



Cabot Corporation

2021 Sustainability Report

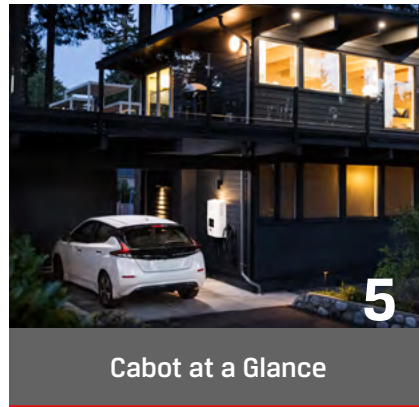


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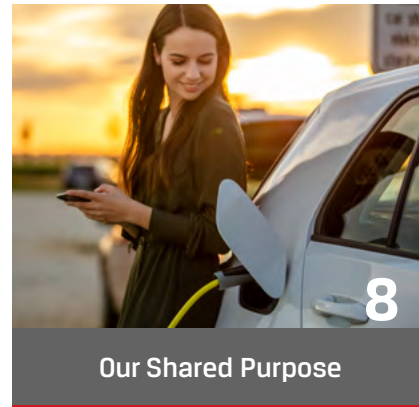
A Message from Our CEO

Sean D. Keohane
President and Chief Executive Officer



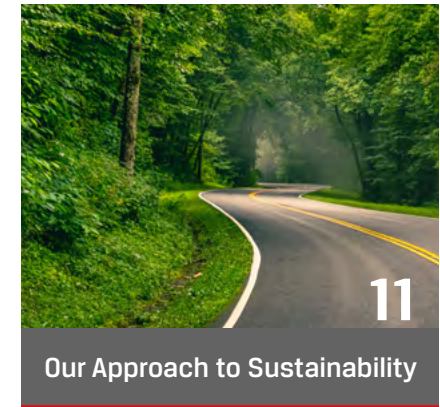
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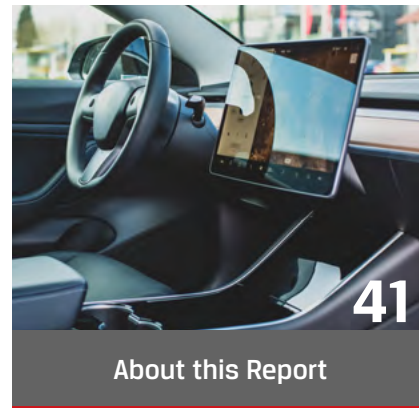
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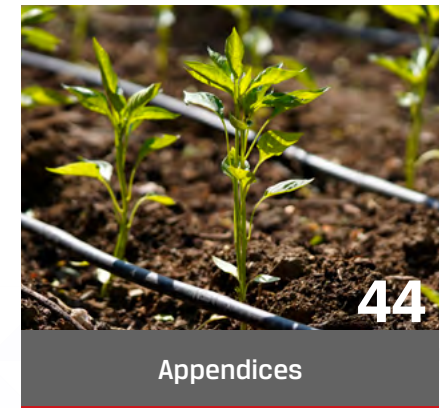
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A Message from Our CEO



"Sustainability is an essential part of who we are as a company and will play an even more integral role in our future."

Sustainability is an essential part of who we are as a company and will play an even more integral role in our future. Over the past year, we have strengthened our sustainability commitments and demonstrated progress toward our goals, and I am pleased to share our progress with you in this report.

Aligned with Our Purpose

Our work is guided by our purpose; to create materials that improve daily life and enable a more sustainable future. This is the driving force behind everything we do. It's why we collaborate with our customers to develop innovative products that solve their performance and sustainability challenges. It's why we develop new technologies to continuously improve our processes and reduce our impact on the world around us. It's why we actively support our employees and communities and seek a shared dynamic for growth with all our stakeholders. Cabot's employees are a highly engaged team that truly live our purpose, uniting us as "One Cabot" and leading us to achieve great things together.

Our purpose motivates us in our work, guides our decisions, and serves as a unifying aim as we engage with all stakeholders. It's clear that now more than ever, businesses must play an active role in support of the United Nations Sustainable Development Goals. That's why we remain a proud signatory to the United Nations Global Compact (UNGC) and are committed to reporting on the progress of our sustainability program.

