, 2023	$ 4	$ 1	$ —	$ 5

(1) The severance and exit costs reserves require the outlay of cash. Inventory write-downs are non-cash items.

(2) The $2 million in 2022 and 2021 represented severance charges funded from pension plan assets, which were reclassified to Pension and other postretirement liabilities.

2021 Activity

Restructuring actions taken in 2021 were initiated to reduce Kodak's cost structure as part of its commitment to drive sustainable profitability and included various targeted reductions in manufacturing, service, sales, research and development, and other administrative functions.

As a result of these actions, for the year ended December 31, 2021 Kodak recorded $6 million of charges which were reported as Restructuring costs and other in the accompanying Consolidated Statement of Operations.

The 2021 severance costs related to the elimination of approximately 130 positions, including approximately 70 administrative and 60 manufacturing/service positions. The geographic composition of these positions included approximately 70 in the U.S. and Canada and 60 throughout the rest of the world.

2022 Activity

Restructuring actions taken in 2022 were initiated to reduce Kodak's cost structure as part of its commitment to drive sustainable profitability and included various targeted reductions in manufacturing, service, sales, research and development, and other administrative functions.

As a result of these actions, for the year ended December 31, 2022 Kodak recorded $13 million of charges of which $10 million were reported as Restructuring costs and other and $3 million were reported as Cost of revenues in the accompanying Consolidated Statement of Operations.

The 2022 severance costs related to the elimination of approximately 115 positions, including approximately 50 administrative, 40 manufacturing/service and 25 research and development positions. The geographic composition of these positions included approximately 65 in the U.S. and Canada and 50 throughout the rest of the world. The 2022 exit costs related to the cessation of manufacturing of the Electrophotographic Printing Solutions equipment products and represent contractual obligations associated with open purchase orders as of December 31, 2022.

2023 Activity

Restructuring actions taken in 2023 were initiated to reduce Kodak's cost structure as part of its commitment to drive sustainable profitability and included actions to complete the process of ceasing manufacturing of the Electrophotographic Printing Solutions equipment products as well as various targeted reductions in manufacturing, service, sales, and administrative functions.

As a result of these actions, for the year ended December 31, 2023 Kodak recorded $10 million of charges of which $7 million were reported as Restructuring costs and other and $3 million were reported as Cost of revenues in the accompanying Consolidated Statement of Operations.

The 2023 severance costs related to the elimination of approximately 130 positions, including approximately 50 administrative and 80 manufacturing/service positions. The geographic composition of these positions included approximately 20 in the U.S. and Canada and 110 throughout the rest of the world.

As a result of these initiatives, the majority of the severance and exit cost liabilities as of December 31, 2023 will be paid during periods through the end of the second quarter of 2024. The $1 million exit cost reserve relates to a liability for which timing of the payment is uncertain.

NOTE 19: RETIREMENT PLANS

Substantially all U.S. employees are covered by a noncontributory defined benefit plan, the Kodak Retirement Income Plan ("KRIP" or the "U.S. Plan"), which is funded by Company contributions to an irrevocable trust fund. The funding policy for KRIP is to contribute amounts sufficient to meet minimum funding requirements as determined by employee benefit and tax laws plus any additional amounts the Company determines to be appropriate. Assets in the trust fund are held for the sole benefit of participating employees and retirees.

For U.S. employees hired prior to March 1999, KRIP's benefits were generally based on a formula recognizing length of service and final average earnings. KRIP included a separate cash balance formula for all U.S. employees hired after February 1999, as well as employees hired prior to that date who opted into the cash balance formula during a special election period. Effective January 1, 2015 the KRIP was amended to provide that all participants accrue benefits under a single, revised cash balance formula (the "Cash Balance Plan"). The Cash Balance Plan credits employees' hypothetical accounts with an amount equal to a specified percentage of their pay, plus interest based on the 30-year Treasury bond rate. In May 2022, the KRIP plan was amended to increase the employees' crediting rates from 9% or 10% of pay based on employee classification to 12% or 13% of pay, retroactive to January 1, 2022. The plan amendment also provided a one-time service credit to eligible employees' cash balance accounts. In May 2023, the KRIP plan was amended to provide another one-time service credit to eligible employees' cash balance accounts.

Many subsidiaries and branches operating outside the U.S. have defined benefit retirement plans covering substantially all employees. Contributions by Kodak for these plans are typically deposited under government or other fiduciary-type arrangements. Retirement benefits are generally based on contractual agreements that provide for benefit formulas using years of service and/or compensation prior to retirement. The actuarial assumptions used for these plans reflect the diverse economic environments within the various countries in which Kodak operates.

Information on the major funded and unfunded U.S. and Non-U.S. defined benefit pension plans is presented below. The information for the U.S. for all years presented relates to KRIP. The composition of the major Non-U.S. plans may vary from year to year. If the major Non-U.S. plan composition changes, prior year data is conformed to ensure comparability.

Obligations and Funded Status:

The measurement date used to determine the pension obligation for all funded and unfunded U.S. and Non-U.S. defined benefit plans is December 31.

	Year Ended December 31, 2023		Year Ended December 31, 2022	
(in millions)	U.S.	Non-U.S.	U.S.	Non-U.S.
Change in Benefit Obligation				
Projected benefit obligation at beginning of period	$ 2,482	$ 577	$ 3,132	$ 816
Service cost	13	2	13	3
Interest cost	117	20	80	9
Benefit payments	(283)	(43)	(294)	(44)
Plan Amendments	29	—	28	—
Actuarial loss (gain)	28	12	(479)	(165)
Special termination benefits	—	—	2	—
Currency adjustments	—	20	—	(42)
Projected benefit obligation at end of period	$ 2,386	$ 588	$ 2,482	$ 577
Change in Plan Assets				
Fair value of plan assets at beginning of period	$ 3,659	$ 526	$ 4,105	$ 626
Actual Return on plan assets	170	25	(152)	(31)
Employer contributions	—	6	—	5
Benefit payments	(283)	(43)	(294)	(44)
Currency adjustments	—	14	—	(30)
Fair value of plan assets at end of period	$ 3,546	$ 528	$ 3,659	$ 526
Over (under) funded status at end of period	$ 1,160	$ (60)	$ 1,177	$ (51)
Accumulated benefit obligation at end of period	$ 2,384	$ 579	$ 2,482	$ 568

An actuarial loss of $28 million related to the U.S. Plan's projected benefit obligation ("PBO") was recognized in 2023, primarily driven by a decrease in the discount rate ($40 million), partially offset by a gain associated with favorable mortality experience ($12 million). Additionally, a prior service cost was recognized as a result of a plan amendment ($29 million) in 2023. In 2022, a PBO actuarial gain of $479 million was recognized for the U.S. Plan driven primarily by an increase in the discount rate ($582 million), partially offset by a loss associated with updated mortality assumptions ($105 million). Additionally, a prior service cost was recognized as a result of a plan amendment ($28 million). The Non-U.S. PBO actuarial loss of $12 million recognized in 2023 was driven by decreases in discount rates ($20 million) and unfavorable demographic experience ($1 million), partially offset by gains associated with lower inflation assumptions ($9 million). The Non-U.S. PBO actuarial gains of $165 million recognized in 2022 were driven primarily by an increase in the discount rates.

The actual return on plan assets for the U.S. Plan was $170 million for the year ended December 31, 2023 and negative $152 million for the year ended December 31, 2022. The return for 2023 reflected strong performance of debt securities and certain hedge fund investments, and the negative return for 2022 reflected negative bond performance due to rising interest rates. The total net realized losses from derivative investments for 2023 and 2022 were approximately ($1) million and ($128) million, respectively. Refer to discussion below on derivative instruments for further information.

The weighted-average assumptions used to determine the benefit obligation amounts for all major funded and unfunded U.S. and Non-U.S. defined benefit plans were as follows:

	As of December 31,					
	2023		2022		2021	
	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.
Discount rate	4.92%	3.47%	5.13%	3.93%	2.54%	1.48%
Salary increase rate	1.50%	2.06%	1.00%	2.71%	1.00%	2.39%
Interest crediting rate for cash balance plan	4.00%	NA	4.00%	NA	2.00%	NA

Amounts recognized in the Consolidated Statement of Financial Position for all major funded and unfunded U.S. and Non-U.S. defined benefit plans are as follows (in millions):

	As of December 31,			
	2023		2022	
(in millions)	U.S.	Non-U.S.	U.S.	Non-U.S.
Pension and other postretirement assets	$ 1,160	$ 42	$ 1,177	$ 42
Pension and other postretirement liabilities	—	(102)	—	(93)
Net amount recognized	$ 1,160	$ (60)	$ 1,177	$ (51)

Information with respect to the major funded and unfunded U.S. and Non-U.S. defined benefit plans with a projected benefit obligation in excess of the fair value of plan assets is as follows (in millions):

	As of December 31,			
	2023		2022	
(in millions)	U.S.	Non-U.S.	U.S.	Non-U.S.
Projected benefit obligation	$ —	$ 406	$ —	$ 209
Fair value of plan assets	—	304	—	116

Information with respect to the major funded and unfunded U.S. and Non-U.S. defined benefit plans with an accumulated benefit obligation in excess of the fair value of plan assets is as follows (in millions):

	As of December 31,			
	2023		2022	
(in millions)	U.S.	Non-U.S.	U.S.	Non-U.S.
Accumulated benefit obligation	$ —	$ 397	$ —	$ 201
Fair value of plan assets	—	304	—	116

Amounts recognized in accumulated other comprehensive income (loss) in shareholders' equity for all major funded and unfunded U.S. and Non-U.S. defined benefit plans consist of (in millions):

	As of December 31,			
	2023		2022	
(in millions)	U.S.	Non-U.S.	U.S.	Non-U.S.
Prior service (cost) credit	$ (45)	$ 2	$ (25)	$ 2
Net actuarial gain (loss)	449	(52)	594	(43)
Total	$ 404	$ (50)	$ 569	$ (41)

Other changes in major plan assets and benefit obligations recognized in Other comprehensive (loss) income are as follows (in millions):

	Year Ended December 31,					
	2023		2022		2021	
(in millions)	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.
Newly established (loss) gain	$ (115)	$ (7)	$ 149	$ 120	$ 635	$ (4)
Newly established prior service cost	(29)	—	(28)	—	—	—
Amortization of:						
Prior service cost (credit)	9	—	(3)	—	(7)	—
Net actuarial (gain) loss	(30)	1	—	10	30	9
Total (loss) income recognized in Other comprehensive (loss) income	$ (165)	$ (6)	$ 118	$ 130	$ 658	$ 5

For the year ended December 31, 2023, the U.S. loss consisted of the PBO actuarial loss of $28 million and an asset actuarial loss of $87 million as actual asset returns were less than expected returns and the Non-U.S. loss consisted of the PBO actuarial loss of $12 million partially offset by asset actuarial gains of $5 million as actual asset returns exceeded expected returns. For the year ended December 31, 2022, the U.S. gain consisted of the PBO actuarial gain of $479 million partially offset by asset actuarial losses of $330 million and the Non-U.S. gain consisted of the PBO actuarial gain of $165 million partially offset by asset actuarial losses of $45 million.

Pension (Income) Expense:

Pension (income) expense for all defined benefit plans included (in millions):

	Year Ended December 31,					
	2023		2022		2021	
(in millions)	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.
Major defined benefit plans:						
Service cost	$ 13	$ 2	$ 13	$ 3	$ 11	$ 3
Interest cost	117	20	80	9	47	5
Expected return on plan assets	(257)	(20)	(178)	(14)	(167)	(15)
Amortization of:						
Prior service cost (credit)	9	—	(3)	—	(7)	—
Actuarial (gain) loss	(30)	1	—	10	30	9
Pension (income) expense before special termination benefits	(148)	3	(88)	8	(86)	2
Special termination benefits	—	—	2	—	2	—
Net pension (income) expense for major defined benefit plans	(148)	3	(86)	8	(84)	2
Other plans including unfunded plans	—	1	—	—	—	(2)
Net pension (income) expense	$ (148)	$ 4	$ (86)	$ 8	$ (84)	$ —

The special termination benefits for each of the years ended December 31, 2022 and 2021 were incurred as a result of Kodak's restructuring actions and, therefore, have been included in Restructuring costs and other in the Consolidated Statement of Operations for those periods.

The weighted-average assumptions used to determine net pension (income) expense for all the major funded and unfunded U.S. and Non-U.S. defined benefit plans were as follows:

	Year Ended December 31,					
	2023		2022		2021	
	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.
Effective rate for service cost	5.04%	3.44%	3.45%	1.60%	2.11%	1.17%
Effective rate for interest cost	5.02%	3.80%	2.97%	1.20%	1.42%	0.70%
Salary increase rate	1.00%	2.71%	1.00%	2.39%	3.50%	1.56%
Expected long-term rate of return on plan assets	7.50%	4.16%	5.30%	2.67%	5.20%	2.56%
Interest crediting rate for cash balance plan	3.85%	NA	2.58%	NA	1.75%	NA

The expected return on plan assets ("EROA") is a long-term rate of return which is based on a combination of formal asset and liability studies that include forward-looking return expectations given the current asset allocation.

Kodak uses the spot yield curve approach to estimate the service and interest costs by applying the specific spot rates along the yield curve used to determine the benefit obligations to relevant projected cash outflows.

Plan Asset Investment Strategy

The investment strategy underlying the asset allocation for the pension assets is to achieve an optimal return on assets with an acceptable level of risk while providing for the long-term liabilities and maintaining sufficient liquidity to pay current benefits and other cash obligations of the plans. This is primarily achieved by investing in a broad portfolio constructed of various asset classes including equity, debt, real estate, private equity, hedge funds and other assets and instruments. In addition, the U.S. Plan uses derivative investments primarily to hedge liability interest rate risk to U.S. government bonds. Other investment objectives include maintaining broad diversification between and within asset classes and investment managers and managing asset volatility relative to plan liabilities.

Every three years, or when market conditions have changed materially, each of Kodak's major pension plans will undertake an asset allocation or asset and liability modeling study. The asset allocation and expected return on the plans' assets are individually set to provide for benefits and other cash obligations within each country's legal investment constraints.

Actual allocations may vary from the target asset allocations due to market value fluctuations, the length of time it takes to implement changes in strategy, and the timing of cash contributions and cash requirements of the plans. The asset allocations are monitored and are rebalanced in accordance with the policy set forth for each plan.

Plan Asset Risk Management

Kodak evaluates its defined benefit plans' asset portfolios for the existence of significant concentrations of risk. Types of concentrations that are evaluated include, but are not limited to, investment concentrations in a single entity, type of industry, foreign country, individual fund and single investment manager. As of both the years ended December 31, 2023 and 2022 the most significant concentrations of risk were with two investment management firms (Loomis Sayles and Income Research + Management) which each managed 10% of plan assets.

The Company's weighted-average asset allocations for its major U.S. defined benefit pension plan by asset category, are as follows:

	As of December 31,		
	2023	**2022**	**2023 Target**
Asset Category			
Debt securities	20%	20%	18-24%
Real estate	0%	1%	0%
Cash and cash equivalents	5%	7%	0-10%
Private equity	31%	30%	23-28%
Hedge funds (1)	44%	42%	46-58%
Total	100%	100%	

(1) The 2023 target for hedge funds includes a policy allocation to U.S. government bonds that is obtained via treasury futures contracts.

Kodak's weighted-average asset allocations for its major Non-U.S. defined benefit pension plans by asset category, are as follows:

	As of December 31,		
	2023	2022	2023 Target
Asset Category			
Equity securities	6%	6%	0-10%
Debt securities	16%	16%	10-20%
Real estate	2%	2%	0-5%
Cash and cash equivalents	2%	4%	0-5%
Hedge Funds	6%	4%	0-10%
Private equity	8%	8%	0-10%
Insurance contracts	60%	60%	25-75%
Total	100%	100%	

Derivative Investments

The U.S. Plan derivative instruments consist primarily of direct investments in exchange traded futures contracts. Government bond exposure is obtained via U.S. government bond futures. Foreign currency futures contracts are used to partially hedge foreign currency risk.

As of December 31, 2023 and 2022, the notional amount for exchange traded futures contracts approximated $384 million and $389 million, respectively. Realized gains and losses from these derivative investments are included in the gain on plan assets balance. The total fair value of these derivative instruments at December 31, 2023 and 2022 was $1 million and $0 million, respectively, which represents the unrealized gains and losses on these contracts and is included in the derivative line items in the table of plan assets below. The U.S. defined benefit pension plan is required to maintain cash on deposit to collateralize its obligations under its futures contracts. As of both the years ended December 31, 2023 and 2022, approximately $9 million was on deposit in cash and Treasury bills to fulfill these requirements and is included in the cash and cash equivalents asset class in the table below.

The U.S. Plan invests in a diversified portfolio of hedge funds that may utilize derivative instruments to execute their investment strategy. Any gains or losses, as well as changes in the fair value of derivative investments held by a hedge fund, are included in the hedge fund's net asset value.

Fair Value Measurements

Kodak's plan assets are accounted for at fair value and are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement, with the exception of investments for which fair value is measured using the net asset value ("NAV") per share expedient. Kodak's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value of assets and their placement within the fair value hierarchy levels.

Table of Contents

The fair value of Kodak's U.S. defined benefit pension plan assets at December 31, 2023 and 2022 by asset class is presented in the tables below:

U.S. Plan
December 31, 2023

	U.S.				
(in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured at NAV	Total
Cash and cash equivalents [1]	$ 164	$ —	$ —	$ —	$ 164
Debt Securities: [2]					
Government bonds	—	32	—	—	32
Investment grade bonds	—	682	—	—	682
Real estate	—	—	—	18	18
Other:					
Hedge funds	—	—	—	1,552	1,552
Private Equity	—	—	3	1,094	1,097
Derivatives with unrealized gains	1	—	—	—	1
	$ 165	$ 714	$ 3	$ 2,664	$ 3,546

U.S. Plan
December 31, 2022

	U.S.				
(in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured at NAV	Total
Cash and cash equivalents [1]	$ 251	$ —	$ —	$ —	$ 251
Debt Securities: [2]					
Government bonds	—	39	—	—	39
Investment grade bonds	—	717	—	—	717
Real estate	—	—	—	29	29
Other:					
Hedge funds	—	—	—	1,528	1,528
Private Equity	—	—	3	1,092	1,095
	$ 251	$ 756	$ 3	$ 2,649	$ 3,659

Assets not utilizing the NAV per share expedient are valued as follows:

(1) Cash and cash equivalents are primarily held in short term investment funds and are used for benefit and fee payments, as well as for margin and liquidity requirements associated with the U.S. Plan's derivative instrument contracts.