Delivering on Our Goals

Cabot has been committed to improving our safety, health, and environmental performance for decades. Over the years, we have evolved in our focus, our goals, and our ambitions. What began as a journey to improve personal safety and reduce our environmental impact now

influences every aspect of our business. For example, we are focused on developing and manufacturing products with clear sustainability attributes and increasing circularity in our operations. We are also collaborating with our suppliers to create greater impact in our value chain, and are fostering a culture that is focused on sustainability and values inclusion and diversity. Our 2025 goals set us on our path toward a more sustainable future.

Throughout the year, we focused on taking actions across all of our material topics, including making progress on our environmental commitments; advancing our diversity, equity, and inclusion (DE&I) efforts; and driving sustainability in our product development programs. In this report, you will read stories and examples of how we continued to invest and meet those commitments. The following are a few key achievements from the year:

- ◆ We achieved a record volume of exported cogeneration power as a result of our long-term investment in energy recovery systems, which convert waste heat into useful energy without adding incremental greenhouse gas (GHG) or other air emissions.
- ◆ We continued to invest in our DE&I efforts, with 99% of our people managers completing unconscious bias training.
- ◆ We became an inaugural sponsor of the Future of STEM Scholars Initiative (FOSSI), which focuses on creating pathways for underrepresented groups to enter and succeed in science, technology, engineering, and math (STEM) careers within the chemical industry. We are proud to fund scholarships for five students majoring in STEM at Historically Black Colleges and Universities.
- ◆ We have achieved 69% of our 2025 economic value generated and distributed goal of investing \$1 billion in capital and technology to sustain our operations and grow our portfolio. These investments are fueling

A Message from Our CEO

growth and development in product innovations that bring broad sustainability benefits to the world. Leading among these innovations is our battery materials business, which delivers essential chemistries to enhance the performance of lithium-ion batteries and the electrification of the automotive industry.

- ◆ We are committed to creating value for our customers through investments in product development and process improvements that result in direct sustainability benefits for our customers. In doing so, 100% of our new product development projects were assessed for sustainability impacts and benefits.

As I look back on the past year's progress, there are many things to be proud of, and I am excited about the opportunities we have to continue to advance in our sustainability journey.

Our Sustainability Ambitions

With climate change at the forefront in our minds, we announced our ambition to achieve net zero emissions by 2050 in alignment with the Paris Climate Agreement. As part of our 2025 sustainability goals, we established a goal to reduce our GHG emissions intensity by 20%, using 2005 as the baseline. By the end of 2021, we had realized 91% of this goal. To expand on this goal and achieve our ambition of net zero by 2050, we are currently evaluating options for establishing interim GHG emissions reduction targets. Additionally, in 2021 we conducted a climate scenario analysis aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) and have published our TCFD climate scenario risks and opportunities matrix on our website and in this report. These steps are important signals of our ongoing commitment to transparency and disclosure.

We believe the transition to a lower carbon economy will require a vibrant chemical industry, as so many of the challenges and opportunities require chemistry



innovation, whether that is the electrification of the transportation sector or more energy efficient buildings. Achieving this goal will require collaboration, innovation, and supportive public policy. Positive change at the scale and pace we need demands bold solutions, and we are actively engaged and collaborating with our employees, customers, suppliers, and other stakeholders to help us achieve our goals. We are grateful that so many have chosen to join us in this work.

In Closing

I invite you to learn more about our sustainability program, progress, and aspirations for the future through this report and our website. We're clear on our purpose as a company and are committed to progress, partnership and transparency.

I am immensely proud of the dedication and passion of our people to fulfill our purpose each and every day. I would also like to thank our various stakeholders for

their engagement and contributions to helping our sustainability vision become a reality. We continue to learn and improve, and this engagement is critical to our success as we work purposefully to deliver our strategy and our sustainability ambitions.

Thank you for your partnership as we continue "Creating for Tomorrow."

Regards,

Sean D. Keohane
President and Chief Executive Officer
Cabot Corporation



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About Cabot Corporation

Cabot Corporation is a leading global specialty chemicals and performance materials company headquartered in Boston, MA, USA. Our materials innovation, manufacturing capabilities, commercial strength, global footprint, and commitment to safety and sustainability have enabled us to garner market-leading positions and deliver sustainable shareholder value.

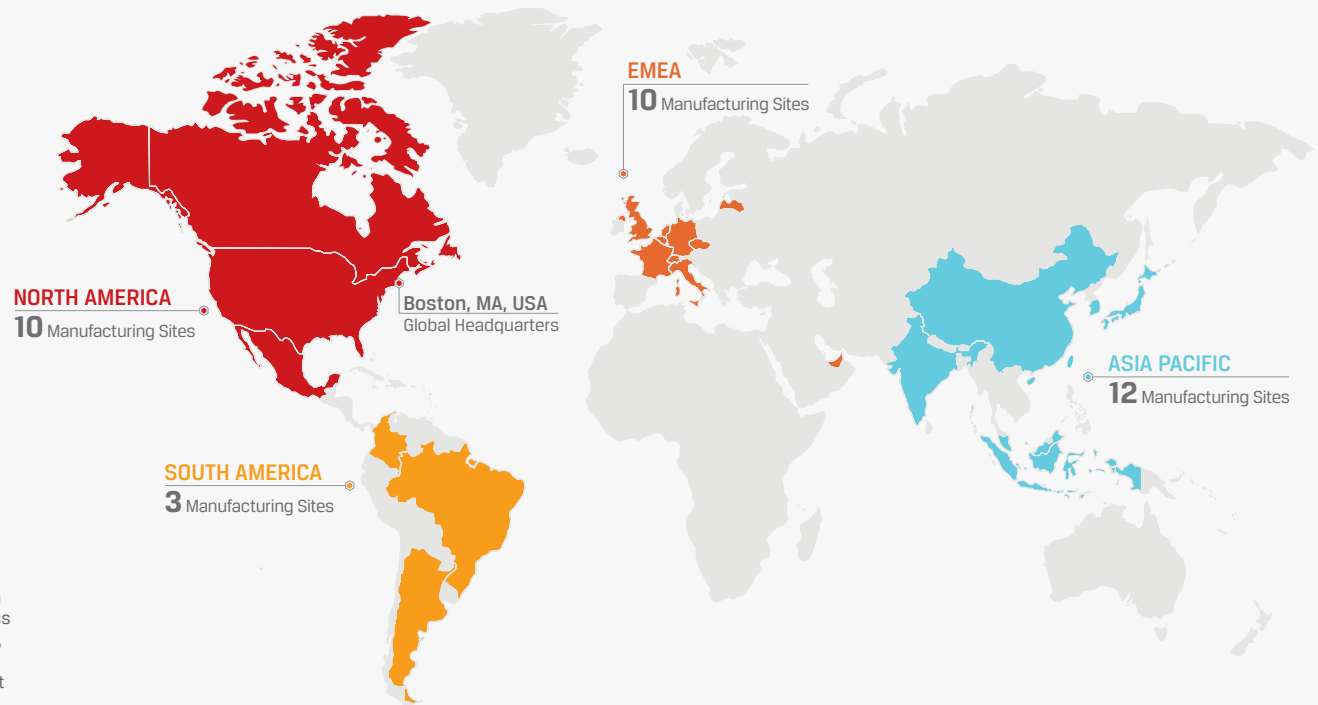
As a market leader, we continually extend the boundaries of what is possible, leveraging our team's expertise and the latest technology to create materials that deliver new levels of performance and efficiency. We are committed to bringing the power of innovative chemistry to our customers to help solve many of the sustainability challenges facing our world. We continuously strive to be a good neighbor and contribute our time and resources to help strengthen the communities in which we operate.

Revenue ¹	\$3.4B	Manufacturing Facilities ²	35	Business Positions	#1 or #2
Revenue Outside of U.S.	~75%	Countries We Manufacture in	20+	Employees Globally	~4,500

Locations and Operations

Cabot operates 35 manufacturing sites² in over 20 countries. We have research and development capabilities at six locations, and sales and administrative staff in 23 locations around the globe.

North America	Europe, Middle East & Africa (EMEA)	Asia Pacific
Canada	Belgium	China
Mexico	Czech Republic	India
United States	France	Indonesia
	Germany	Japan
South America	Italy	Malaysia
Argentina	Latvia	Republic of Korea
Brazil	Switzerland	
Colombia	the Netherlands	
	United Arab Emirates	
	United Kingdom	



¹ Financial data represents fiscal year 2021.