(2) Debt securities are traded on an active market and are valued using a market approach based on the closing price on the last business day of the year.

Investments Valued at NAV

Kodak performs an investment-by-investment analysis to determine if the investment meets the requirements to be measured at NAV. For investments with lagged pricing, Kodak uses the latest available net asset values and considers expected return and other relevant material events for the year-end valuation of these investments.

The total fair value, unfunded commitments and redemption provisions for the U.S defined benefit pension plan's investments valued at NAV are as follows:

Investments Valued at NAV at December 31, 2023

(in millions):	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real estate	$ 18	$ —	N/A	N/A
Private equity	1,094	172	N/A	N/A
Hedge Funds	1,552	—	Bi-Monthly, Monthly, Quarterly, Semi-Annual, and Annual	5-365 days
Total	$ 2,664	$ 172		

Investments Valued at NAV at December 31, 2022

(in millions):	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real estate	$ 29	$ —	N/A	N/A
Private equity	1,092	229	N/A	N/A
Hedge Funds	1,528	26	Bi-Monthly, Monthly, Quarterly, Semi-Annual, and Annual	5-365 days
Total	$ 2,649	$ 255		

Real estate investments primarily include investments in limited partnerships that invest in office, industrial, retail and apartment properties. Investments are primarily valued by the fund manager based on independent appraisals, discounted cash flow models, cost and comparable market transactions. The term of each fund is typically 10 or more years and the fund's investors do not have an option to redeem their interest in the fund but receive distributions through the liquidation of the underlying investments.

Private equity investments are primarily comprised of direct limited partnerships and fund-of-fund investments that invest in distressed investments, venture capital, leveraged buyouts and special situations. Private equity investments are valued by the fund manager primarily based on independent appraisals, discounted cash flow models, cost, and comparable market transactions. The term of each fund is typically 10 or more years and the fund's investors do not have an option to redeem their interest in the fund. The investors in the fund receive distributions through the liquidation of the underlying investments in the fund.

The U.S. Plan invests in a portfolio of hedge funds to supplement the return generated by its exchange traded futures contracts as well as in a separate portfolio of hedge funds where the objective is to seek a higher absolute return. Hedge fund investments are made through direct investments in individual hedge funds. The hedge fund investments substantially consist of a diversified portfolio of hedge funds that use equity, debt, commodity, currency strategies and derivative instruments. The U.S. defined benefit pension plan evaluates several factors for investing in hedge funds including investment strategy, return, risk, liquidity, correlation to other funds and the number of funds to achieve a diversified portfolio of hedge funds.

Hedge funds are typically valued by each fund's third-party fund administrator based upon the valuation of the underlying securities and instruments, primarily by applying a market or income valuation methodology as appropriate depending on the specific type of security or instrument held. The U.S. defined benefit pension plan maintains cash and Treasury bills as liquidity reserves that serve as variation margin for the U.S. Treasury futures contracts directly held by the U. S. Plan to hedge its liability duration. Approximately $77 million and $90 million of cash liquidity reserves associated with hedge funds as of December 31, 2023 and 2022, respectively, are included in the cash and cash equivalents asset class in the table above.

The tables below summarize Kodak's U.S. Plan investments in hedge funds by type for those investments valued at NAV:

U.S. Plan:
December 31, 2023

(in millions)	Net Asset Value	Redemption Frequency	Redemption Notice Period
Multi-strategy hedge funds	$ 509	Quarterly	45-90 days
Relative value hedge funds	342	Bi-monthly, Quarterly	6-120 days
Directional hedge funds	143	Monthly	5 days
Equity long/short hedge funds	264	Monthly, Quarterly	45-90 days
Sector specialist hedge funds	120	Quarterly, Semi-Annually	60-90 days
Long-biased hedge funds	160	Quarterly, Annually	60-90 days
Event driven hedge funds	14	Quarterly	90 days
	$ 1,552		

December 31, 2022

(in millions)	Net Asset Value	Redemption Frequency	Redemption Notice Period
Multi-strategy hedge funds	$ 495	Quarterly	45-90 days
Relative value hedge funds	331	Bi-monthly, Quarterly	6-120 days
Directional hedge funds	167	Monthly	5 days
Equity long/short hedge funds	227	Quarterly	45-90 days
Sector specialist hedge funds	135	Quarterly, Semi-Annually	60-90 days
Long-biased hedge funds	159	Quarterly, Annually	60-90 days
Event driven hedge funds	14	Quarterly	90 days
	$ 1,528		

Hedge funds typically have the right to restrict redemption requests beyond Kodak's control. In these cases, redemptions may extend beyond the general redemption terms outlined in the table above. Certain hedge fund investments have no redemption rights and will become liquid only upon sale by the hedge fund managers. As of both the years ended December 31, 2023 and 2022, these investments represented approximately 1% of the hedge funds investments valued at NAV.

Liquidity

Approximately 31% of total U.S. Plan assets as of December 31, 2023 are invested in private equity funds, real estate funds and other investments where the U.S. Plan receives distributions through the liquidation of the underlying investments. Liquidity of U.S. Plan assets is managed to minimize the likelihood that these investments would need to be sold to cover benefit payments, derivative losses, or any other short-term need.

The total unfunded commitments, if and when they are called over the term of each investment, are expected to be funded by the available liquidity in the U.S. Plan consistent with historical experience.

The fair value of Kodak's major non-U.S. defined benefit pension plans assets at December 31, 2023 and 2022 by asset class are presented in the tables below:

Major Non-U.S. Plans
December 31, 2023

	Non - U.S.				
(in millions)	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Measured at NAV**	**Total**
Cash and cash equivalents	$ 13	$ —	$ —	$ —	$ 13
Equity securities	33	—	—	—	33
Debt securities:					
Investment grade bonds	35	45	—	—	80
Global high yield & emerging market debt	2	—	—	—	2
Real estate	—	—	—	11	11
Other:					
Hedge Funds	—	—	—	29	29
Private equity	—	—	—	42	42
Insurance contracts	—	30	287	—	317
Derivatives with unrealized gains	1	—	—	—	1
	$ 83	$ 75	$ 287	$ 82	$ 527

Major Non-U.S. Plans
December 31, 2022

	Non - U.S.				
(in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured at NAV	Total
Cash and cash equivalents	$ 21	$ —	$ —	$ —	$ 21
Equity securities	31	—	—	—	31
Debt securities:					
Investment grade bonds	35	45	—	—	80
Global high yield & emerging market debt	2	—	—	—	2
Real estate	—	—	—	11	11
Other:					
Hedge Funds	—	—	—	20	20
Private equity	—	—	—	43	43
Insurance contracts	—	29	289	—	318
	$ 89	$ 74	$ 289	$ 74	$ 526

For Kodak's major non-U.S. defined benefit pension plans, equity investments are invested broadly in local equity, developed international and emerging markets. Fixed income investments are comprised primarily of government and investment grade corporate bonds. Real estate investments primarily include investments in limited partnerships that invest in office, industrial, and retail properties. Global Balanced Asset Allocation investments are commingled funds that hold a diversified portfolio of passive market exposures, including equities, debt, currencies and commodities. Hedge fund investments are comprised of a diversified portfolio of hedge funds using equity, debt, commodity and currency instruments. Private equity investments are comprised of limited partnerships and fund-of-fund investments that invest in distressed investments, venture capital and leveraged buyouts. Insurance contracts are typically annuities from life insurance companies covering specific pension obligations.

For investments in real estate and private equity funds, the investors do not have an option to redeem their interest in the fund. The investors in the fund receive distributions through the liquidation of the underlying investments in the fund. There are no material unfunded commitments as of December 31, 2023 and 2022.

Of the December 31, 2023 and 2022 investments shown in the major Non-U.S. plans table above, there are no material derivative exposures.

The following is a reconciliation of the beginning and ending balances of level 3 assets of Kodak's major U.S. and non-U.S. defined benefit pension plans:

	U.S.				
		Net Realized and Unrealized Gains			
(in millions)	Balance at January 1, 2023	Relating to Assets Still Held	Relating to Assets Sold During the Period	Net Purchases, Sales and Settlements	Balance at December 31, 2023
Private Equity	3	—	—	—	3
Total	$ 3	$ —	$ —	$ —	$ 3

	U.S.				
		Net Realized and Unrealized Gains			
(in millions)	Balance at January 1, 2022	Relating to Assets Still Held	Relating to Assets Sold During the Period	Net Purchases, Sales and Settlements	Balance at December 31, 2022
Private Equity	—	—	—	3	3
Total	$ —	$ —	$ —	$ 3	$ 3

	U.S.				
		Net Realized and Unrealized Gains			
(in millions)	Balance at January 1, 2021	Relating to Assets Still Held	Relating to Assets Sold During the Period	Net Purchases, Sales and Settlements	Balance at December 31, 2021
Private Equity	5	(5)	—	—	—
Total	$ 5	$ (5)	$ —	$ —	$ —

(in millions)	Balance at January 1, 2023	Non - U.S. Net Realized and Unrealized Gains Relating to Assets Still Held	Relating to Assets Sold During the Period	Net Purchases, Sales and Settlements	Balance at December 31, 2023
Insurance Contracts	289	(2)	—	—	287
Total	$ 289	$ (2)	$ —	$ —	$ 287

(in millions)	Balance at January 1, 2022	Non - U.S. Net Realized and Unrealized Gains Relating to Assets Still Held	Relating to Assets Sold During the Period	Net Purchases, Sales and Settlements	Balance at December 31, 2022
Insurance Contracts	342	(53)	—	—	289
Total	$ 342	$ (53)	$ —	$ —	$ 289

(in millions)	Balance at January 1, 2021	Non - U.S. Net Realized and Unrealized Gains Relating to Assets Still Held	Relating to Assets Sold During the Period	Net Purchases, Sales and Settlements	Balance at December 31, 2021
Insurance Contracts	291	(37)	—	88	342
Total	$ 291	$ (37)	$ —	$ 88	$ 342

The following pension benefit payments, which reflect expected future service, are expected to be paid (in millions):

(in millions)	U.S.	Non-U.S.
2024	$ 263	$ 45
2025	254	43
2026	242	42
2027	230	41
2028	219	40
2029 - 2033	935	184

NOTE 20: OTHER POSTRETIREMENT BENEFITS

In Canada, Kodak provides medical, dental, life insurance, and survivor income benefits to eligible retirees. The plan is closed to new participants. Information on the Canada other postretirement benefit plan is presented below.

The measurement date used to determine the net benefit obligation for the Canada other postretirement benefit plan is December 31.

Changes in Kodak's benefit obligation and funded status were as follows (in millions):

	Year Ended December 31,	
(in millions)	2023	2022
Net benefit obligation at beginning of period	$ 43	$ 52
Interest cost	2	1
Actuarial gain	—	(7)
Benefit payments	(2)	(3)
Net benefit obligation at end of period	$ 43	$ 43
Underfunded status at end of period	(43)	(43)

Amounts recognized in the Consolidated Statement of Financial Position consist of (in millions):

	As of December 31,	
(in millions)	2023	2022
Other current liabilities	$ (3)	$ (3)
Pension and other postretirement liabilities	(40)	(40)
	$ (43)	$ (43)

Amounts recognized in Accumulated other comprehensive income consist of (in millions):

	As of December 31,	
(in millions)	2023	2022
Net actuarial gain	$ 10	$ 11

Changes in benefit obligations recognized in Other comprehensive loss (income) consist of (in millions):

	Year Ended December 31,	
(in millions)	2023	2022
Newly established gain	$ —	$ 7
Total gain recognized in Other comprehensive loss (income)	$ —	$ 7

Other postretirement benefit cost included:

	Year Ended December 31,		
(in millions)	2023	2022	2021
Components of net postretirement benefit cost:			
Service cost	$ —	$ —	$ —
Interest cost	2	1	1
Amortization of:			
Actuarial gain	(1)	—	—
Other postretirement benefit cost from continuing operations	$ 1	$ 1	$ 1

The weighted-average assumptions used to determine the net benefit obligations were as follows:

	As of December 31,	
	2023	**2022**
Discount rate	4.64%	5.15%
Salary increase rate	1.85%	2.10%

The weighted-average assumptions used to determine the net postretirement benefit cost were as follows:

	Year Ended December 31,		
	2023	**2022**	**2021**
Effective rate for interest cost	5.13%	2.53%	1.81%
Salary increase rate	2.10%	1.85%	1.70%

The weighted-average assumed healthcare cost trend rates used to compute the other postretirement amounts were as follows:

	2023	**2022**
Healthcare cost trend	5.73%	5.64%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	3.32%	3.57%
Year that the rate reaches the ultimate trend rate	2040	2043

The following other postretirement benefits, which reflect expected future service, are expected to be paid (in millions):

2024	$ 3
2025	3
2026	3
2027	3
2028	3
2029 - 2033	12

NOTE 21: EARNINGS PER SHARE

Basic earnings per share are calculated using the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share calculations include any dilutive effect of potential common shares. In periods with a net loss from continuing operations, diluted earnings per share are calculated using weighted-average basic shares for that period, as utilizing diluted shares would be anti-dilutive to loss per share.

A reconciliation of the amounts used to calculate basic and diluted earnings per share for the years ended December 31, 2023, 2022 and 2021 follows:

	Year Ended December 31,		
(in millions)	**2023**	**2022**	**2021**
Net income attributable to Eastman Kodak Company	$ 75	$ 26	$ 24
Less: Preferred Stock cash and accrued dividends	(4)	(4)	(4)
Less: Preferred Stock in-kind dividends	(5)	(5)	(4)
Less: Preferred Stock deemed dividends	(2)	(2)	(3)
Plus: Expiration of Series A embedded derivative	—	—	11
Less: Earnings attributable to Series C Preferred shareholders	(8)	(2)	(2)
Net income available to common shareholders - basic	$ 56	$ 13	$ 22
Effect of dilutive securities:			
Add back: Series B preferred stock cash and deemed dividends	$ 5	$ —	$ —
Net earnings available to common shareholders - diluted	$ 61	$ 13	$ 22

	Year Ended December 31,		
	2023	**2022**	**2021**
Weighted-average common shares outstanding - basic	79.4	78.9	78.4
Effect of dilutive securities:			
Unvested restricted stock units and awards	0.9	0.6	0.1
Stock options	0.7	1.1	2.0
Series B Preferred Stock	9.5	—	—
Weighted-average common shares outstanding - diluted	90.5	80.6	80.5

The computation of diluted earnings per share for the year ended December 31, 2023 excluded the impact of (1) the assumed conversion of 1.1 million shares of Series C Preferred Stock and (2) the assumed exercise of 3.9 million outstanding employee stock options in each case because they would have been anti-dilutive.

The computation of diluted earnings per share for the year ended December 31, 2022 and 2021 excluded the impact of (1) the assumed conversion of $25 million of Convertible Notes, (2) the assumed conversion of 1.0 million shares of Series B Preferred Stock, (3) the assumed conversion of 1.1 million and 1.0 million, respectively, shares of Series C Preferred Stock and (4) the assumed exercise of 3.3 million and 2.9 million, respectively, outstanding employee stock options in each case because they would have been anti-dilutive.

NOTE 22: STOCK-BASED COMPENSATION

Kodak's stock incentive plan is the 2013 Omnibus Incentive Plan (as restated and further amended, the "2013 Plan"). The 2013 Plan is administered by the Compensation, Nominating and Governance Committee of the Board of Directors.

Officers, directors and employees of the Company and its consolidated subsidiaries are eligible to receive awards. Stock options are generally non-qualified, are at exercise prices equal to or greater than the closing price of Kodak's stock on the date of grant and expire seven years or ten years after the grant date. Stock-based compensation awards granted under Kodak's stock incentive plan are generally subject to a three-year vesting period from the date of grant, or a later date as determined by the Compensation, Nominating and Governance Committee. Awards are subject to settlement in newly-issued shares of common stock. Unless sooner terminated by the Compensation, Nominating and Governance Committee, no awards may be granted under the 2013 Plan after May 19, 2031.

The maximum number of shares of common stock available for grant under the 2013 Plan is 13.0 million. For stock option grants awarded on or prior to May 19, 2021, for the number of shares available for grant under the 2013 Plan, a stock option counted as a fraction of a share, based on the fair market value of the stock option relative to the closing stock price on the date of grant. For stock option awards granted after May 19, 2021, a stock option counts as one share. Each restricted stock unit and restricted stock award counts as one share. The total number of shares of common stock registered for issuance under the 2013 Plan is approximately 13.5 million. In addition, under the 2013 Plan, the maximum number of shares available for the grant of incentive stock options is 2.0 million shares. The maximum number of shares as to which stock options or stock appreciation rights may be granted to any one person under the 2013 Plan in any calendar year is 2.5 million shares.

The maximum number of awards that may be granted to any non-employee director under the 2013 Plan in any calendar year may not exceed a number of awards with a grant date fair value of $450,000, computed as of the grant date.

Compensation expense is recognized on a straight-line basis over the service or performance period for each separately vesting tranche of the award and is adjusted for actual forfeitures before vesting. Kodak assesses the likelihood that performance-based shares will be earned based on the probability of meeting the performance criteria. For those performance-based awards that are deemed probable of achievement, expense is recorded, and for those awards that are deemed not probable of achievement, no expense is recorded. Kodak assesses the probability of achievement each quarter.