² Current facilities as of report publication date (including the acquisition of Tokai Carbon Co. and divestiture of the Purification Solutions business in early 2022). This report covers our performance for our 2021 portfolio, which included Purification Solutions. Operation numbers in 2021 were 45 manufacturing sites, research and development capabilities at eight locations, and sales and administrative staff in 25 locations.

Business Segments & Products

Cabot organizes its global businesses into two operating segments: Reinforcement Materials and Performance Chemicals. The Performance Chemicals segment includes Performance Additives and Formulated Solutions. Our broad range of innovative products helps advance our customers' products in a wide range of industries.



REINFORCEMENT MATERIALS

Reinforcing carbons: tires, industrial rubber products*
Engineered elastomer composites (E2C™): tires, industrial rubber products*
**hoses, belts, molded goods*



PERFORMANCE CHEMICALS

Performance Additives

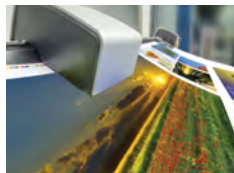
Specialty carbons: toners, coatings, adhesives, sealants, electronics, batteries, inks, plastic film and sheet, fiber, plastic molding, pipes, wire and cable, conductive plastics



Battery materials: battery, energy storage

Fumed metals oxides: silicones, toners, composites, adhesives, sealants, coatings, polishing slurries

Aerogel: building and construction, coatings, industrial insulation, specialty chemicals, subsea pipelines



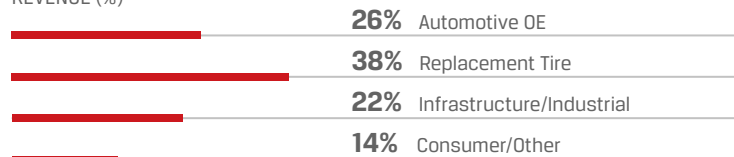
Formulated Solutions

Specialty compounds: masterbatches, conductive concentrates, conductive compounds

Inkjet colorants & inks: small office, home office, commercial and industrial inkjet printing

END MARKET SECTORS

REVENUE (%)



2021 HIGHLIGHTS

ACTING RESPONSIBLY FOR THE PLANET



Announced our ambition to achieve **NET ZERO GHG EMISSIONS BY 2050**

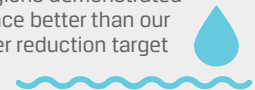


91% PROGRESS achieved toward our GHG intensity reduction goal

Achieved an **ENERGY RATIO OF 157%** through energy recovery, supporting neighboring businesses and communities by capturing and exporting excess energy



11 OUT OF 12 SITES in water scarce regions demonstrated performance better than our 2025 water reduction target



BUILDING A BETTER FUTURE TOGETHER

100% OF NEW PRODUCTS were assessed for sustainability



Participated in a cross-sector partnership to successfully demonstrate **NET-ZERO TRUCKING CAPABILITY**



CARING FOR OUR PEOPLE AND COMMUNITIES



Furthered our commitment to DE&I by having **99% of managers** complete unconscious bias training

\$1.4M IN CONTRIBUTIONS through the Cabot Corporation Foundation and site-level giving



ENHANCING TRANSPARENCY



EcoVadis Platinum **TOP 1%** of companies in manufacturing for basic chemicals group

ADVANCED our climate-related disclosures with **TCFD climate scenario risks and opportunities matrix and TCFD index**





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Creating materials that improve daily life and enable a more sustainable future.

Many of the world's challenges can be solved with innovative materials. Through the power of cutting-edge chemistry, we strive to have a profound impact on things that improve our daily lives, and to do so in a more sustainable way. Our purpose unites us and serves as a consistent reminder of why our work is so important to our employees, customers, and the world.

We fulfill our purpose by focusing on three key priorities:

- ◆ **Driving materials innovation** – We continually extend the boundaries of what is possible, using our team's expertise and the latest technology to create materials that deliver new levels of performance and efficiency. We empower our people to challenge the status quo and pursue innovative solutions.
- ◆ **Supporting our customers** – Our advanced materials enable customers worldwide to make innovative products that enhance people's lives while also helping them achieve their sustainability goals and those of their customers. We partner with customers to develop solutions that help give them a powerful competitive advantage.
- ◆ **Creating a more sustainable world** – We embrace sustainability as a strategic imperative – for Cabot and for society. We are committed to addressing our environmental impact, where feasible, while creating materials that enable products that can offer dramatic improvements in energy efficiency and waste reduction. We also strive to be a good neighbor by contributing our time and resources to help strengthen our communities.

Following the successful execution of our "Advancing the Core" strategy, which was announced in 2016, we refreshed our strategy by adopting our "Creating for Tomorrow" growth strategy in early fiscal year 2022. This updated strategy preserves the underlying fundamentals of our "Advancing the Core" strategy while drawing a strong connection to our purpose. It also reflects the renewed ways we work and do business, including a stronger digital focus, and the introduction of global business services. This new strategy is based on investing for advantaged growth, developing innovative products and processes that enable a better future, and driving continuous improvement in all we do. Through this new strategy, we will focus on our core strengths to lead in performance and sustainability – today and into the future.



Creating for Tomorrow
We will leverage our strengths to lead in performance and sustainability – today and into the future.



GROW
Investing for advantaged growth.



INNOVATE
Developing innovative products and processes that enable a better future.



OPTIMIZE
Driving continuous improvement in everything we do.

Creating a Culture of Sustainability

Our values of integrity, respect, excellence, and responsibility are the foundation for how we operate and guide us as we work to fulfill our purpose. We hold ourselves to the highest ethical standards. We are open, honest, straightforward, and trustworthy. We demand excellence in all that we do. We recognize that relationships matter. We take responsibility for people and the environment. Our values drive everything we do and empower all of us to work toward achieving our shared purpose.

Our values are at the heart of our culture, providing a clear foundation for our people, and are integral to the achievement of our "Creating for Tomorrow" strategy. Our employees embody our culture in their interactions with customers, colleagues, and our communities to drive sustainable performance and create an inclusive environment. Our culture strengthens our company by creating a positive working environment focused on safety, inclusion, continuous improvement, and acting as "One Cabot."



Board Governance & Oversight

Our Board is responsible for overseeing the execution of our strategy and, in doing so, seeks to provide leadership as the company navigates critical issues, including the ongoing COVID-19 pandemic, as well as matters related to climate change, diversity, equity and inclusion, a changing regulatory climate, and the evolving nature of information security and cybersecurity threats.

In 2021, our Board consisted of ten members. We have separated the positions of Chair of the Board and CEO, as our Board believes that this leadership structure allows our CEO to focus on the strategic and operational aspects of our business while allowing the Non-Executive Chair to provide independent leadership for the Board. The Board's Audit Committee; Compensation Committee; Governance and Nominating Committee; and Safety, Health, Environment and Sustainability (SHE&S) Committee each consist entirely of independent directors.

Our Board of Directors (either directly or through its committees):

- ◆ Oversees Cabot's strategy, business development, capital structure, and country-specific risks
- ◆ Oversees the quality and integrity of Cabot's financial statements, internal controls regarding financial reporting, compliance with legal and regulatory requirements, and integrity and compliance program
- ◆ Oversees Cabot's enterprise risk management processes and cybersecurity program
- ◆ Oversees the effectiveness of SHE&S programs, initiatives, and matters related to stewardship and sustainability of our products and manufacturing processes
- ◆ Oversees CEO and senior management succession planning and development, compensation and benefits programs, talent recruiting and retention, and diversity and inclusion programs
- ◆ Evaluates the performance and sets the compensation of our CEO and other executive officers

BROAD EXPERTISE

- International
- Governance
- Strategy
- Operations
- Technology
- Automotive
- Specialty Chemicals
- Finance/Accounting

DIVERSITY

30% female, including a female chairperson
 Among 9 US-based Board members, **2** identify as people of color

STRONG GOVERNANCE

~6 Years average tenure	90% of directors are independent, including an independent chair	Independent committee dedicated to safety, health, environment, and sustainability matters
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Sustainability Vision

In a world that faces considerable economic, social, and environmental challenges, we believe that we can unite our people and utilize our expertise and resources to deliver contributions that make a positive difference. Our sustainability commitment articulates our vision for fulfilling our shared purpose and executing on our business strategy with respect to sustainability.

Our Commitment to Sustainability

Through our commitment to operate responsibly, conserve resources, and develop innovative performance materials, we will be relentless in our pursuit of solving sustainability challenges and achieving our net zero ambition.

Sustainability Pillars & Strategy

Our sustainability pillars and strategy define the why, what, and how we will act on our sustainability commitment.