Restricted Stock Units and Restricted Stock awards

Restricted stock units and restricted stock awards are payable in shares of the Company common stock upon vesting. The fair value of restricted stock units and restricted stock awards without a market condition is based on the closing market price of the Company's stock on the grant date. The following inputs were used for restricted stock units issued in 2023 with a market condition:

	Year Ended December 31, 2023
Fair value of options granted	$ 3.03
Risk-free interest rate	3.80%
Term (in years)	3.0
Volatility	60%
Weighted-average expected dividend yield	0.00%

Compensation cost related to restricted stock units and restricted stock awards was $4 million, $4 million and $5 million for the years ended December 31, 2023, 2022 and 2021, respectively.

The weighted average grant date fair value of restricted stock units and awards granted for the years ended December 31, 2023, 2022 and 2021 was $3.90, $4.60 and $8.50, respectively. The total fair value of restricted stock units and awards that vested was $4 million, $5 million and $6 million for the years ended December 31, 2023, 2022 and 2021. As of December 31, 2023, there was $6 million of unrecognized compensation cost related to restricted stock units. The cost is expected to be recognized over a weighted average period of 1.6 years.

The following table summarizes information about unvested restricted stock unit and award activity for the year ended December 31, 2023:

	Restricted Stock Units/Awards	Weighted-Average Grant Date Fair Values
Outstanding on December 31, 2022	1,140,877	$ 6.30
Granted	2,007,609	$ 3.90
Vested	583,810	$ 6.16
Forfeited	27,092	$ 5.37
Outstanding on December 31, 2023	2,537,584	$ 4.44

In addition to the outstanding unvested restricted stock units and awards per the above table, there are also 368,324 vested restricted stock units outstanding as of December 31, 2023 with a weighted average grant date fair value of $6.10.

Stock Options

The following table summarizes information about stock option activity for the year ended December 31, 2023:

	Shares Under Option	Weighted Exercise Price Per Share	Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value ($ millions)
Outstanding on December 31, 2022	6,884,311	$ 6.97		
Granted	50,000	$ 4.28		
Expired	161,203	$ 15.41		
Exercised	25,000	$ 3.90		
Outstanding on December 31, 2023	6,748,108	$ 6.75	3.35	$ 2
Exercisable on December 31, 2023	6,698,108	$ 6.77	3.33	$ 2
Expected to vest December 31, 2023	6,748,108	$ 6.75	3.35	$ 2

The aggregate intrinsic value represents the total pretax intrinsic value that option holders would have received had all option holders exercised their options on the last trading day of the year. The aggregate intrinsic value is the difference between the Kodak closing stock price on the last trading day of the year and the exercise price, multiplied by the number of in-the-money options. The intrinsic values of options outstanding, exercisable or expected to vest as of December 31, 2023 were each $2 million.

The weighted average grant date fair value of options granted for the year ended December 31, 2023 was $2.87. There were no options granted in the years ended December 31, 2022 and 2021. The total fair value of options that vested during the years ended December 31, 2023, 2022 and 2021 was $1 million, $2 million and $2 million, respectively. Compensation cost related to stock options for the years ended December 31, 2023, 2022 and 2021 was $3 million, $1 million and $2 million, respectively.

As of December 31, 2023, there was less than $1 million of unrecognized compensation cost related to stock options, which will be recognized over a weighted average period of 2.0 years.

There were less than 1 million options exercised in the years ended December 31, 2023, 2022 and 2021.

Kodak utilizes the Black-Scholes option valuation model to estimate the fair value of stock options that do not have a market condition for award vesting and the lattice-based method to estimate the fair value of stock options with a market condition for award vesting.

The expected term of options granted is the period of time the options are expected to be outstanding and is calculated using a simplified method based on the option's vesting period and original contractual term. The Company uses the historical volatility of the Company's stock to estimate expected volatility. The risk-free rate was based on the yield on U.S. Treasury notes with a term equal to the option's expected term.

The following inputs were used for the valuation of stock option grants issued without a market condition in the year ended December 31, 2023 (there were no stock option grants issued in the years ended December 31, 2022 and 2021):

	Year Ended December 31, 2023
Weighted-average fair value of options granted	$ 3.48
Weighted-average risk-free interest rate	3.75%
Expected option lives (in years)	4.5
Weighted-average volatility	120%
Expected dividend yield	0.00%

The following inputs were used in the lattice-based valuation of stock option grants issued with a market condition in 2023:

	Year Ended December 31, 2023
Fair value of options granted	$ 2.25
Risk-free interest rate	3.80%
Term (in years)	3.0
Volatility	60%
Weighted-average expected dividend yield	0.00%

On February 16, 2023, the Compensation, Nominating and Governance Committee of the Board of Directors approved extending the expiration dates for non-qualified stock options awarded between 2016 and 2020 to 21 currently active employees and directors. No other terms were modified. The contractual terms were extended from approximately seven years to approximately ten years. In November 2023 the extended expiration date of certain options was rescinded. The change in the terms of the awards was accounted for as a modification. As a result of the modification, Kodak recognized $2 million of incremental compensation expense in the year-ended 2023, reflecting the incremental fair value of the 3.5 million awards that were modified over the fair value of the original awards immediately before the modification. The fair value of the awards was calculated using a binomial lattice-based valuation model. The key assumptions used in the fair value calculations were:

	February 16, 2023 Option Award Modifications	
	Immediately Before	Immediately After
Range of fair values	0.000 -2.1414	1.322 -2.2424
Range of risk-free interest rates	3.82% - 4.99%	3.82% - 4.99%
Range of remaining contractual terms (in years)	0.37 - 4.25	3.37 - 7.25
Range of weighted volatilities	66.96% - 103.39%	66.96% - 103.39%
Expected dividend yield	0.00%	0.00%
Early exercise model	2.5	2.5
Number of times steps	500	500

On February 26, 2021 James V. Continenza, Executive Chairman and Chief Executive Officer of Kodak, and the Company entered into an Executive Chairman and CEO Agreement, as amended on November 29, 2023 and November 30, 2022 (the "Employment Agreement"). The Employment Agreement is effective for a three-year period ending on February 26, 2027. Pursuant to the Employment Agreement, Mr. Continenza will not have the right to exercise any stock options granted to him in February 2019 or July 2020 to the extent that, after giving effect to the issuance of the Company's common stock resulting from such exercise, Mr. Continenza (together with his affiliates and any person acting as a group), would beneficially own more than 4.99% of the then issued and outstanding shares of Common Stock (the "Beneficial Ownership Limitation"). The Beneficial Ownership Limitation shall cease and be of no further force and effect upon a Change of Control (as such term is defined in the Company's Amended and Restated 2013 Omnibus Incentive Plan). The restrictions on the exercisability of previous stock option awards were a modification of the original awards. As the February 2019 and July 2020 stock options were fully vested prior to the modification date and there was no incremental value provided in the modification, no additional compensation expense was recognized. Also pursuant to the Employment Agreement, Mr. Continenza was granted 200,000 fully vested restricted stock units in the first quarter of 2021. The Company recognized $2 million of stock-based compensation expense associated with the grant of restricted stock units.

NOTE 23: SHAREHOLDERS' EQUITY

The Company has 560 million shares of authorized stock, consisting of: (i) 500 million shares of common stock, par value $0.01 per share, and (ii) 60 million shares of preferred stock, no par value, issuable in one or more series. As of December 31, 2023 and 2022 there were 79.6 million and 79.1 million shares of common stock outstanding, respectively, 1.0 million shares of Series B preferred stock issued and outstanding, and 1.1 million shares of Series C preferred stock issued and outstanding.

Treasury Stock
Treasury stock consisted of approximately 1.0 million and 0.9 million shares at December 31, 2023 and 2022, respectively.

Registration Statements
On August 10, 2021, the Company filed a Registration Statement on Form S-3 (Registration No. 254352) to register for possible resale from time to time of up to 44,490,032 shares of common stock, subject to adjustments for stock splits, stock dividends and reclassifications and similar transactions (the "Resale Shares"). The Company registered the Resale Shares to satisfy its obligations under the following agreements:

(1) A registration rights agreement (the "Backstop Registration Rights Agreement"), dated as of September 3, 2013, between the Company and GSO Capital Partners LP, on behalf of various managed funds, BlueMountain Capital Management, LLC, on behalf of various managed funds, George Karfunkel, United Equities Commodities Company, Momar Corporation and Contrarian Capital Management, LLC, on behalf of Contrarian Funds, LLC, which, prior to the expiration of the Backstop Registration Rights Agreement on October 16, 2021, required the registration of certain shares of common stock.

(2) A Series A Preferred Stock repurchase and exchange agreement, dated as of February 26, 2021, with Southeastern Asset Management, Inc. ("Southeastern") and Longleaf Partners Small-Cap Fund, C2W Partners Master Fund Limited and Deseret Mutual Pension Trust, which are investment funds managed by Southeastern (such investment funds, collectively, the "Purchasers"), extending the registration rights provided under a registration rights agreement, dated as of November 15, 2016, with Southeastern and the Purchasers, to shares of the Company's common stock issuable upon conversion of 1,000,000 shares of Series B Preferred Stock (as defined herein) issued thereunder.

(3) A registration rights agreement, dated as of February 26, 2021, with GO EK Ventures IV, LLC (the "Investor"), a fund managed by Grand Oaks Capital, providing the Investor with registration rights in respect of shares of the Company's common stock issuable upon conversion of 1,000,000 shares of Series C Preferred Stock (as defined herein) issued pursuant to a Series C Preferred Stock purchase agreement, dated as of February 26, 2021, with the Investor; and

(4) A securities registration rights agreement, dated as of February 26, 2021, with certain funds affiliated with Kennedy Lewis Investment Management LLC (the "Buyers"), providing the Buyers with registration rights in respect of (i) 1,000,000 shares of the Company's common stock and (ii) shares of the Company's common stock issuable upon conversion of $25,000,000 aggregate principal amount of the Company's 5.0% unsecured convertible promissory notes due May 28, 2026, in each case, issued in a private placement transaction pursuant to a securities purchase agreement, dated as of February 26, 2021, with the Buyers.

On August 10, 2021, the Company filed a shelf Registration Statement on Form S-3 (Registration No. 254353) for the offer and sale of securities from time to time in one or more offerings of up to $500,000,000 of common stock, preferred stock, debt securities, warrants, depositary shares, purchase contracts, guarantees and units. The Company would file a prospectus supplement to include the specific terms of any offering or sale under this shelf registration statement. At December 31, 2023 the Company had not made any offerings or sales of securities pursuant to this registration statement.

NOTE 24: OTHER COMPREHENSIVE (LOSS) INCOME

The changes in Other comprehensive (loss) income by component, were as follows:

		Year Ended December 31,		
(in millions)		2023	2022	2021
Currency translation adjustments				
Currency translation adjustments		$ (8)	$ (12)	$ 6
Pension and other postretirement benefit plan changes				
Newly established net actuarial (loss) gain		(122)	277	632
Newly established prior service cost		(29)	(28)	—
Tax benefit		—	—	—
Newly established net actuarial (loss) gain, net of tax		(151)	249	632
Reclassification adjustments:				
Amortization of prior service credit (cost)	(a)	9	(4)	(7)
Amortization of actuarial (gains) losses	(a)	(31)	8	37
Recognition of losses due to settlements and curtailments	(a)	—	—	(1)
Total reclassification adjustments		(22)	4	29
Tax provision		—	—	—
Reclassification adjustments, net of tax		(22)	4	29
Pension and other postretirement benefit plan changes, net of tax		(173)	253	661
Other comprehensive (loss) income		$ (181)	$ 241	$ 667

(a) Reclassified to Pension income - refer to Note 19, "Retirement Plans" and Note 20, "Other Postretirement Benefits" for additional information.

NOTE 25: ACCUMULATED OTHER COMPREHENSIVE INCOME

Accumulated other comprehensive income is composed of the following:

	As of December 31,	
(in millions)	2023	2022
Currency translation adjustments	$ (120)	$ (112)
Pension and other postretirement benefit plan changes	401	574
Total	$ 281	$ 462

NOTE 26: SEGMENT INFORMATION

Kodak has three reportable segments: Print, Advanced Materials and Chemicals and Brand. A description of Kodak's reportable segments follows.

Print: The Print segment is comprised of five lines of business, the Prepress Solutions business: the Prosper business, the Software business, the Electrophotographic Printing Solutions business and the Versamark business.

Advanced Materials and Chemicals: The Advanced Materials and Chemicals segment is comprised of four lines of business: the Industrial Film and Chemicals business, the Motion Picture business, the Advanced Materials and Functional Printing business and the IP Licensing and Analytical Services business.

Brand: The Brand segment contains the brand licensing business.

All Other: All Other is comprised of the operations of the Eastman Business Park, a more than 1,200 acre technology center and industrial complex.

Segment financial information is shown below. Asset information by segment is not disclosed as this information is not separately identified and reported to the Chief Operating Decision Maker.

Net Revenues from Continuing Operations by Reportable Segment

	Year Ended December 31,		
	2023	2022	2021
(in millions)			
Print	$ 828	$ 938	$ 908
Advanced Materials and Chemicals	255	234	212
Brand	17	17	15
Total of reportable segments	1,100	1,189	1,135
All Other	17	16	15
Total	$ 1,117	$ 1,205	$ 1,150

Segment Measure of Profit and Loss

Kodak's segment measure of profit and loss is an adjusted earnings before interest, taxes, depreciation and amortization ("Operational EBITDA"). As demonstrated in the table below, Operational EBITDA represents the earnings (loss) from continuing operations before income taxes excluding non-service cost components of pension and other postemployment benefits income; depreciation and amortization expense; restructuring costs and other; stock-based compensation expense; consulting and other costs; idle costs; other operating income, net (unless otherwise indicated); interest expense; loss on early extinguishment of debt and other (charges) income, net.

Kodak's segments are measured using Operational EBITDA both before and after allocation of corporate selling, general and administrative expenses ("SG&A"). The segment earnings measure reported is after allocation of corporate SG&A as this most closely aligns with U.S. GAAP. Research and development activities not directly related to the other segments are reported within the Advanced Materials and Chemicals segment.

2023 Segments

Change in Segments
Effective February 2023 Kodak changed its organizational structure. The Traditional Printing segment and the Digital Printing segment were combined into one segment, named the Print segment. No changes were made to Kodak's other segments. Prior year segment information was revised to conform with the new organizational structure.

Segment Operational EBITDA and Consolidated Earnings from Continuing Operations Before Income Taxes

	Year Ended December 31,		
(in millions)	2023	2022	2021
Print	$ 20	$ 5	$ 4
Advanced Materials and Chemicals	10	(1)	(6)
Brand	15	14	13
Total of reportable segments	45	18	11
All Other	2	3	2
Depreciation and amortization	(30)	(29)	(31)
Restructuring costs and other	(10)	(13)	(6)
Stock-based compensation	(7)	(5)	(7)
Consulting and other costs (1)	13	2	(19)
Idle costs (2)	(3)	(3)	(2)
Other operating (expense) income, net (3)	(6)	1	6
Interest expense (3)	(52)	(40)	(33)
Pension income excluding service cost component (3)	161	98	102
Loss on early extinguishment of debt (3)	(27)	—	—
Other income (charges), net (3)	1	(1)	5
Consolidated earnings from continuing operations before income taxes	$ 87	$ 31	$ 28

(1) Consulting and other costs are professional services and internal costs associated with corporate strategic initiatives, investigations and litigation. Consulting and other costs included $15 million and $10 million of income in the year ended December 31, 2023 and 2022, respectively, representing insurance reimbursement of legal costs previously paid by the Company associated with investigations and litigation matters. Kodak received $20 million of insurance reimbursement in 2023 of which $5 million was recorded in Other current assets in the Consolidated Statement of Financial Position as of December 31, 2022. Kodak received $5 million of insurance reimbursement proceeds in the year ended 2022.

(2) Consists of third-party costs such as security, maintenance, and utilities required to maintain land and buildings in certain locations not used in any Kodak operations and the costs, net of any rental income received, of underutilized portions of certain properties.

(3) As reported in the Consolidated Statement of Operations

In 2023, Kodak decreased employee benefit reserves by $1 million primarily reflecting a reduction in workers' compensation reserves of approximately $1 million driven by changes in discount rates. The decrease in reserves in 2023 impacted SG&A by approximately $1 million.

In 2022, Kodak decreased employee benefit reserves by $15 million composed of a reduction in workers' compensation reserves of approximately $13 million driven by changes in discount rates and a decrease in other employee benefit reserves of approximately $2 million, driven by both changes in discount rates and favorable experience. The decrease in reserves in 2022 impacted gross profit by approximately $9 million, R&D by approximately $1 million and SG&A by approximately $5 million.

Kodak decreased workers' compensation reserves by approximately $4 million in 2021 driven by changes in discount rates. The decrease in reserves in 2021 impacted gross profit by approximately $3 million and SG&A by approximately $1 million.

Amortization and depreciation expense by segment are not included in the segment measure of profit and loss but are regularly provided to the Chief Operating Decision Maker.

(in millions)	Year Ended December 31,		
Intangible asset amortization expense from continuing operations:	**2023**	**2022**	**2021**
Print	$ 4	$ 4	$ 4
Brand	—	1	1
Total	$ 4	$ 5	$ 5

(in millions)	Year Ended December 31,		
Depreciation expense from continuing operations:	**2023**	**2022**	**2021**
Print	$ 17	$ 17	$ 20
Advanced Materials and Chemicals	7	6	5
All Other	1	1	1
Total	$ 25	$ 24	$ 26

(in millions)	Year Ended December 31,	
Long-lived assets located in: (1)	**2023**	**2022**
The United States	$ 112	$ 95
Europe, Middle East and Africa	6	9
Asia Pacific	5	6
Canada and Latin America	46	44
Non-U.S. countries total (2)	57	59
Total	$ 169	$ 154

(1) Long-lived assets are comprised of property, plant and equipment, net.
(2) Of the total non-U.S. property, plant and equipment in 2023, $45 million was located in Brazil. Of the total non-U.S. property, plant and equipment in 2022, $41 million was located in Brazil.

Major Customers

No single customer represented 10% or more of Kodak's total net revenue in any year presented.