Why We Do It

Our sustainability commitment is deeply rooted in our culture of leadership and excellence. We seek to lead the industry not only in safety and environmental performance but also across a broad range of sustainability matters that include key social and governance priorities. We believe that long-term success requires a commitment to sustainability informed by our shared purpose and values and balanced by input from a broad set of stakeholders.

What We Will Do

To reach our aspirations, we have defined strategic initiatives and goals organized under three pillars – Building a Better Future Together, Acting Responsibly for the Planet, and Caring for Our People and Communities. These pillars are informed by what is most material and relevant to Cabot and with engagement with our diverse stakeholders.

How We Do It

We will achieve our sustainability ambitions by leveraging our strengths and utilizing a multifaceted approach focused on four key elements: Innovation, Collaboration, Advocacy, and Leadership.

Innovation – We will identify and make investments in product innovations and technology advancements that support environmental progress, including the transition to net zero and advancing a more circular economy.

Collaboration – We will expand and deepen our collaboration with customers, suppliers, and outside experts. Together, we will work to advance new technologies, products, and infrastructure that enhance our collective sustainability performance.

Advocacy – We will advocate for effective regulatory frameworks and policies as well as the development of new standards and methods to support long-term sustainability initiatives.

Leadership – We will drive a culture of sustainability leadership both internally and externally. This leadership stance includes setting near-term objectives through our 2025 sustainability goals and planning for longer-term actions to help us achieve our net zero ambition by 2050. We will share best practices and actively engage with industry groups and business partners across our value chain to foster a sustainability mindset.

OUR SUSTAINABILITY PILLARS

BUILDING A BETTER FUTURE TOGETHER

- ◆ Collaborate with our customers and develop products that address sustainability challenges
- ◆ Work with our suppliers to improve sustainability across our value chain
- ◆ Create long-term economic value for continued growth

CARING FOR OUR PEOPLE AND COMMUNITIES

- ◆ Lead our industry in safety performance
- ◆ Provide opportunities for our employees to develop and advance
- ◆ Foster a diverse and inclusive workplace where everyone is valued
- ◆ Support our communities through active engagement and responsible business practices

ACTING RESPONSIBLY FOR THE PLANET

- ◆ Set a high standard for environmental compliance
- ◆ Innovate to reduce our environmental footprint
- ◆ Look for ways to increase circularity and conserve resources

Ethics, Compliance, & Accountability

Our sustainability commitment is guided by our core values and is supported by a social and governance foundational framework that includes our Human Rights Policy, Code of Business Ethics, labor practices, and a set of compliance and accountability policies and practices.

Our Core Principles

Our formal [Human Rights Policy](#) and [Code of Business Ethics](#) set forth the principles for everyone who works at Cabot, describing our responsibilities to each other, our customers, our shareholders, those with whom we do business, and the communities in which we operate. These policies specifically align with the following principles and best practices:

- ◆ The prohibition of child and forced labor
- ◆ The prohibition of harassment and the protection of equal treatment of all in the workplace, regardless of ethnic or racial status, color, nationality, descent, religion, caste, gender, age, physical characteristics, appearance, sexual orientation, union membership, or political affiliation
- ◆ The right of freedom of association and assembly
- ◆ A voluntary process in which employees and Cabot discuss the specific terms and conditions of work
- ◆ Performance-based compensation in line with local market conditions that meets or exceeds the legal minimum wage and provides an adequate standard of living
- ◆ An appropriate limit to the maximum number of working hours and consecutive working days
- ◆ The right of our employees to work in a safe and healthy environment through the implementation of strong safety, health, and environmental programs

Supporting Human Rights & Labor Practices

Respecting and promoting human rights are the foundation of how we deliver progress against the UN Sustainable Development Goals. We believe respect for human rights is a cornerstone of a sustainable business. Our business practices seek to ensure the well-being of our employees, contractors, suppliers, customers, and the communities in which we operate. We believe that every individual has the right and deserves to be treated with dignity, honesty, integrity, respect, and fairness. We are committed to complying with all applicable laws and standards related to human rights and labor practices in all our operating locations. We strive to provide safe, fair, and equitable working conditions for every employee in compliance with applicable laws and

standards. This commitment is embedded at every level of our organizational structure. Our operating practices are guided by the principles set forth in United States laws governing human rights as well as the following international standards:

- ◆ Universal Declaration of Human Rights
- ◆ International Covenant on Civil and Political Rights
- ◆ International Covenant on Economic, Social and Cultural Rights
- ◆ The International Labor Organization's Declaration on Fundamental Principles and Rights at Work

Our policies and business practices safeguard equal opportunity for all employees at all levels. We maintain our strong focus on safety by ensuring all employees, contractors, and visitors are trained and prepared to keep themselves and others safe while completing their work. We also recognize the benefit of promoting wellness across our workforce and offer numerous opportunities to promote employees' wellness inside and outside of work while creating a healthier, more engaged culture.

Strengthening Our Code of Business Ethics, Anti-Corruption, & Antitrust Awareness

Integrity is one of our core values, and our people hold themselves and each other responsible for acting ethically and honestly in their business activities. At Cabot, we have adopted a Code of Business Ethics that applies to all our employees, officers, and directors. The Code establishes basic principles for everyone who works at Cabot, outlining our responsibilities across all aspects of business activities. The Code clearly defines Cabot's expectations of employees across multiple risk areas, including anti-corruption, antitrust, international trade laws, conflicts of interest, gifts and entertainment, proper use of social media, labor practices, human rights, and protection of privacy.

We require that all employees, suppliers, and customers conduct business in accordance with the highest ethical standards and in full compliance with all applicable anti-bribery laws and regulations. To support this position, we have developed detailed policies, compliance procedures and training. All employees are required to undergo annual training on the Code of Business Ethics. Based on an employee's role and job responsibilities, supplementary training and additional guidance from our [International Anti-Corruption Compliance Manual](#) may also be required to uphold our strict expectations for ethical business conduct. The Code of Business Ethics is publicly available and posted on our [website](#).

Enterprise-wide Risk Management

We recognize that prudent risk management is necessary to deliver long-term, sustainable shareholder value. We must understand and manage potential impacts of risks and opportunities across our entire enterprise. Our corporate-level enterprise-risk management (ERM) process is the foundation of our risk oversight activities.

Our Board has ultimate responsibility for risk oversight and oversees our corporate strategy, business development, capital structure, and country-specific risks. These include business continuity risks, including climate-related risks, if identified as having a material impact on our business, strategy, or operations. Each Board Committee oversees the management of certain risks and opportunities within their area of responsibility, and the Audit Committee oversees management's implementation of our risk management process.

Cabot management is primarily responsible for day-to-day risk management practices and regularly engages in an enterprise-wide risk assessment. Within our sustainability program, we use several tools to identify and prioritize risks and opportunities that are included in our ERM process, including our sustainability materiality assessment, stakeholder engagement process, and climate scenario analysis as a part of our TCFD activities. The goal of our ERM program is to comprehensively identify, evaluate, and mitigate key risks across all of Cabot's operations and businesses.



Compliance & Accountability

The Office of Compliance oversees Cabot's compliance with laws and regulations, Code of Business Ethics, Human Rights Policy, International Anti-Corruption Compliance Manual, and other relevant policies. The Office of Compliance is also responsible for investigating allegations of misconduct or non-compliance. We have established management systems to maintain compliance with requirements stemming from labor legislation and collective bargaining agreements in the countries in which we operate. We are committed to fairness when addressing employee concerns regarding wages, working hours, benefits, and conflict resolution. In 2021, approximately 24% of our global workforce was covered by collective bargaining agreements. An additional 7% of our employees were covered by trade unions or work councils.

Operations – We expect each employee and contractor to act lawfully toward other associates, colleagues, business partners, and those in local communities. Each year, employees are required to complete training on our Code of Business Ethics, Human Rights Policy, International Anti-Corruption Compliance Manual, and other relevant policies and programs. Beyond our training requirements, we encourage employees and contractors to ask questions, raise concerns, and report suspected violations of our policies or the law. We have a variety of reporting mechanisms, including an anonymous compliance-reporting hotline managed by third-party representatives available 24 hours a day, seven days a week.

Suppliers – We believe we have an opportunity and an obligation to positively impact the protection of human rights within our direct supply chain. We expect our suppliers to adhere to our Code of Business Ethics, mandated through our [Supplier Code of Conduct](#), which in some cases demands higher standards than required by local law. Pursuant to the California Transparency in Supply Chains Act, we have posted a [statement on our website](#) that suppliers are expected to comply with all applicable laws and standards related to labor practices and human rights.