NOTE 27: BUSINESS COMBINATION

On May 26, 2023 Kodak acquired 100% of the outstanding shares of Graphic Systems Services, Inc., a leading provider of web inkjet press transport systems and other print-related components and engineering services.

The acquisition was immaterial to Kodak's financial position as of December 31, 2023 and its results of operations and cash flows for the year ended December 31, 2023.

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

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Kodak maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in Kodak's reports filed or submitted under the Securities Exchange Act of 1934 (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including Kodak's Executive Chairman and Chief Executive Officer and Kodak's Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Kodak's management, with participation of Kodak's Executive Chairman and Chief Executive Officer and Kodak's Chief Financial Officer, has evaluated the effectiveness of Kodak's disclosure controls and procedures as of the end of the fiscal year covered by this Annual Report on Form 10-K. Kodak's Executive Chairman and Chief Executive Officer and Kodak's Chief Financial Officer have concluded that, as of the end of the period covered by this Annual Report on Form 10-K, Kodak's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were effective.

Management's Report on Internal Control Over Financial Reporting

The management of Kodak is responsible for establishing and maintaining adequate internal control over financial reporting. Kodak's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America. Kodak's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of Kodak; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles in the United States of America, and that receipts and expenditures of Kodak are being made only in accordance with authorizations of management and directors of Kodak; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Kodak's assets that could have a material effect on the financial statements.

Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment or breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override.

Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

On May 16, 2023, Kodak acquired 100% of the outstanding shares of Graphic Systems Services, Inc. ("GSS"). GSS represented less than 1% of consolidated revenues for the year ended December 31, 2023 and less than 1% of consolidated total assets as of December 31, 2023. As permitted by the SEC, Kodak elected to exclude GSS from its assessment of and conclusion on the effectiveness of internal control over financial reporting as of December 31, 2023 and changes in internal controls over financial reporting from the date of acquisition through December 31, 2023.

Management assessed the effectiveness of Kodak's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in "Internal Control-Integrated Framework" (2013). Based on management's assessment using the COSO criteria, management has concluded that Kodak's internal control over financial reporting was effective as of December 31, 2023. The effectiveness of Kodak's internal control over financial reporting as of December 31, 2023 has been audited by Ernst & Young LLP, Kodak's independent registered public accounting firm, as stated in their report, refer to Item 8. Financial Statements and Supplementary Data.

Changes in Internal Control over Financial Reporting

Kodak is in the process of a multi-year project to modernize and enhance the Company's global information technology systems, to improve and standardize business and financial processes and to increase the efficiency and effectiveness of financial planning and reporting. As the phased implementation occurs, it may result in changes to processes and procedures which may result in changes to internal controls over financial reporting. As such changes occur, Kodak evaluates whether they materially affect the Company's internal controls over financial reporting.

There have been no changes identified in Kodak's internal control over financial reporting that occurred during Kodak's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, Kodak's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Rule 10b5-1 Trading Plans

The adoption or termination of contracts, instructions or written plans for the purchase or sale of our securities by our Section 16 officers and directors for the three months ended December 31, 2023, each of which is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act ("Rule 10b5-1 Plan"), were as follows:

(1) On December 21, 2023, David E. Bullwinkle, Chief Financial Officer and Senior Vice President, adopted a Rule 10b5-1 Plan with respect to the potential exercise of vested stock options and the associated sale of up to 518,289 shares of Kodak common stock, which plan commences on March 21, 2024 and expires on December 31, 2024 or upon the earlier completion of all authorized transactions under such plan.

(2) On December 21, 2023, Roger W. Byrd, General Counsel, Secretary and Senior Vice President, adopted a Rule 10b5-1 Plan with respect to the potential exercise of vested stock options and the associated sale of up to 135,201 shares of Kodak common stock, which plan commences on March 21, 2024 and expires on March 15, 2025 or upon the earlier completion of all authorized transactions under such plan.

None of our other Section 16 officers or directors adopted or terminated a "non-Rule 10b5-1 trading arrangement" as defined in Item 408 of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by Item 10 regarding directors is incorporated by reference from the information under the caption "Board of Directors and Corporate Governance - Director Nominees" in the Company's Notice of 2024 Annual Meeting and Proxy Statement (the “Proxy Statement”), which will be filed within 120 days after December 31, 2023. The information required by Item 10 regarding audit committee composition and audit committee financial expert disclosure is incorporated by reference from the information under the caption "Board of Directors and Corporate Governance - Committees of the Board - Audit and Finance Committee" in the Proxy Statement. The information required by Item 10 regarding executive officers is contained in Part I of this report under the caption "Information About our Executive Officers". The information required by Item 10 regarding compliance with Section 16(a) of the Securities Exchange Act of 1934 is incorporated by reference, if necessary, from the information under the caption "Security Ownership of Certain Beneficial Owners and Management – Delinquent Section 16(a) Reports" in the Proxy Statement.

We have adopted a Business Conduct Guide that applies to all of our officers and employees, including our principal executive, principal financial and principal accounting officers, or persons performing similar functions, as well as a Directors’ Code of Conduct that applies to our directors. Our Business Conduct Guide and Directors’ Code of Conduct are posted on our website located at http://investor.kodak.com/corporate-governance/supporting-documents. We intend to disclose future amendments to certain provisions of the Business Conduct Guide and waivers of the Business Conduct Guide granted to executive officers on the website within four business days following the date of the amendment or waiver.

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 11 is incorporated herein by reference from the information under the following captions in the Proxy Statement: "Executive Compensation”, "CEO Pay Ratio", "Pay Versus Performance, “Director Compensation” and “Board of Directors and Corporate Governance – Compensation, Nominating and Governance Committee Interlocks and Insider Participation.”

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

The information required by Item 12 is incorporated by reference from the information under the captions "Security Ownership of Certain Beneficial Owners and Management" in the Proxy Statement. “Securities Authorized for Issuance Under Equity Compensation Plans” is shown below.

EQUITY COMPENSATION PLAN INFORMATION

Information as of December 31, 2023, regarding the Company's equity compensation plans is summarized in the following table:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Restricted Stock Units and Restricted Stock Awards	Weighted-Average Exercise Price of Outstanding Options (1)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (2)
	(a)	(b)	(c)
Equity compensation plans approved by security holders	9,654,016	$ 6.75	2,383,466
Equity compensation plans not approved by security holders	—	—	—

(1) Represents the weighted-average exercise price of outstanding stock options. The weighted-average exercise price does not take into account the shares issuable upon vesting of outstanding restricted stock units and restricted stock awards under the Amended and Restated 2013 Omnibus Incentive Plan, as amended (the "Plan"), which do not have an exercise price.

(2) For the purposes of the number of shares available under the Plan: (i) outstanding stock options awarded on or prior to May 19, 2021 count as a fraction of a share, based on the fair market value of the stock option relative to the closing stock price on the date of grant, and (ii) outstanding stock options awarded after May 19, 2021 count as one share.

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

The information required by Item 13 is incorporated by reference from the information under the captions "Certain Relationships and Related Transactions" and "Board of Directors and Corporate Governance – Director and Nominee Independence" in the Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by Item 14 is incorporated by reference from the information under the caption "Principal Accounting Fees and Services" in the Proxy Statement.

PART IV

ITEM 15. FINANCIAL STATEMENT SCHEDULES, EXHIBITS

1. Valuation and qualifying accounts

Schedule II

Eastman Kodak Company
Valuation and Qualifying Accounts

(in millions)	Beginning Balance	Additions	Net Deductions and Other	Ending Balance
Year ended December 31, 2023				
Reserve for doubtful accounts	$ 7	3	2	$ 8
Deferred tax valuation allowance	$ 826	62	110	$ 778
Year ended December 31, 2022				
Reserve for doubtful accounts	$ 7	2	2	$ 7
Deferred tax valuation allowance	$ 934	18	126	$ 826
Year ended December 31, 2021				
Reserve for doubtful accounts	$ 10	—	3	$ 7
Deferred tax valuation allowance	$ 1,112	33	211	$ 934

All other schedules have been omitted because they are not applicable or the information required is shown in the financial statements or notes thereto.

Eastman Kodak Company
Index to Exhibits

Exhibit Number	
(3.1)	Second Amended and Restated Certificate of Incorporation of Eastman Kodak Company (Incorporated by reference to Exhibit 4.1 of the Company's Registration Statement on Form S-8 as filed on September 3, 2013).
(3.2)	Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Eastman Kodak Company. (Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K as filed November 16, 2016).
(3.3)	Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Eastman Kodak Company (Incorporated by reference to Exhibit (3.1) of the Company's Current Report on Form 8-K as filed September 12, 2019).
(3.4)	Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Eastman Kodak Company (Incorporated by reference to Exhibit (3.2) of the Company's Current Report on Form 8-K as filed September 12, 2019).
(3.5)	Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Eastman Kodak Company (Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K as filed December 29, 2020).
(3.6)	Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Eastman Kodak Company (Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K as filed March 1, 2021).
(3.7)	Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Eastman Kodak Company (Incorporated by reference to Exhibit 3.2 of the Company's Current Report on Form 8-K as filed March 1, 2021).
(3.8)	Fourth Amended and Restated By-Laws of Eastman Kodak Company (Incorporated by reference to Exhibit (3.5) of the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 as filed on May 12, 2020).
(4.1)	Registration Rights Agreement between Eastman Kodak Company and certain stockholders listed on Schedule 1 thereto, dated September 3, 2013. (Incorporated by reference to Exhibit 4.1 of the Company's Registration Statement on Form 8-A as filed on September 3, 2013).
(4.2)	Registration Rights Agreement by and among Eastman Kodak Company, Southeastern Asset Management, Inc., Longleaf Partners Small-Cap Fund, C2W Partners Master Fund Limited and Deseret Mutual Pension Trust, dated November 15, 2016. (Incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K as filed November 16, 2016).
(4.3)	Shareholder Agreement, dated as of April 17, 2017, by and among Eastman Kodak Company, Longleaf Partners Small-Cap Fund, C2W Partners Master Fund Limited, Deseret Mutual Pension Trust and Southeastern Asset Management, Inc. (Incorporated by reference to Exhibit 4.6 of the Company's Amendment No. 2 to Registration Statement on Form S-3 as filed on May 5, 2017).
(4.4)	Amendment No. 1 to Shareholder Agreement, dated as of May 20, 2019 by and among Eastman Kodak Company, Southeastern Asset Management, Inc., Longleaf Partners Small-Cap Fund, C2W Partners Master Fund Limited and Deseret Mutual Pension Trust (Incorporated by reference to Exhibit (10.2) of the Company's Current Report on Form 8-K as filed May 21, 2019).
(4.5)	Registration Rights Agreement, dated as of May 24, 2019, by and among Eastman Kodak Company, Longleaf Partners SmallCap Fund, C2W Partners Master Fund Limited and Deseret Mutual Pension Trust (Incorporated by reference to Exhibit (4.3) of the Company's Current Report on Form 8-K as filed May 24, 2019).

(4.6)	Registration Rights Agreement, dated as of February 26, 2021, by and between Eastman Kodak Company and GO EK Ventures IV, LLC (Incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K as filed March 1, 2021).
(4.7)	Registration Rights Agreement, dated as of February 26, 2021, by and among Eastman Kodak Company, Kennedy Lewis Capital Partners Master Fund LP and Kennedy Lewis Capital Partners Master Fund II LP. (Incorporated by reference to Exhibit 10.11 of the Company's Current Report on Form 8-K as filed March 1, 2021).
(4.8)	Board Rights Agreement, dated as of February 26, 2021, by and between Eastman Kodak Company and Kennedy Lewis Investment Management LLC (Incorporated by reference to Exhibit 10.7 of the Company's Current Report on Form 8-K as filed March 1, 2021).
(4.9)	Amendment to Letter Agreement, dated as of June 30, 2023, by and among the Company and Kennedy Lewis Investment Management LLC (Incorporated by reference to Exhibit (10.3) of the Company's Current Report on Form 8-K as filed on July 7, 2023).
(4.10)	Description of Securities (Incorporated by reference to Exhibit 4.11 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 as filed on March 16, 2021).
*(10.1)	Eastman Kodak Company 2013 Omnibus Incentive Plan (As Amended and Restated effective May 20, 2020 (Incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020 as filed August 11, 2020).
*(10.2)	First Amendment to the Eastman Kodak Company 2013 Omnibus Incentive Plan, as amended and restated (Incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2021 as filed on August 10, 2021).
*(10.3)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Executive Restricted Stock Unit Award Agreement. (Incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2013 as filed on November 12, 2013).
*(10.4)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Nonqualified Stock Option Agreement. (Incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015 as filed on May 7, 2015).
*(10.5)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Executive Restricted Stock Unit and Nonqualified Stock Option Award Agreement (with Modified Accelerated Vesting).(Incorporated by reference to Exhibit 10.5 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 as filed on March 7, 2017).
*(10.6)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Executive Restricted Stock Unit and Nonqualified Stock Option Award Agreement (with Continued Vesting). (Incorporated by reference to Exhibit 10.6 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 as filed on March 7, 2017).
*(10.7)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Executive Restricted Stock Unit and Nonqualified Stock Option Award Agreement (with Forfeiture upon Termination). (Incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2017 as filed on August 9, 2017).
*(10.8)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Director Restricted Stock Unit Award Agreement. (Incorporated by reference to Exhibit 10.3 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2013 as filed on March 19, 2014).

*(10.9)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Director Restricted Stock Unit Award Agreement (One Year Vesting). (Incorporated by reference to Exhibit 10.3 of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2017 as filed on August 9, 2017).
*(10.10)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Quarterly Director Restricted Stock Unit Award Agreement (Immediate Vesting). (Incorporated by reference to Exhibit 10.1 of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2019 as filed on November 7, 2019).
*(10.11)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Executive Nonqualifed Stock Option Award Agreement (multiple tranches). (Incorporated by reference to Exhibit (10.2) of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020 as filed on November 10, 2020).
*(10.12)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Director Nonqualifed Stock Option Award Agreement (multiple tranches). (Incorporated by reference to Exhibit (10.3) of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020 as filed on November 10, 2020).
*(10.13)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Executive Restricted Stock Unit Award Agreement (with Immediate Vesting) (Incorporated by reference to Exhibit 10.12 of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020 as filed on March 16, 2021).
*(10.14)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Executive Restricted Stock Unit Award Agreement (with Modified Accelerated Vesting) (Incorporated by reference to Exhibit 10.13 of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020 as filed on March 16, 2021).
*(10.15)	Eastman Kodak Company 2013 Omnibus Incentive Plan Form of Director Restricted Share Award Agreement (Incorporated by reference to Exhibit 10.2 of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2021 as filed on August 10, 2021).
*(10.16)	Eastman Kodak Company Deferred Compensation Plan for Directors dated December 26, 2013. (Incorporated by reference to Exhibit 10.23 of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2013 as filed on March 19, 2014).
*(10.17)	Eastman Kodak Company Officer Severance Policy, effective as of November 10, 2015 and revised as of February 16, 2023. (Incorporated by reference to Exhibit 10.17 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 as filed on March 16, 2023).
*(10.18)	Eastman Kodak Company Executive Compensation for Excellence and Leadership (as amended and restated January 1, 2014). (Incorporated by reference to Exhibit 10.2 of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014 as filed on May 6, 2014).
*(10.19)	Eastman Kodak Company Sales Executive Compensation Plan and Form of Notification Letter, filed herewith.
*(10.20)	Executive Chairman and CEO Agreement between Eastman Kodak Company and James V. Continenza, dated November 29, 2023, filed herewith.
*(10.21)	James V. Continenza Consolidated Award Agreements, Tranches 1-4, dated February 20, 2019 (Incorporated by reference to Exhibit (10.24) of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2018 as filed on April 1, 2019).
*(10.22)	Employment Agreement between Eastman Kodak Company and David E. Bullwinkle, dated June 20, 2016. (Incorporated by reference to Exhibit 10.3 of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2016 as filed on August 9, 2016).

*(10.23) Description of David E. Bullwinkle Compensation Increase. (Incorporated by reference to the description in Item 5.02 in the Company's Current Report on Form 8-K as filed on November 30, 2018).

*(10.24) Letter Agreement Regarding Special Severance Plan dated May 31, 2018 between Eastman Kodak Company and Roger W. Byrd, Incorporated by reference to Exhibit (10.31) of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 as filed on March 17, 2020).

(10.25) Amendment No. 2 to Letter of Credit Facility Agreement, dated as of June 30, 2023, by and among the Company, the Subsidiary Guarantors named therein and Bank of America, N.A., as Agent, Lender and Issuing Bank, including as an exhibit the Amended and Restated Letter of Credit Facility Agreement (Incorporated by reference to Exhibit (10.2) of the Company's Current Report on Form 8-K as filed on July 7, 2023).

(10.26) Security Agreement, dated February 26, 2021, from the Grantors referred to therein, as Grantors, to Bank of America, N.A., as Agent (Incorporated by reference to Exhibit 10.26 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 as filed on March 16, 2021).

(10.27) First Amendment to Credit Agreement, dated as of June 30, 2023, by and among the Company, the Subsidiary Guarantors named therein, the Lenders named therein and Alter Domus (US), LLC, as Administrative Agent, including as exhibits the Amended and Restated Term Loan Credit Agreement and Guarantee and Collateral Agreement, as amended (Incorporated by reference to Exhibit (10.1) of the Company's Current Report on Form 8-K as filed on July 7, 2023).

(10.28) Series A Preferred Stock Purchase Agreement, dated as of November 7, 2016, by and among Eastman Kodak Company, Southeastern Asset Management, Inc., Longleaf Partners Small-Cap Fund, C2W Partners Master Fund Limited and Deseret Mutual Pension Trust. (Incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K as filed on November 7, 2016).

(10.29) Amendment Number One to Series A Preferred Stock Purchase Agreement, dated as of December 24, 2020, by and among Eastman Kodak Company, Southeastern Asset Management, Inc., Longleaf Partners Small-Cap Fund, C2W Partners Master Fund Limited and Deseret Mutual Pension Trust (Incorporated by reference to Exhibit 10.32 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 as filed on March 16, 2021).

(10.30) Series A Preferred Stock Repurchase and Exchange Agreement, dated as of February 26, 2021, by and among Eastman Kodak Company, Southeastern Asset Management, Inc., Longleaf Partners Small-Cap Fund, C2W Partners Master Fund Limited and Deseret Mutual Pension Trust. (Incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K as filed March 1, 2021).

(10.31) Series C Preferred Stock Purchase Agreement, dated as of February 26, 2021, by and among Eastman Kodak Company and GO EK Ventures IV, LLC. (Incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K as filed March 1, 2021).

(10.32) Securities Purchase Agreement, dated as of February 26, 2021, by and among Eastman Kodak Company, Kennedy Lewis Capital Partners Master Fund LP and Kennedy Lewis Capital Partners Master Fund II LP. (Incorporated by reference to Exhibit 10.8 of the Company's Current Report on Form 8-K as filed March 1, 2021).

(10.33) Amended and Restated Settlement Agreement (Eastman Business Park) between Eastman Kodak Company, the New York State Department of Environmental Conservation, and the New York State Urban Development Corporation d/b/a Empire State Development, dated August 6, 2013. (Incorporated by reference to Exhibit 10.10 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2013 as filed on November 12, 2013).

(21) Subsidiaries of Eastman Kodak Company, filed herewith.

(23.1) Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm, filed herewith.

(31.1) Certification signed by James V. Continenza, filed herewith.

(31.2) Certification signed by David E. Bullwinkle, filed herewith.

(32.1) Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, signed by James V. Continenza, filed herewith.

(32.2) Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 signed by David E. Bullwinkle, filed herewith.

(97) Eastman Kodak Company Compensation Recoupment (Clawback) Policy, filed herewith,

(101.CAL) Inline XBRL Taxonomy Extension Calculation Linkbase.

(101.INS) Inline XBRL Instance Document.

(101.LAB) Inline XBRL Taxonomy Extension Label Linkbase.

(101.PRE) Inline XBRL Taxonomy Extension Presentation Linkbase.

(101.SCH) Inline XBRL Taxonomy Extension Scheme Linkbase.

(101.DEF) Inline XBRL Taxonomy Extension Definition Linkbase.

104 Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).

* Management contract or compensatory plan or arrangement.

Eastman Kodak Company was granted confidential treatment for certain information contained in this exhibit. Such information was filed separately with the Securities and Exchange Commission pursuant to an application for confidential treatment under 17 C.F.R. §§ 200.80(b)(4) and 240.24b-2.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

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

EASTMAN KODAK COMPANY
(Registrant)

By: /s/ James V. Continenza
James V. Continenza
Executive Chairman and Chief Executive Officer
March 14, 2024

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

	Signature	Title
By:	/s/ James V. Continenza James V. Continenza	Executive Chairman and Chief Executive Officer (Principal Executive Officer)
By:	/s/ David E. Bullwinkle David E. Bullwinkle	Chief Financial Officer (Principal Financial Officer)
By:	/s/ Richard T. Michaels Richard T. Michaels	Chief Accounting Officer and Corporate Controller (Principal Accounting Officer)
By:	/s/ David P. Bovenzi David P. Bovenzi	Director
By:	/s/ Philippe D. Katz Philippe D. Katz	Director
By:	/s/ Kathleen B. Lynch Kathleen B. Lynch	Director
By:	/s/ Jason New Jason New	Director
By:	/s/ Darren L. Richman Darren L. Richman	Director
By:	/s/ Michael E. Sileck, Jr. Michael E. Sileck, Jr.	Director

Date: March 14, 2024

EASTMAN KODAK COMPANY
Sales Executive Compensation Plan

PURPOSE, EFFECTIVE DATE & TERM OF PLAN

General
The Sales Executive Compensation Plan (SECP) ("Plan") is an annual incentive program for eligible participants. The Plan provides an opportunity to earn payouts based on total Company performance against established metrics. The Executive Chairman and CEO ("CEO") has the opportunity to perform both positive and negative discretion on payout amounts.

Plan Purpose
Purpose of the Plan is to provide an annual incentive to eligible employees of the Eastman Kodak Company ("Company") to put forth maximum efforts toward continued growth and success of the Company.

Performance Period
The Performance Period is from January 1 to December 31 except as otherwise determined herein.

Compliance with Code Section 409A (applies to individuals taxable in the United States only)
This Plan is intended to satisfy Code Section 409A, and the terms and conditions of this Plan shall be interpreted and construed accordingly.

PARTICIPATION

Eligibility and participation will be reviewed and authorized annually by the Administrator or his/her designee.

All participants of this Plan are not eligible for any other Company-sponsored incentive compensation plan.

PLAN ADMINISTRATION

The VP of Human Resources, Eastman Kodak Company, shall be the Administrator ("Administrator") of the Plan. The Administrator shall have such authority as may be necessary or helpful to enable him or her to discharge obligations required by the Plan. Without limiting the generality of the foregoing, the Administrator shall have the exclusive right at any time to construe, implement, prescribe, amend, terminate and administer the Plan and to make any other determinations necessary, appropriate, or advisable for the Plan's administration. The Administrator will have full discretion with respect to determining all questions of Plan interpretation and the payment of awards and all such decisions shall be final, binding, and conclusive upon all Participants. The Administrator may delegate such ministerial administrative functions, and with appropriate guidance may delegate such discretionary administrative functions, to designated members of Kodak's Human Resources organization from time to time as the Administrator may consider necessary or convenient.

The Administrator, acting in good faith, is authorized by the Company to modify or delete any part of the Plan for any reason including, without limiting the generality of the foregoing, because he/she deems such part to be inequitable, unsatisfactory or inconsistent with the business objectives of the Company.

Additionally, the Plan Administrator, acting in good faith, is authorized by the Company to modify SECP Awards at any time and for any reason at his/her sole discretion.

SECP METRICS

Plan metrics are agreed to annually between the CEO and VP, Human Resources. Metrics for the appropriate Performance Period are included in Appendix A of this document.

SECP AWARD DETERMINATION

The SECP Award amounts ("Award") are based upon achievement of metrics identified in Appendix A.

The target award amount ("Target") is calculated as a percentage of base salary at the time the payments are made. Both the target % ("Personal Leverage") and base salary ("Annual Salary") are stored in the Human Resource system of record.

Awards are comprised of two payouts:

Mid-Year Award (covers Performance Period of January 1 through June 30): Maximum payout amount is 85% of Target for first half of year (50% of Target * Mid-Year Performance = Mid-Year Award).

Year-End Award (covers Performance Period of January 1 through December 31): Year-End Award will true up for any over-performance above 85% from Mid-Year performance and actual performance against Full Year Target (50% of Target * Mid-Year performance above 85% + Year-End performance = Year-End Award).

The minimum payout amount is **0%** (due to 85% threshold) and the maximum payout amount is **135%** of target.

SECP AWARD PAYMENTS

All SECP Awards shall be processed in local currency and are subject to applicable statutory withholding requirements. Payments will be processed as part of the normal payroll cycle.

Awards will be paid as soon as administratively practicable after approval of performance against metrics.

EMPLOYMENT STATUS

Generally, a Participant must be employed by the Company on the date the Award is payable in order to be eligible for an award for that year. Any Participant who terminates employment during the year, regardless of the reason for that termination (i.e., whether voluntarily or involuntarily), will not receive an award for the year and the Participant will be removed from the Plan.

Participants who terminate prior to date of the Award payment due to retirement under a Company sponsored retirement plan, or termination under an approved separation program or due to death, remain eligible to be considered for a pro-rated award based on their length of service during the year. In these cases, any Award earned will be paid at the normal time of payout based on the Participant's base salary and percent target Award at the time of termination.

Awards will be determined based on Mid-Year and Year-End Award timing, but Target will be pro-rated based on length of time actively employed by Company.

RECOVERY OF OVERPAYMENTS

Any SECP Award overpayment that results from an administrative error in the calculation of the Award amount shall be collected back from the Participant.

In the case where an employee has been overpaid their regular salary due to an administrative error, overpayment can be collected through the SECP Award if applicable.

MISCELLANEOUS

No Assignability
No Awards under the Plan shall be subject in any manner to alienation, anticipation, sale, transfer (except by will or the laws of descent and distribution), assignment, pledge, or encumbrance, nor shall any Award be payable to anyone other than the Participant to whom it was granted.

Amendments to Awards
The Administrator may at any time unilaterally amend any unearned or unpaid Award, including, but not by way of limitation, SECP Awards earned but not yet paid, to the extent it deems appropriate; provided, however, it will exercise this authority in compliance with the requirements of Code section 409A.

No Right to Continued Employment or Grants
Participation in the Plan shall not give a Participant any right to remain in the employ of the Company. Kodak or, in the case of employment with a Subsidiary, the Subsidiary, reserves the right to terminate any employee at any time.

Amendment/Termination
The Administrator may suspend or terminate the Plan at any time with or without prior notice. Termination of the Plan will not accelerate payment of awards unless such acceleration is permissible under Code section 409A and the Administrator, in his or her sole discretion, authorizes such acceleration. In addition, the Administrator may, from time to time and with or without prior notice, amend the Plan in any manner subject to Code section 409A.

Entire Plan
This Plan document contains the full terms and conditions of the Plan for Plan Participants. This document specifically supersedes any Plan descriptions described previously in other documents or papers and any prior oral statements made to persons participating in this Plan.

Governing Law
The Plan shall be governed by and construed in accordance with the laws of the State of New York, except as superseded by other applicable Law, without giving effect to its conflicts of law provisions.

No Right, Title, or Interest in Company Assets
To the extent any person acquires a right to receive payments from the Company under this Plan, such rights shall be no greater than the rights of an unsecured creditor of the Company and the Participant shall not have any rights in or against any specific assets of the Company. All SECP Awards granted under the Plan shall be unfunded.

No Guarantee of Tax Consequences
No person connected with the Plan in any capacity, including, but not limited to, Kodak and its Subsidiaries and their directors, officers, agents and employees makes any representation, commitment, or guarantee that any tax treatment, including, but not limited to, Federal, state and local income, estate and gift tax treatment, will be applicable with respect to amounts deferred under the Plan, or paid to or for the benefit of a Participant under the Plan, or that such tax treatment will apply to or be available to a Participant on account of participation in the Plan.

Appendix A
Plan Metrics

______ Performance Period Metric: ________

- Mid-Year Target: $__________
- Total Annual Target: $__________

To qualify for a Mid-Year Payment, total actual revenue must be at least 85% of the Mid-Year Target. Payment amount will not exceed 85% for Mid-Year Payment calculation.

Year-end payment will true-up based on performance against Total Annual Target and over-performance (above 85%) from Mid-Year Target.

Sales Executive Compensation Plan Individual Payout Opportunity

Participant:

Title:

Annual Salary:

Target Annual Bonus %:

Target Annual Bonus $:

Annual Payout at Threshold (85%):
Annual Payout at Target:
Annual Payout at Maximum:

Exhibit 10.20

November 29, 2023

James V. Continenza

Re: Executive Chairman and CEO Agreement

Dear Mr. Continenza:

You and Eastman Kodak Company (the "*Company*") are entering into this mutually agreeable form of employment agreement (this "*Agreement*"), which will be effective as of the date set forth above (the "*Effective Date*"), and which sets forth the terms of your employment as Executive Chairman and Chief Executive Officer ("*CEO*") of the Company for the Scheduled Term set forth below. This Agreement shall be considered a renewal of your prior employment agreement entered into on February 26, 2021, as amended on November 30, 2022 (the "*2021 Agreement*"), but by renewal under this Agreement, the 2021 Agreement and all terms therein are superseded and rendered null and void, except as expressly set forth herein.

1. Terms Schedule

Some of the terms of your employment are in the attached schedule (your "*Schedule*"), which is part of this Agreement.

2. Scheduled Term

The term of this Agreement will begin on the Effective Date and, subject to earlier termination as provided for in Section 6 herein, end on February 26, 2027 (the "*Scheduled Term*"). At least one hundred eighty (180) days prior to the end of the Scheduled Term, if your employment is not earlier terminated in accordance with Section 6, the Company shall provide you written notice in accordance with Section 11(d) of its intention to either: (A) renew this Agreement for a subsequent two-year term and provide you with a Schedule with updated compensation information; or (B) to terminate your employment at the expiration of the Scheduled Term. If the Company provides you notice of its intention to renew this Agreement, you will have ninety (90) days after the giving of such notice to either elect to accept the two-year renewal term or to negotiate different terms to continue your employment. The Scheduled Term may also be extended automatically for an additional two-year term (added to the end of the Scheduled Term) without further action by either party. The Company's failure to provide you at least one hundred eighty (180) days' notice under this Section 2, shall be considered an automatic renewal and your failure to respond to such a notice offering to renew this Agreement within ninety (90) days after such notice shall be considered an automatic acceptance of the terms of such proposed renewal.

3. Your Position, Performance and Other Activities

(a) *Position*. You will be employed in the position(s) stated in your Schedule.

(b) *Authority, Responsibilities, and Reporting*. Your authority, responsibilities and reporting relationships will be determined from time to time by the Board of Directors of the Company (the "*Board*") in good faith.

(c) *Performance*. You will devote as much time and attention as is reasonably required to fulfill your responsibilities hereunder and will use good faith efforts to discharge your responsibilities under this Agreement to the best of your ability.

(d) *Other Activities*. During the Scheduled Term, you may (1) serve on corporate, civic or charitable boards or committees, (2) manage personal investments, and (3) serve as an employee for other companies where you are currently an employee, *so long as* these activities, whether individually or in the aggregate, do not materially interfere or conflict with your performance of your responsibilities under this Agreement and do not violate Section 7 or 8 hereof or the Employee's Agreement (as defined below). Should such activities as described in this Section 3(d) appear to materially interfere or conflict with your performance, the Company shall promptly notify you in writing so that you may address any such interference or conflict.

(e) *Acknowledgment of Employee's Agreement*. You acknowledge and agree to comply with the terms of Eastman Kodak Company Employee's Agreement, which is attached hereto as Exhibit 1 (the "*Employee's Agreement*"). To the extent any terms of the Employee's Agreement are inconsistent with this Agreement, this Agreement and the Schedule shall control. For purposes of the Employee's Agreement, you acknowledge and agree that you are employed in the State of New York.

4. Your Compensation

(a) *Salary*. During the Scheduled Term, you will receive an annual base salary (your "*Salary*"). Commencing on the Effective Date, the starting amount of your Salary will be the amount set forth in your Schedule. The Compensation, Nominating and Governance Committee of the Board (the "*Committee*") will review your Salary at least annually and may increase it at any time for any reason. However, your Salary may not be decreased at any time (including after any increase) absent your prior written consent, and any increase in your Salary will not reduce or limit any other obligation to you under this Agreement. Your Salary will be paid in accordance with the Company's normal practices for similarly situated executives. Your Salary shall be in lieu of, and not in addition to, any director fees that you are otherwise entitled to receive, except as otherwise has been or may be determined by the Board and in compliance with any applicable Company policies.

(b) *Annual Incentive*. During 2024 and each year of the Scheduled Term thereafter, you will be entitled to an annual incentive award determined in accordance with the terms set forth in your Schedule (your "*Annual Incentive*"). Each year, you shall also be delegated an amount equal to 100% of your Base Salary that you may award to Company employees at your discretion (the "*Employee Incentive*"), without any input or approval from the Board or the Committee except as required by the rules and regulations of the New York Stock Exchange, the Securities and Exchange Commission, and other applicable law. Neither the Board nor the Committee will have any right to approve, deny, revoke or reduce any Employee Incentive award you make to any employee except as required by the rules and regulations of the New York Stock Exchange, the Securities and Exchange Commission, and other applicable law. Any portion of the Employee Incentive not paid in any year will be rolled over and added to the Employee Incentive for the following year through the end of the Scheduled Term.

(c) *Long Term Incentive Awards*. You will be granted the equity-based awards stated in your Schedule, which will be subject to the terms and conditions set forth in the applicable award agreements except as otherwise provided by this Agreement. You acknowledge and agree that, during the Scheduled Term, you are not entitled to any grants of equity-based awards based on your service as a director.

(d) *Debt-Reduction Incentive Plan ("DRIP")*. You will be eligible for the DRIP bonus stated in your Schedule, subject to the terms and conditions set forth therein.

4a. Beneficial Ownership Limitation

Notwithstanding anything to the contrary contained in this Agreement, you shall not have the right to effect any exercise of any stock option granted to you pursuant to the terms of any award granted to you in February 2019 or July 2020 (collectively, the "*Option Awards*") under the Company's Amended and Restated 2013 Omnibus Incentive Plan and the Company shall not effect the exercise of any Option Awards, to the extent that, after giving effect to the issuance of the Company's common stock, par value $0.01 per share ("*Common Stock*"), resulting from such exercise, you (together with your affiliates and any person acting as a group (as such term is defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 13d-5(b)(1) promulgated thereunder), with you, would beneficially own more than 4.99% (as calculated pursuant to Section 13(d) of the Exchange Act and Rule 13d-3 promulgated thereunder) of the then issued and outstanding shares of Common Stock (the "*Beneficial Ownership Limitation*"). Upon your written or oral request, the Company shall promptly (but not later than one (1) business day after such request) confirm orally or in writing to you the number of shares of Common Stock then outstanding. You and the Company shall each cooperate in good faith in the determinations required hereby and the application hereof. Notwithstanding anything to the contrary contained in this Agreement, (i) subject to the immediately following clause (ii), the provisions of this Section 4a may only be amended or terminated by the written agreement of you and the Company, and any increase in the Beneficial Ownership Limitation resulting from any amendment or termination of this Agreement shall not be effective until the sixty-first (61st) day after such amendment or termination, and (ii) the Beneficial Ownership Limitation shall cease and be of no further force and effect upon a "Change of Control" (as such term is defined in the Company's Amended and Restated 2013 Omnibus Incentive Plan as in existence on February 26, 2021). To the extent required to be effective, this Section 4a shall be deemed to be an amendment to the award agreements defining the rights and obligations with respect to the Option Awards. The Company hereby acknowledges and agrees that the Option Awards are in full force and effect in accordance with their terms, subject to the limitations imposed by this Section 4a.

5. Your Benefits

(a) *Employee Benefit Plans*. During the Scheduled Term, you will be entitled to participate in each of the Company's employee health, benefit and welfare plans, including plans providing retirement benefits and medical, dental, hospitalization, life and disability insurance, on a basis that is at least as favorable as that provided to similarly situated executives of the Company, subject to the terms of applicable Company plans as in effect from time to time.

(b) *Vacation*. During the Scheduled Term, you will be entitled to paid annual vacation on a basis that is at least as favorable as that provided to similarly situated executives of the Company.

(c) *Business Expenses*. During the Scheduled Term, you will be reimbursed for all reasonable business expenses incurred by you in performing your responsibilities under this Agreement, subject to the terms of applicable Company reimbursement policies as in effect from time to time.

(d) *Indemnification; Advancement of Expenses*. Pursuant to the Company's articles of incorporation and bylaws, the Company will indemnify you and advance or reimburse expenses as set forth in Section 9a herein.

6. Termination of Your Employment

(a) *No Reason Required*. Neither you nor the Company is under any obligation to continue your employment beyond the Scheduled Term, subject to the Notice requirements set forth in Section 2. In addition, you or the Company may terminate your employment early at any time for any reason, or for no reason, subject to compliance with Section 6(c). The early termination provisions in this Section 6, including payments by the Company to you, shall also apply to any early termination of an extension or renewal of the Scheduled Term pursuant to Section 2.

(b) *Related Definitions*.

1. "*Cause*" means any of the following: (A) your Willful and continued failure or refusal for a period of at least sixty (60) days following delivery to you of a written notification from the Board to attempt to perform the usual, customary or reasonable functions of your positions other than due to a disability or approved leave; or (B) your gross negligence or Willful misconduct in the performance of your duties or obligations to the Company that has caused, as determined by the Board in good faith, material injury to the Company; or (C) your conviction of any felony (other than a felony predicated on your vicarious liability or involving a traffic violation) or crime involving moral turpitude; or (D) your unlawful possession, use or sale of narcotics or other controlled substances on Company premises, or performing job duties while under the influence of illegally used controlled substances; or (E) your material breach of this Agreement which, if correctable, remains materially uncorrected for thirty (30) days after written notice to you by the Company of the breach; or (F) your material breach of a requirement of the Kodak Business Conduct Guide which requirement has consistently resulted in the termination of employment by employees who have committed similar breaches and which, if correctable, remains materially uncorrected for thirty (30) days after written notice to you by the Company of the breach; or (G) your material breach of the Employee's Agreement. For purposes of this Agreement, Cause shall not be deemed to exist unless the termination of your employment hereunder for Cause occurs within ninety (90) days after the Board or the Committee first obtains knowledge of the initial existence of the condition providing the basis for such termination as specified in clauses (A) through (G) above.

2. *"Disability*" means meeting the definition of disability under the terms of the Kodak Long-Term Disability Plan and receiving benefits under such plan.

3. *"Good Reason*" means (a) a material breach of this Agreement by the Company; (b) a material reduction in or adverse modification of the nature and scope of your authority, duties, responsibilities, or privileges (whether or not accompanied by a change in title); (c) a material diminution in or failure to timely pay any compensation, including your Base Salary, Annual Incentive, Special 2023 Renewal Bonus, or Annual LTIA Grants as set forth in Schedule 1 or your DRIP incentive; or (d) a refusal to allow you to work remotely consistent with your historical practices.

4. *"Willful*" *or* "*Grossly Negligent*" means any act done or omitted to be done not in good faith and without reasonable belief that such action or omission was in the best interest of the Company.

5. *"Change of Control*" shall have the same meaning as defined in the Company's Amended and Restated 2013 Omnibus Incentive Plan.

(c) *Advance Notice Generally Required*.

1. To terminate your employment before the end of the Scheduled Term, either you or the Company must provide a Termination Notice to the other. A "*Termination Notice*" is a written notice that states the specific provision of this Agreement on which termination is based, including, if applicable, the specific clause of the definition of Cause and a reasonably detailed description of the facts that permit termination under that clause; *provided*, that the failure to include any fact in a Termination Notice that contributes to a showing of Cause or Good Reason does not preclude the Company or you, respectively, from asserting that fact in enforcing its rights under this Agreement.

2. You and the Company agree to provide thirty (30) days' advance Termination Notice of any termination prior to the end of the Schedule Term, unless your employment is terminated by the Company for Cause, by you for Good Reason, or because of your Disability or death. If you die or become Disabled after the Company provides a Termination Notice without Cause, your termination will be treated as a termination without Cause, effective as of the date of your Disability or death.

3. Following receipt of such notice, the Company may, at its sole discretion, choose to either (1) waive that notice period (thereby immediately terminating your employment) or (2) place you on paid leave, at your then-current salary for any or all of the notice period.

(d) *Without Cause or Voluntary Termination by You for Good Reason*. If, during the Scheduled Term, the Company terminates your employment without Cause, including in connection with a Change of Control, or you voluntarily terminate your employment for Good Reason:

1. The Company will pay you (or your legal representative) the following at the end of your employment: (A) your accrued but unpaid Salary through the last day of your employment and (B) any accrued expense reimbursements and other cash entitlements (including for accrued expense reimbursement for which supporting documentation is submitted within 30 days after the termination of your employment) (together, your "*Accrued Compensation*"). In addition, the Company will timely pay you (or your legal representative) any amounts and provide you any benefits that are required, or to which you are entitled, under any plan, contract or arrangement of the Company as of the end of your employment, including but not limited to reimbursement of unpaid, accrued expenses (together, your "*Other Benefits*").

2. The Company will also pay you (or your legal representative): (A) an amount equal to two (2) years of your Salary plus two years of your target Annual Incentive opportunity, paid in accordance with Company payroll practices; (B) your earned but unpaid Annual Incentive, if any, for the fiscal year ending immediately prior to the year in which your employment is terminated by the Company without Cause or you voluntarily terminate your employment for Good Reason; (C) an amount equal to the Annual Incentive that was forfeited upon termination in respect of the fiscal year in which your termination of employment occurs as a result of your termination by the Company without Cause or you voluntarily terminate your employment for Good Reason, to the extent that the applicable performance goals are achieved and cash bonuses for the fiscal year are paid, pro-rated based upon the number of days from the beginning of such fiscal year through the date of your termination of employment (the "*Pro-Rata Annual Incentive for the Termination Year*"); and (D) any banked performance-vesting RSUs under your Annual LTIA Grants as of the date of your termination of employment.

3. Effective upon the date your employment is terminated by the Company without Cause or you voluntarily terminate your employment for Good Reason, the next tranche of granted, unvested time-vested Restricted Stock Units ("*RSUs*") (whether granted to you as an employee, officer or director) that would have vested but for your termination, will become immediately vested, and any other unvested portion of your remaining RSUs will be immediately forfeited and cancelled.

4. You and your eligible dependents shall be permitted to continue to participate in all health, medical and dental plans and programs maintained by the Company for twenty four (24) months after your employment is terminated by the Company without Cause or you voluntarily terminate your employment for Good Reason, and the Company shall pay, at the same cost to you as would apply if you remained employed by the Company, all required contributions to maintain such coverage, following which time you and your eligible dependents will be entitled to the full COBRA continuation rights as if the end of such twenty four (24)-month period was the date of your termination of employment; provided that coverage hereunder will cease (except for entitlement to rights under COBRA) at such time as coverage of the same general type (including, without limitation, cost to you and levels and type of coverage) is available to you from another employer. If for any reason the Company is unable to permit you and your eligible dependents to continue to participate in its health, medical and dental plans and programs, the Company will pay you in full any out of pocket costs, including premiums and any state, local and federal income taxes, you incur to maintain equivalent coverage through COBRA for you and your dependents. The Company shall pay you such reimbursement on the first day of the month immediately following the month in which you remit a COBRA premium payment.

(e) *For Cause or Your Voluntary Termination not for Good Reason*. If, during the Scheduled Term, the Company terminates your employment for Cause or you terminate your employment not for Good Reason, the Company will pay you (or your legal representatives) your Accrued Compensation and any banked performance-vesting RSUs under your Annual LTIA Grants as of the date of your termination of employment, and will provide you your Other Benefits. Effective upon the date of this termination for Cause or voluntary termination at your election not for Good Reason, all of the unvested portion of your remaining equity-based awards will be immediately forfeited.

(f) *For Your Disability or Death*. If, during the Scheduled Term, your employment terminates as a result of your Disability or death, the Company will pay you (or your legal representatives): (1) your Accrued Compensation; (2) your earned but unpaid Annual Incentive, if any, for the fiscal year ending immediately prior to the year in which your employment terminates as a result of your Disability or death; (3) the Pro-Rata Annual Incentive for the Termination Year; and (4) any banked performance-vesting RSUs under your Annual LTIA Grants as of the date of your termination of employment; and will provide you (or your legal representatives) (5) your Other Benefits. Effective upon the date of this termination due to your Disability or death, any granted, unvested time-vesting RSUs (whether granted to you as an employee, officer or director) will become immediately vested, and any other unvested portion of your remaining equity-based awards (excluding any banked performance-vesting RSUs under your Annual LTIA Grants as of the date of your termination of employment) will be immediately forfeited and cancelled. For the avoidance of doubt, in the event of your death or Disability your estate or legal representatives shall be entitled to these payments and benefits, and the executor of your estate or legal representative shall be permitted to execute a related severance agreement as if you executed it.

(g) You hereby acknowledge and agree that you shall not be eligible for any payment or benefit under the Company's Termination Allowance Plan if your employment ceases under Sections 6 (d), (e) or (f) herein.

(h) *At the Expiration of the Scheduled Term*. If the Company provides you adequate notice pursuant to Section 2 and your employment terminates as a result of the expiration of the Scheduled Term, the Company will pay you (or your legal representatives) your Accrued Compensation and your Other Benefits.

(i) *In the Context of a Change of Control*. Any termination of your employment by the Company occurring within six (6) months of a Change of Control will be presumed to be a Termination without Cause.

(j) *Severance Agreement*. The payment of any compensation or benefits other than your Accrued Compensation and Other Benefits is subject to you executing, delivering and not revoking a release of any and all claims you may have against the Company (other than the rights and benefits provided in Section 5 and the other rights under this Agreement that continue following your employment) in the form of the Company's then standard severance agreement, the Company shall pay you pursuant to this Section 6, subject to applicable deductions and withholdings, and in accordance with Sections 6(k) and 6(l) below. Such severance agreement shall contain confidentiality restrictions, a mutual non-disparagement provision, and a non-solicitation restriction substantially equivalent the Non-Solicitation restrictions set forth in Section 8(d)-(e) of this Agreement. Under no circumstance shall such severance agreement contain a non-competition restriction or shall you be required to agree to a post-employment non-competition restriction in order to receive any benefit under this Section 6. The Company shall negotiate a severance agreement under this Section 6(j) in good faith and may not unreasonably refuse to enter a severance agreement in order to avoid paying you post-employment benefits under this Section 6.

(k) *Benefits Bearing*. In no event shall any of the payments or benefits provided under this Section 6 be "benefits bearing."

(l) *Timing*. The benefits provided in this Section 6 will begin at the end of your employment, and any cash payments owed to you under this Section 6 (other than under Section 6(a)) will be paid in one lump sum 65 days following your date of termination except that any reimbursement for health, medical and dental benefits shall be paid at the time specified by Section 6(d)(4) and any Pro-Rata Annual Incentive for the Termination Year shall be paid in the year following the year in which such termination of employment occurs.

(m) *Section 409A*. This Agreement and any severance agreement are intended to comply with or be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder and other official guidance issued thereunder ("*Section 409A*") with respect to amounts or benefits, if any, subject thereto and shall be interpreted, construed and performed consistent with such intent. To the extent you would otherwise be entitled to any payment that under this Agreement, or any plan or arrangement of the Company or its affiliates, constitutes "deferred compensation" subject to Section 409A, and that if paid during the six months beginning on the date of termination of your employment would be subject to the Section 409A additional tax because you are a "specified employee" (within the meaning of Section 409A and as determined by the Company), the payment will be paid to you on the earlier of the day following the six (6)-month anniversary of your date of termination or your death. Similarly, to the extent you would otherwise be entitled to any benefit (other than a payment) during the six months beginning on termination of your employment that would be subject to the Section 409A additional tax, the benefit will be delayed and will begin being provided (together, if applicable, with an adjustment to compensate you for the delay) on the earlier of the six-month anniversary of your date of termination or your death. In addition, any payment or benefit due upon a termination of your employment that represents "deferred compensation" subject to Section 409A shall be paid or provided to you only upon a "separation from service" as defined in Treas. Reg. § 1.409A-1(h). Each payment under this Agreement shall be deemed to be a separate payment for purposes of Section 409A, amounts payable under Sections 6(a) and 6(d)(1) through 6(d)(2)(a) of this Agreement shall be deemed not to be "deferred compensation" subject to Section 409A to the extent provided in the exceptions in Treas. Reg. Sections 1.409A-1(b)(4) ("short-term deferrals") and (b)(9) ("separation pay plans," including the exception under subparagraph (iii)) and other applicable provisions of Treas. Reg. Section 1.409A-1 through A-6. Notwithstanding anything to the contrary in this Agreement, the Company and its officers, directors, employees or agents make no representations or guarantees that the terms of this Agreement or the arrangements described in this Agreement, in each case, as written, comply with or are exempt from the provisions of Section 409A or that the payments and benefits provided under this Agreement are or will be exempt from, or compliant with, Section 409A, and in no event shall the Company and its officers, directors, employees or agents be liable for all or any portion of any taxes, penalties, interest or other expenses that you may incur on account of any non-compliance with Section 409A.

Notwithstanding anything to the contrary in this Agreement or elsewhere, any payment or benefit under this Agreement or otherwise that is exempt from Section 409A pursuant to Treas. Reg. Section 1.409A-1(b)(9)(v)(A) or (C) shall be paid or provided to you only to the extent that the expenses are not incurred, or the benefits are not provided, beyond the last day of your second taxable year following your taxable year in which the "separation from service" occurs; and *provided further* that such expenses are reimbursed no later than the last day of your third taxable year following the taxable year in which your "separation from service" occurs. Except as otherwise expressly provided herein, to the extent any expense reimbursement or the provision of any in-kind benefit under this Agreement is determined to be subject to Section 409A, the amount of any such expenses eligible for reimbursement, or the provision of any in-kind benefit, in one calendar year shall not affect the expenses eligible for reimbursement in any other taxable year (except for any life-time or other aggregate limitation applicable to medical expenses), in no event shall any expenses be reimbursed after the last day of the calendar year following the calendar year in which you incurred such expenses, and in no event shall any right to reimbursement or the provision of any in-kind benefit be subject to liquidation or exchange for another benefit.

7. Confidential Information

You acknowledge and agree that confidential information, including, without limitation, Company intellectual property, customer lists and other proprietary business information, obtained by you while employed by the Company or any of its subsidiaries concerning the business affairs of the Company or any subsidiary of the Company are the property of the Company or such subsidiary (hereinafter, "*Confidential Information*"). Consequently, you agree that, except to the extent required by applicable law, statute, ordinance, rule, regulation or orders of courts or regulatory authorities, you shall not at any time (whether during or after your employment) disclose to any unauthorized person or use for your own account any Confidential Information without the prior written consent of the Company, unless and to the extent that the aforementioned matters are or become generally known to and available for use by the public other than as a result of your acts or omissions to act or as required by law.

Notwithstanding the foregoing, nothing in this Section 7, this Agreement, the Employee's Agreement, or any other agreement or Company policy (a) prohibits or prevents you from making reports or assisting in the investigation of possible violations of federal law or regulation with any governmental agency, official, or entity in accordance with the provisions and rules of Section 21F of the Exchange Act, Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation, or (b) requires notification or prior approval by the Company of any such report or assistance; provided that, you are not authorized to disclose communications with counsel that were made for the purpose of receiving legal advice or that contain legal advice on behalf of the Company or any of its subsidiaries, or that are protected by the Company's or any of its subsidiaries' attorney work product or similar privilege. Furthermore, in accordance with the Defend Trade Secrets Act, 18 U.S.C. § 1833(b), and other applicable law, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law or (2) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal.

You shall deliver to the Company at the termination of your employment, or at any other time the Company may request, all memoranda, notes, plans, records, reports, computer tapes and software and other documents and data (and copies thereof) containing or constituting Confidential Information which you may then possess or have under your control.

8. On-going Restrictions on Your Activities

(a) *Related Definitions*.

1. *"Competitive Enterprise*" means any business enterprise that derives more than twenty percent (20%) of its revenue from any activity that competes anywhere with any activity that the Company is then engaged in and which activity generates more than ten percent (10%) of the Company's revenue.

2. *"Client*" means any client or prospective client of the Company to whom you personally provided services, or for whom you personally transacted business, or whose identity became known to you in connection with your employment by the Company.

3. *"Solicit*" means any direct communication that invites, advises, encourages or requests any person to take or refrain from taking any action.

(b) *Your Importance to the Company and the Effect of this Section 8*. You acknowledge that:

1. In the course of your involvement in the Company's activities, you will have access to Confidential Information and the Company's client base and will profit from the goodwill associated with the Company. In return for the benefits you will receive from the Company and to induce the Company to enter into this Agreement, and in light of the potential harm you could cause the Company, you agree to the provisions of this Section 8. The Company would not have entered into this Agreement if you did not agree to this Section 8.

(c) *Transition Assistance*. During the ninety (90) days after a Termination Notice has been given, you will take all actions the Company may reasonably request to maintain for the Company the business, goodwill and business relationships with any Clients, provided that you will be paid for your actual time at a rate of $500 per hour and the Company will pay all expenses incurred by you in the taking of all actions under this Section 8(c).

(d) *Non-Solicitation of Clients*. Until the end of the twelve (12) month period following the termination of your employment, you will not Solicit any Client to transact business with a Competitive Enterprise or to reduce or refrain from doing any business with the Company or interfere with or damage any relationship between the Company and a Client.

(e) *Non-Solicitation of Company Employees*. Until the end of the twelve (12) month period following the termination of your employment, you will not attempt to Solicit anyone who is then an employee or consultant of the Company (or who was an employee or consultant of the Company within the prior six months) to resign from or cease to provide services to the Company or to apply for or accept employment with any Competitive Enterprise, except that such restriction shall not apply to any employee that you previously worked with prior to becoming employed by the Company and who you brought to the Company.

(f) *Notice to New Employers*. Before you accept employment with any other person or entity while this Section 8 is in effect, you will provide the prospective employer with written notice of the provisions of this Section 8 and will deliver a copy of the notice to the Company.

(g) *Other Employment*. You hereby represent and warrant to the Company that (a) the execution, delivery and performance of this Agreement by you does not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which you are a party or by which you are bound, (b) you are not a party to or bound by any employment agreement, consulting agreement, non-compete agreement, confidentiality agreement or other restriction with any other person or entity, which would be breached by entering into this Agreement, and (c) you will abide by all contractual obligations that you may have to all prior employers or other persons or entities, and you will not retain, review, or utilize any other person's or entity's confidential or proprietary information or trade secrets in connection with your work for the Company, or share or disclose any such information with or to the Company or any of its personnel. You agree to immediately notify the Company, in writing, if any representation in this Section 8 is or becomes untrue or inaccurate at any time. In addition, should you become aware of any reason that you cannot remain employed by the Company or fully execute your responsibilities for the Company, or should a former employer or any other person or entity allege that you are in violation of any obligation to such person or entity, or if you believe any violation of law exists relating to the Company, you promise to immediately so notify the Company in writing.

9. Effect on Other Agreements; Entire Agreement

This Agreement and the Employee's Agreement contain the entire agreement between you and the Company with respect to the relationship contemplated by this Agreement and supersedes any earlier agreement, written or oral, with respect to the subject matter of this Agreement, including the 2021 Agreement; provided however that any Long Term Incentive Compensation previously granted to you pursuant to an agreement between you and the Company, including the 2021 Agreement, shall be governed by the terms of such prior agreement except as provided by Section 4a. In entering into this Agreement, no party has relied on or made any representation, warranty, inducement, promise or understanding that is not in this Agreement or the Employee's Agreement.

9a. Indemnification and Advancement of Expenses

Pursuant to the Company's articles of incorporation and bylaws, the Company shall indemnify you and advance and reimburse expenses to the fullest extent permitted by law, including at least to the same extent as the most favorable indemnification and advancement or reimbursement of expenses provisions applicable to any member of the Board. Your indemnification, advancement and reimbursement right shall include but not be limited to the payment of attorneys' fees to the attorney of your selection, which selection is entirely in your discretion. The Company's ability to make any payment contemplated by your applicable advancement right will not under any circumstances be conditioned on or require an investigation or determination by the Board. If the Company's ability to make any payment contemplated by your applicable indemnification and reimbursement of expenses provisions depends on an investigation or determination by the Board or any member of the Company, the Company will use its best efforts to cause the investigation to be made (at the Company's expense) and to have the Board reach a determination as soon as reasonably possible. For the avoidance of doubt, the obligations of the Company under this Section 9(a), shall include if you are or were involved in any matter (including, without limitation as a party or witness) or are threatened to be made so involved in any threatened, pending or completed investigation, claim, action, suit or proceeding of any kind, including whether civil, criminal, administrative or investigative, including, without limitation, any investigation, claim, action, suit or proceeding by or in the right of the Company to procure a judgment in its favor) (a "*Proceeding*") by reason of the fact that you are or were a director, officer or agent of the Company and shall cover Proceedings whether now pending or hereafter commenced and shall be retroactive to cover acts or omissions or alleged acts or omissions relating to the Company or any of its affiliates that take place during your tenure with the Company, subject to the terms set forth above. Your right to indemnification, advancement and reimbursement of expenses, including with respect to attorneys' fees for the attorney of your selection, shall apply with equal force to any request by the Company to cooperate with or assist it in any respect related to the prosecution, defense or participation in any investigation, claim, action, suit or proceeding of any kind, including whether civil, criminal, administrative or investigative. Your rights under this Section 9a shall survive the termination of your employment for any reason.

10. Successors

(a) *Assignment by You*. You may not assign this Agreement without the Company's consent. Also, except as required by law, your right to receive payments or benefits under this Agreement may not be subject to execution, attachment, levy or similar process. Any attempt to effect any of the preceding in violation of this Section 10, whether voluntary or involuntary, will be void; provided however that your right to benefits under this Agreement may be assigned to your estate or legal representatives in the event of your death or Disability.

(b) *Assumption by any Surviving Company*. Before the effectiveness of any merger, consolidation, statutory share exchange or similar transaction (including an exchange offer combined with a merger or consolidation) involving the Company (a "*Reorganization*") or any sale, lease or other disposition (including by way of a series of transactions or by way of merger, consolidation, stock sale or similar transaction involving one or more subsidiaries) of all or substantially all of the Company's consolidated assets (a "*Sale*"), the Company will cause (1) the Surviving Company to unconditionally assume this Agreement in writing and (2) a copy of the assumption to be provided to you. After the Reorganization or Sale, the Surviving Company will be treated for all purposes as the Company under this Agreement. The "*Surviving Company*" means (A) in a Reorganization, the entity resulting from the Reorganization or (B) in a Sale, the entity that has acquired all or substantially all of the assets of the Company.

11. General Provisions

(a) *Withholding*. You and the Company will treat all payments to you under this Agreement as compensation for services. Accordingly, the Company may withhold from any payment any taxes that are required to be withheld under any law, rule or regulation.

(b) *Severability*. If any provision of this Agreement is found by any court of competent jurisdiction (or legally empowered agency) to be illegal, invalid or unenforceable for any reason, then (1) the provision will be amended automatically to the minimum extent necessary to cure the illegality or invalidity and permit enforcement and (2) the remainder of this Agreement will not be affected. In particular, if any provision of Section 8 is so found to violate law or be unenforceable because it applies for longer than a maximum permitted period or to greater than a maximum permitted area, it will be automatically amended to apply for the maximum permitted period and maximum permitted area.

(c) *No Set-off or Mitigation*. Your and the Company's respective obligations under this Agreement will not be affected by any set-off, counterclaim, recoupment or other right you or any member of the Company may have against each other or anyone else (except as this Agreement specifically states). You do not need to seek other employment or take any other action to mitigate any amounts owed to you under this Agreement, and those amounts will not be reduced if you do obtain other employment.

(d) *Notices*. All notices, requests, demands and other communications under this Agreement must be in writing and will be deemed given (1) on the business day sent, when delivered by hand or facsimile transmission (with confirmation) during normal business hours, (2) on the business day after the business day sent, if delivered by a nationally recognized overnight courier or (3) on the third business day after the business day sent if delivered by registered or certified mail, return receipt requested, in each case to the following address or number (or to such other addresses or numbers as may be specified by notice that conforms to this Section 11(d)):If to you, to the address stated on the first page of this Agreement with a copy to:

Jessica T. Rosenberg
Kasowitz, Benson, Torres LLP
1633 Broadway
New York, New York 10019
jrosenberg@kasowitz.com

If to the Company or any other member of the Company, to:

Eastman Kodak Company
343 State Street

Rochester, New York 14650-0224
Attention: General Counsel

(e) *Amendments and Waivers*. Any provision of this Agreement or the Employee's Agreement may be amended or waived, but only if the amendment or waiver is in writing and signed, in the case of an amendment, by you and the Company or, in the case of a waiver, by the party that would have benefited from the provision waived. Except as this Agreement or the Employee's Agreement otherwise provides, no failure or delay by you or the Company to exercise any right or remedy under this Agreement will operate as a waiver, and no partial exercise of any right or remedy will preclude any further exercise.

(f) *Jurisdiction; Choice of Forum; Costs*. You and the Company irrevocably submit to the exclusive jurisdiction of any state or federal court located in the County of New York over any controversy or claim arising out of or relating to or concerning this Agreement or any aspect of your employment with the Company (together, an "*Employment Matter*"). Both you and the Company (1) acknowledge that the forum stated in this Section 11(f) has a reasonable relation to this Agreement and to the relationship between you and the Company and that the submission to the forum will apply even if the forum chooses to apply non-forum law, (2) waive, to the extent permitted by law, any objection to personal jurisdiction or to the laying of venue of any action or proceeding covered by this Section 11(f) in the forum stated in this Section, (3) agree not to commence any such action or proceeding in any forum other than the forum stated in this Section 11(f) and (4) agree that, to the extent permitted by law, a final and non-appealable judgment in any such action or proceeding in any such court will be conclusive and binding on you and the Company. However, nothing in this Agreement precludes you or the Company from bringing any action or proceeding in any court for the purpose of enforcing the provisions of this Section 11(f). To the extent permitted by law, the Company will pay, advance and reimburse any reasonable expenses, including reasonable attorney's fees for the attorney of your sole selection, you incur as a result of any Employment Matter.

(g) *Governing Law*. This Agreement will be governed by and construed in accordance with the law of the State of New York applicable to contracts made and to be performed entirely within that State.

(h) *Counterparts*. This Agreement may be executed in counterparts, each of which will constitute an original and all of which, when taken together, will constitute one agreement.

(i) *Legal Fees*. You shall be entitled to be reimbursed by the Company in an amount not to exceed $50,000 for reasonable legal fees and expenses incurred by you in connection with negotiating and documenting this Agreement, subject to receiving customary back-up documentation regarding such fees and expenses within thirty (30) days following the Effective Date. Reimbursement for such fees and expenses shall be made within thirty (30) days after receipt of documentation reasonably acceptable to the Company, but in no event later than the last day of the taxable year following the taxable year in which such fees and costs were incurred.

(j) *Undefined Terms*. All terms and acronyms used herein or in the Schedule and not specifically defined shall have the ordinary meaning as used by the party in the ordinary course of the Company's business and so as to fairly accomplish the purposes and intentions of the parties hereto.

(k) *Recoupment*. By executing this Agreement, you acknowledge and agree that the compensation and benefits provided to you pursuant to this Agreement are subject to reduction, cancellation, repayment, forfeiture or recoupment in accordance with the Eastman Kodak Company Compensation Recoupment (Clawback) Policy, and any other clawback requirements imposed under applicable laws, rules and regulations (collectively and as amended or restated from time to time, the "*Policy*"), and you further acknowledge and agree that any reduction, cancellation, repayment, forfeiture or recoupment in accordance with the Policy shall not constitute Good Reason for you to terminate your employment or constitute a breach of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

EASTMAN KODAK COMPANY

By: /s/David E. Bullwinkle
David Edward Bullwinkle
Chief Financial Officer, Sr. Vice President

[Signature page to Executive Chairman and CEO Agreement]

EXECUTIVE CHAIRMAN

/s/ James V. Continenza
James V. Continenza

[Signature page to Executive Chairman and CEO Agreement]

JAMES V. CONTINENZA

EXECUTIVE CHAIRMAN AND CEO AGREEMENT

EFFECTIVE NOVEMBER 29, 2023
TERMS SCHEDULE

Position	Executive Chairman and Chief Executive Officer, Eastman Kodak Company
Base Salary	**$1,000,000**
Annual Cash Performance Incentive	**125% Base Salary** Your cash Annual Incentive for 2024 and each year thereafter will be up to 125% of your Base Salary based on achievement of the Annual Commitment Plan, but determined by the Committee in its discretion, taking into consideration its evaluation of your and the Company's performance. Annual Incentive will be earned on a pro rata basis and paid in cash by March 15th of the year following the Scheduled Term year for which the Annual Incentive was earned.
Special 2023 Renewal Bonus	**$1,000,000 Cash and $1,000,000 RSUs** Upon the execution of this Agreement (*i.e.,* the renewal of the 2021 Agreement) you will (i) be paid a cash bonus of $1 million as soon as practicable following the Effective Date, but not later than December 31, 2023, and (ii) be granted Restricted Stock Units ("RSUs") as soon as practicable following the Effective Date, which will have a grant date fair value of $1 million and which will vest annually over the three-year period following the Effective Date.
Long-Term Equity Incentive Compensation	**$2,500,000 per year** In addition to any Stock Options or RSUs previously granted to you, including under the 2021 Agreement, which shall not be impacted by this Agreement except as provided by Section 4a, you will receive the following Annual Long-Term Equity Incentive Grants (each, an "*Annual LTIA Grant*"), which will be subject to the terms and conditions of the Eastman Kodak Company 2013 Omnibus Incentive Plan (as amended and restated and as it may be further amended, the "*Plan*"): Each year you will be granted RSUs with a grant date fair value of $2.5 million. ● 50% of the RSUs will be in the form of time-vesting RSUs, which will vest in substantially equal installments on each of the date that is 1 year, 2 years, and 3 years following the grant date, subject to continued employment through each applicable vesting date, except as otherwise expressly provided for in this Agreement or in the applicable award agreement. ● The remaining 50% of the RSUs will be performance-vesting RSUs with a 3-year performance based on the achievement of pre-defined goals established by the Committee and outlined on the respective Award Notice and subject to Committee discretion. The terms and conditions of each grant shall be subject to approval by the Committee. The first Annual LTIA Grant of time-vesting RSUs will be made upon the execution of this Agreement and the first Annual LTIA Grant of performance-vesting RSUs will be made in February 2024.
Debt-Reduction Incentive Plan (DRIP)	**$2,000,000** In the event that Company Debt is reduced to $300 million within 3 years from the Effective Date and Available Cash at such time is at or above $200 million, each as determined by the Committee in its sole discretion, the Company will pay you a cash bonus of $2 million as soon as practicable following the date on which such condition is satisfied, but in no event later than March 15th of the following calendar year. "*Company Debt*" means the amount of Refinancing Term Loans, as defined in the Company's financial statements. "*Available Cash*" means the amount of "cash and cash equivalents" as reportable on the Company's Consolidated State of Financial Position (and excluding restricted cash); programs in place which may be awaiting government approval (e.g., pension fund agreements) may be taken into account by the Committee.

<u>Exhibit 1</u>

<u>(Terms of Eastman Kodak Company Employee's Agreement)</u>

EASTMAN KODAK COMPANY
EMPLOYEE'S AGREEMENT

PREAMBLE

Eastman Kodak Company and its affiliates and subsidiaries (hereinafter collectively called "Kodak") operate in very competitive environments around the world. As part of your employment, you may from time to time have access to confidential and proprietary company information. This Employee's Agreement (this "Agreement") governs certain understandings between Kodak and you regarding your work for Kodak, its confidential and proprietary information, and your responsibilities to Kodak including, but not limited to, nondisclosure of Kodak's Confidential Information and Proprietary Information (each as defined below), assignment of rights and non-solicitation.

BACKGROUND

I understand that Kodak is engaged in the research, development, manufacture, use, marketing and sale of and services related to equipment, materials (including, but not limited to, photographic and other imaging media), software, firmware, components, web applications, multimedia data including, but not limited to, audio information, hardcopy information, digital information (including but not limited to metadata), chemicals, and systems including any of the foregoing (collectively, "Kodak Business"). I also understand that, in connection with the Kodak Business, I will be exposed to and may generate information including, but not limited to, technical, marketing, accounting, cost, sales, medical, personnel data, customer lists, vendor lists, production procedures, administrative and service information (hereinafter collectively "Kodak Proprietary Information"). I further understand that Kodak requires its employees to assign to it all right, title and interest in and to all worldwide inventions, discoveries, improvements, patents, trade secrets, trademarks, mask works, any and all other copyrightable subject matter, and any application for any of the foregoing (hereinafter separately and collectively called "Rights") within or arising out of any field of employment in which they work during their employment by Kodak and for a period of time after termination of employment from Kodak as described more fully below, and that this Agreement is essential for the full protection of the Kodak Business.

Therefore, in consideration of my employment by Kodak and of certain other benefits to be received by me in connection with such employment, it is understood and agreed as follows:

1. Nondisclosure

During my employment by Kodak, and thereafter, I will not disclose to any person or entity or make use of any Kodak Proprietary Information, trade secret, or other information of a confidential nature regarding the Kodak Business or the commercial, financial, technical or business affairs of Kodak, including such trade secret, proprietary

or confidential information of any customer or other entity to which Kodak owes an obligation not to disclose such information, which I acquire during my employment by Kodak, including, but not limited to, records kept in the ordinary course of business (hereinafter collectively called "Kodak Confidential Information"), except as such disclosure or use may be required in connection with my work as an employee of Kodak. I understand that this restriction prohibits disclosure to Kodak affiliates and subsidiaries in which Kodak owns less than 80% of the stock, unless I receive written authorization for specific disclosures from my management. Notwithstanding the foregoing, in accordance with the Defend Trade Secrets Act, 18 U.S.C. § 1833(b), and other applicable law, nothing in this section 1, this Employee's Agreement, or any other agreement or Kodak policy shall prevent me from, or expose me to criminal or civil liability under federal or state trade secret law for, (a) directly or indirectly sharing any trade secrets or other Confidential Information (except information protected by Kodak's or any of its subsidiaries' attorney-client or work product privilege) with an attorney or with any federal, state, or local government agencies, regulators, or officials, for the purpose of investigating or reporting a suspected violation of law, whether in response to a subpoena or otherwise, without notice to Kodak, or (b) disclosing Kodak's trade secrets in a filing in connection with a legal claim, provided that the filing is made under seal.

2. Assignment of Rights

2.1 I hereby assign and transfer to Kodak all of my right, title and interest in and to all Rights that are made or conceived by me, alone or with others: (i) during my employment by Kodak, that are within or arise out of any general field of the Kodak Business in which I have been employed or have worked during my employment by Kodak; and (ii) during my employment by Kodak and within the two (2) years following the termination of my employment from Kodak, that (a) arise out of any work I perform or information I received regarding the Kodak Business which I received while employed by Kodak; or (b) arise from work that Kodak authorizes me to perform for or on behalf of any person or entity affiliated with Kodak.

2.2 While employed in California, no employee will be required to make an assignment of any invention to the extent prohibited by California Labor Code §2870(a) (a copy of which will be made available to any employee upon request).

2.3 I will fully disclose to Kodak as promptly as available all information known or possessed by me concerning the Rights referred to in the preceding section 2.1, and upon request by Kodak and without any further remuneration in any form to me by Kodak, but at the expense of Kodak, execute all applications for patents and for copyright registrations, assignments thereof and other instruments and do all things which Kodak deems necessary to vest and maintain in it the entire right, title and interest in and to all such Rights.

3. Non-solicitation

In order to protect Kodak’s trade secrets, during my Kodak employment and for a period of one (1) year after termination of my employment for any reason (whether voluntarily or involuntarily or with or without cause), I will not, directly or indirectly, either for myself or for the benefit of any other person or entity: (i) induce or attempt to induce any employee of Kodak to leave the employ of Kodak, (ii) in any way interfere with the relationships between Kodak and any employee of Kodak, (iii) employ or otherwise engage as an employee, independent contractor or otherwise, any person who has been an employee of Kodak during the six (6) months immediately preceding such employment(iv) solicit, entice, call upon or contact in any way, for the purpose or with the effect of diverting or taking away or attempting to divert or take away, any of Kodak’s customers or suppliers and suppliers to do business with a Competing Business.

4. Return of Property

I agree that, upon termination of my employment for any reason (whether voluntary or involuntary or with or without cause), I will immediately return to Kodak, (i) all Kodak Confidential Information in any form (including without limitation printed, handwritten, and electronically-stored materials or information), together with all copies, thereof, within my possession, custody or control and; (ii) all other Kodak property in my possession, custody or control, including, but not limited to, office keys, identification badges or passes, personal devices (including, but not limited to, cellular phones, smartphones, tablets, laptops, or the like), Kodak credit cards, automobiles, computer equipment, hardware and software (“Kodak Property”). Under no circumstances will I deliver or give such Kodak Confidential Information or Kodak Property to any person or entity without Kodak management’s advance written permission and, upon Kodak’s request, I will verify that I have not done so.

5. At-Will Employment

I understand that, regardless of any statement made to me or contained in any handbook, policy statement, or other document, my employment will be “at-will”. That is, I will be free to terminate my employment at any time, for any reason, and Kodak is free to do the same. No other agreement relating to this issue will be effective unless it is contained in a written agreement which: (1) mentions me by name; (2) references this Agreement by name and date; (3) specifically acknowledges that it is intended to amend this Agreement; and (4) is signed by a Kodak corporate officer and me.

6. Business Conduct

I understand that Kodak is an ethical company and that I am required to adhere to Kodak’s policies and procedures regarding ethical business practices, including, but not limited to, Kodak’s conflict of interest policy and policies concerning the protection of Kodak Confidential Information. I understand that my failure to do so constitutes a breach of this Agreement.

7. Miscellaneous.

7.1 I agree that Kodak has provided me with valuable consideration for accepting the terms and conditions set forth in this Agreement, including those set forth in section 3. Among other things, that consideration includes my employment and/or continued employment and certain benefits to be received by me in connection with such employment, some of which may be conditioned upon a validly executed Employee's Agreement.

7.2 This Agreement replaces any and all previous agreements relating to the same or similar matters that I may have entered into with Kodak with respect to my present or any future period of employment by Kodak. Further, the terms of this Agreement shall inure to the benefit of the successors and assigns of Kodak and shall be binding upon my heirs, assigns, administrators and representatives. No oral agreement, statement or representation shall be effective to alter the terms of this Agreement.

7.3 I understand and agree that a breach of the provisions of this Agreement will cause Kodak irreparable injury that may not be compensable by receipt of money damages. I, therefore, expressly agree that Kodak shall be entitled, in addition to any other remedies legally available, to injunctive and/or other equitable relief, including, but not limited to, temporary, preliminary and/or permanent injunctive relief, to prevent or remedy a breach of this Agreement, or any part hereof, and to payment of reasonable attorneys' fees it incurs in enforcing this Agreement.

7.4 If any one or more of the provisions of this Agreement shall be found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. If any one or more of the provisions of this Agreement is for any reason held unacceptably broad, it shall be construed or rewritten (blue-lined) so as to be enforceable to the extent of the greatest protection to Kodak under existing law.

7.5 All titles or headings in this agreement are for convenience only and shall not affect the meaning of any provision herein.

7.6 THIS AGREEMENT IS ENTERED INTO IN THE STATE OF NEW YORK AND SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO PRINCIPALS OF CONFLICT OF LAWS. I UNDERSTAND AND AGREE THAT ANY ACTION OR PROCEEDING UNDER, IN CONNECTION WITH OR RELATING TO THIS AGREEMENT SHALL BE BROUGHT IN AND ADJUDICATED BY THE UNITED STATES DISTRICT COURT, WESTERN DISTRICT OF NEW YORK IN ROCHESTER, NEW YORK, UNLESS THERE IS NO BASIS FOR FEDERAL JURISDICTION, IN WHICH CASE SUCH ACTION OR PROCEEDING SHALL BE BROUGHT IN AND ADJUDICATED BY THE STATE OF NEW YORK, SUPREME COURT, COUNTY OF MONROE.

[Signature Page Follows]

Dated February, 2021

/s/ James V. Continenza
Signature of Employee

James V. Continenza
Employee Name (Print or Type)

[Signature Page to Employee's Agreement]

	Exhibit (21)
Eastman Kodak Company and Subsidiary Companies	
Subsidiaries of the Registrant as of December 31, 2023 are listed below:	
1680382 Ontario Limited	Ontario, Canada
Eastman Kodak Holdings B.V.	Netherlands
Da Hai (Shanghai) Trading Co Ltd	China
Eastman Kodak International Capital Company, Inc.	Delaware
Eastman Kodak Sarl	Switzerland
Far East Development Ltd	Delaware
FPC Inc.	California
Kodak	France
Kodak (Australasia) Pty. Ltd.	Australia
Kodak (China) Company Limited	China
Kodak (China) Investment Company Limited	China
Kodak (China) Limited	Hong Kong
Kodak (Malaysia) Sdn. Bhd.	Malaysia
Kodak (Near East), Inc.	New York
Kodak (Shanghai) International Trading Co. Ltd.	China
Kodak (Singapore) Pte. Limited	Singapore
Kodak (Thailand) Limited	Thailand
Kodak (Xiamen) Digital Imaging Products Company	China
Kodak A/S	Denmark
Kodak Americas, Ltd.	New York
Kodak Argentina S.A.I.C.	Argentina
Kodak Brasileira Comércio de Produtos para Imagem e Serviços Ltda.	Brazil
Kodak Canada ULC	British Columbia, Canada
Kodak Chilena S.A.F.	Chile
Kodak de Colombia, SAS	Colombia
Kodak Electronic Products (Shanghai) Company Limited	China
Kodak Film Lab Atlanta, Inc.	Delaware
Kodak GmbH	Austria
Kodak GmbH	Germany
Kodak Graphic Communications EAD	Germany
Kodak Graphic Communications GmbH	Germany

Kodak Graphic Communications Limited	United Kingdom
Kodak Holding GmbH	Germany
Kodak IL Ltd.	Israel
Kodak India Private Limited	India
Kodak International Finance Limited	United Kingdom
Kodak Japan Ltd.	Japan
Kodak Korea Limited	South Korea
Kodak Light Blocking New Materials LLC	Delaware
Kodak Limited	United Kingdom
Kodak Mexicana S.A.de C.V.	Mexico
Kodak Nederland B.V.	Netherlands
Kodak New Zealand Limited	New Zealand
Kodak Nordic AB	Sweden
Kodak OOO	Russia
Kodak Oy	Finland
Kodak PE Tech, LLC	Delaware
Kodak Philippines, Ltd.	New York
Kodak Polska Sp.zo.o	Poland
Kodak Polychrome Graphics Company Ltd.	Barbados
Kodak Polychrome Graphics Cono Sur SA	Uruguay
Kodak Polychrome Graphics Export SAFI	Uruguay
Kodak Realty, Inc.	New York
Kodak SA/NV	Belgium
Kodak Societa per Azioni	Italy
Kodak Societe Anonyme	Switzerland
Kodak Unterstützungsgesellschaft GmbH	Germany
Kodak, Sociedad Anonima	Spain
KP Services (Jersey) Limited	Jersey, Channel Islands
KPG Finance (Barbados) SRL	Barbados
KPSH P Co1 Limited	Jersey, Channel Islands
KPSH P Co2 Limited	Jersey, Channel Islands
Laboratories Kodak S.A.S.	France
NPEC Inc.	California

Exhibit (23.1)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

1. Registration Statement (Form S-8 No. 333-190957) pertaining to the registration of 4,792,480 shares of common stock under the Eastman Kodak Company 2013 Omnibus Incentive Plan,
2. Registration Statement (Form S-8 No. 333-225437) pertaining to the registration of 1,000,000 shares of common stock under the Eastman Kodak Company 2013 Omnibus Incentive Plan, as amended,
3. Registration Statement (Form S-8 No. 333-250827) pertaining to the registration of 7,500,000 shares of common stock related under the Eastman Kodak Company 2013 Omnibus Incentive Plan, as amended and restated,
4. Registration Statement (Form S-3 No. 333-254352) pertaining to the registration of 44,490,032 shares of common stock of Eastman Kodak Company,
5. Registration Statement (Form S-3 No. 333-254353) pertaining to the registration of common stock, preferred stock, debt securities, warrants, depositary shares, purchase contracts, guarantees and units of Eastman Kodak Company, and
6. Registration Statement (Form S-8 No. 333-258682) pertaining to the registration of 5,000,000 shares of common stock under the Eastman Kodak Company 2013 Omnibus Incentive Plan, as amended and restated;

of our reports dated March 15, 2024, with respect to the consolidated financial statements and schedule of Eastman Kodak Company and the effectiveness of internal control over financial reporting of Eastman Kodak Company included in this Annual Report (Form 10-K) of Eastman Kodak Company for the year ended December 31, 2023.

/s/ Ernst & Young LLP
Rochester, New York
March 14, 2024

Exhibit (31.1)

CERTIFICATION

I, James V. Continenza, certify that:

1) I have reviewed this Form 10-K of Eastman Kodak Company;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 14, 2024

By: /s/ James V. Continenza
James V. Continenza
Executive Chairman and Chief Executive Officer

Exhibit (31.2)

CERTIFICATION

I, David E. Bullwinkle, certify that:

1) I have reviewed this Form 10-K of Eastman Kodak Company;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 14, 2024

By: /s/ David E. Bullwinkle
David E. Bullwinkle
Chief Executive Officer

Exhibit (32.1)

CERTIFICATION PURSUANT TO
18 U.S.C. Section 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Eastman Kodak Company (the "Company") on Form 10-K for the period ended December 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James V. Continenza, Executive Chairman and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 14, 2024

By: /s/ James V. Continenza
James V. Continenza
Executive Chairman and Chief Executive Officer

Exhibit (32.2)

**CERTIFICATION PURSUANT TO
18 U.S.C. Section 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Eastman Kodak Company (the "Company") on Form 10-K for the period ended December 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David E. Bullwinkle, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 14, 2024

By: /s/ David E. Bullwinkle
David E. Bullwinkle
Chief Financial Officer

Exhibit (97)

EASTMAN KODAK COMPANY

COMPENSATION RECOUPMENT (CLAWBACK) POLICY

Recoupment of Incentive-Based Compensation

It is the policy of Eastman Kodak Company (the "Company") that, in the event the Company is required to prepare an accounting restatement of the Company's financial statements due to material non-compliance with any financial reporting requirement under the federal securities laws (including any such correction that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period), the Company will recover on a reasonably prompt basis the amount of any Incentive-Based Compensation Received by a Covered Executive during the Recovery Period that exceeds the amount that otherwise would have been Received had it been determined based on the restated financial statements.

To the extent that a Covered Executive fails to repay to the Company when due any or all of the Incentive-Based Compensation required to be recovered by this Policy, the Company shall take reasonable and appropriate actions to promptly recover such Incentive-Based Compensation from the Covered Executive, and the Covered Executive shall be required to reimburse the Company for any and all expenses reasonably incurred (including legal fees) by the Company in seeking to recover such Incentive-Based Compensation.

Policy Administration and Definitions

This Policy is administered by the Compensation, Nominating & Governance Committee (the "Committee") of the Board of Directors of the Company and is intended to comply with, and as applicable to be administered and interpreted consistent with, and subject to the exceptions set forth in, Listing Standard 303A.14 adopted by the New York Stock Exchange to implement Rule 10D-1 under the Securities Exchange Act of 1934, as amended (collectively, "Rule 10D-1").

For purposes of this Policy:

"Incentive-Based Compensation" means any compensation granted, earned or vested based in whole or in part on the Company's attainment of a financial reporting measure that was Received by a person (i) on or after October 2, 2023 and after the person began service as a Covered Executive, and (ii) who served as a Covered Executive at any time during the performance period for the Incentive-Based Compensation. A financial reporting measure is (i) any measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements and any measure derived wholly or in part from such a measure, and (ii) any measure based in whole or in part on the Company's stock price or total shareholder return.

Incentive-Based Compensation is deemed to be "Received" in the fiscal period during which the relevant financial reporting measure is attained, regardless of when the compensation is actually paid or awarded.

"Covered Executive" means any "executive officer" of the Company as defined under Rule 10D-1.

"Recovery Period" means the three completed fiscal years immediately preceding the date that the Company is required to prepare the accounting restatement described in this Policy, as determined pursuant to Rule 10D-1, and any transition period of less than nine months that is within or immediately following such three fiscal years.

If the Committee determines the amount of Incentive-Based Compensation Received by a Covered Executive during a Recovery Period exceeds the amount that would have been Received if determined or calculated based on the Company's restated financial results, such excess amount of Incentive-Based Compensation shall be subject to recoupment by the Company pursuant to this Policy. For Incentive-Based Compensation based on stock price or total shareholder return, the Committee will determine the amount based on a reasonable estimate of the effect of the accounting restatement on the relevant stock price or total shareholder return. In all cases, the calculation of the excess amount of Incentive-Based Compensation to be recovered will be determined on a pre-tax basis. Any determinations made by the Committee under this Policy shall be final and binding on all affected individuals.

The Company may effect any recovery pursuant to this Policy by requiring payment of such amount(s) to the Company, by set-off, by reducing future compensation, or by such other means or combination of means as the Committee determines to be appropriate. The Company need not recover the excess amount of Incentive-Based Compensation if and to the extent that the Committee determines that such recovery is impracticable, subject to and in accordance with any applicable exceptions under the New York Stock Exchange listing rules, and not required under Rule 10D-1, including if the Committee determines that the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered after making a reasonable attempt to recover such amounts. The Company is authorized to take appropriate steps to implement this Policy with respect to Incentive-Based Compensation arrangements with Covered Executives.

Any right of recoupment or recovery pursuant to this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any other policy, any employment agreement or plan or award terms, and any other legal remedies available to the Company; provided that the Company shall not recoup amounts pursuant to such other policy, terms or remedies to the extent it is recovered pursuant to this Policy.

Any action by the Company to recover Incentive-Based Compensation under this Policy from a Covered Executive shall not, whether alone or in combination with any other action, event or condition, (a) constitute "good reason" for resignation or serve as a basis for a claim of "constructive termination" under any Company severance plan, any employment or other agreement with a Covered Executive, any award agreements or any other plan or arrangement, or (b) constitute a breach by the Company of any contract or agreement to which the Covered Executive is a party.

The Company and its subsidiaries are prohibited from (a) indemnifying any Covered Executive against (i) the loss of Incentive-Based Compensation pursuant to this Policy or (ii) any claims relating to the Company's enforcement of its rights under this Policy, and (b) paying or reimbursing the premiums on any insurance policy protecting against the recovery of Incentive-Based Compensation. Neither the Company nor any subsidiary shall enter into any agreement that exempts any Incentive-based Compensation from the application of this Policy or that waives the Company's right to recover Incentive-Based Compensation pursuant to this Policy.

Acknowledgement and Acceptance

The Company may require a Covered Executive to sign and return to the Company the Acknowledgement and Acceptance form attached hereto as Exhibit A pursuant to which such Covered Executive will agree to be bound by the terms and comply with this Policy; provided, however, that this Policy shall apply to, and be enforceable against, any Covered Executive regardless of whether or not such Covered Executive signs and returns to the Company such Acknowledgement and Acceptance form.

EASTMAN KODAK COMPANY

COMPENSATION RECOUPMENT (CLAWBACK) POLICY

ACKNOWLEDGEMENT AND ACCEPTANCE

Capitalized terms used but not otherwise defined in this Acknowledgement and Acceptance form shall have the meanings ascribed to such terms in the Policy.

By signing this Acknowledgement and Acceptance form, you:

- acknowledge and confirm that you have received and reviewed a copy of the Eastman Kodak Company Compensation Recoupment (Clawback) Policy (the "Policy") and agree that you are subject to the terms of the Policy, both during and after your employment with the Company and its subsidiaries, and that you will abide by the terms of the Policy and repay to the Company the amount of any Incentive-Based Compensation that you are determined to be required to repay under the Policy;

- agree that the Company may, to the greatest extent permitted by applicable law, reduce any amount that may become payable to you by any amount to be recovered by the Company pursuant to the Policy if and to the extent any Incentive-Based Compensation required to be repaid has not been returned to the Company prior to the date that the subsequent amount becomes payable to you;

- agree to reimburse the Company for any and all expenses reasonably incurred by the Company in seeking to recover any Incentive-Based Compensation in the event that you fail to promptly repay any or all such Incentive-Based Compensation to the Company when due; and

- agree that any action by the Company to recover Incentive-Based Compensation under the Policy from you shall not, whether alone or in combination with any other action, event or condition, (a) constitute "good reason" for resignation or serve as a basis for a claim of "constructive termination" under any Company severance plan, any employment or other agreement with you, any award agreements or any other plan or arrangement, or (b) constitute a breach by the Company of any contract or agreement to which you are a party.

Signature

Print Name

Date