Communities – As a responsible corporate citizen, we are aware of the important role that we play in the local communities where we operate. We respect the rights of local communities and those who live and work there, consistent with international standards regarding human rights, labor, environment, and anti-corruption. We strive to monitor and actively engage with stakeholders and positively impact those communities through our actions and the charitable programs we support.

United Nations Global Compact

As a proud signatory of the UNGC since 2015, we seek opportunities to address the needs of society and the environment in our operations. We are committed to the alignment of our strategies, business practices, and sustainability goals with the UNGC's 10 universal operating principles and support the advancement of the UN SDGs by taking actions where we can make the greatest contribution. Our 2025 sustainability goals align at some level with 13 of the 17 UN SDGs.

MAPPING OUR SUSTAINABILITY PILLARS TO THE UN SUSTAINABLE DEVELOPMENT GOALS





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Launching Our Net Zero Journey

Climate change is one of the most pressing issues facing the world today creating unprecedented risks and opportunities for businesses across all industries. Cabot

recognizes the urgent need to address this growing challenge. While we remain focused on achieving our 2025 GHG and energy goals, we believe further actions and strong leadership are critical to addressing climate change and ensuring a stable and sustainable planet. That is why, in December 2021, we announced our ambition to achieve net zero by 2050, in support of the objectives of the Paris Agreement.

We know the path to achieving net zero emissions will not be easy. We have been working with internal and external stakeholders to understand how we can achieve our commitment to become carbon neutral in line with climate science. We understand that the path forward will present unique and complex challenges. It will require new ways of operating, new technologies, and innovation of more sustainable products. Some technologies needed are not yet available at scale, which limits our ability to take certain actions in the short term. However, through developments in investments in longer-term carbon management and removal technologies and circularity, we are committed to enabling positive climate impacts across our value chain. Supporting a broader climate transition will require continuous improvement through:

- ◆ Investing in resources and existing technologies to optimize operations, including improvements in energy efficiency and waste reduction
- ◆ Developing new and innovative products that have sustainability attributes that decrease GHG emissions and enable the world's transition to a lower-carbon economy
- ◆ Maximizing the use of renewable energy in our operations
- ◆ Focusing on advancing circularity in our operations and our customers' products
- ◆ Identifying ways to adopt new technologies in our global network of plants
- ◆ Partnering with our suppliers to enhance the eco-efficiency of our supply chain

The transition to a net zero world is a shared responsibility that requires innovation, collaboration, new partnerships, and the support of effective policymaking. We value the collaboration and partnership to drive change and are committed to engaging with our customers, suppliers, and other partners to encourage collective action and help promote the innovations needed to enable a net zero future.

Demonstrating the Future with Zero-Emissions Transportation

In 2021, we demonstrated our collaborative climate leadership by participating in a pilot project to test zero-emissions trucking technology. In this pilot, a heavy-duty electric truck successfully transported 17 metric tons of Cabot product more than 300 km roundtrip from Rotterdam, the Netherlands, to Antwerp, Belgium. With a battery range of 150 km, the electric truck only stopped once on each leg of the journey to recharge for an hour and 20 minutes at stations along the route. The project was conducted with digital freight forwarder, sennder; zero-emissions trucking operator, BREYTNER; and their joint venture partner, H.N. Post & Zonen. This partnership showed that it is possible and safe for heavy-duty electric trucks to deliver commercial goods. We are a proud partner in this initiative to enable a more sustainable future.



Cabot Corporation
Foundation
Supports Stone
Living Lab

As a leader in our industry, we have a responsibility to support organizations in our local communities that advance education and research around climate protection and adaptation.

The Cabot Corporation Foundation is contributing \$375,000 to the Stone Living Lab. This unique initiative brings scientists, students, and the community together to explore nature-based solutions to climate change. Stone Living Lab partners with Boston Harbor Now, a nongovernmental organization that helps the Lab use the Boston Harbor Islands, off the coast of Massachusetts, USA, as its testbed and outdoor classroom for research and innovation in coastal adaptation.

Through this innovative partnership, we have established the Stone Living Lab Cabot Education and Community Engagement Program. The Program is managed by a full-time staff member who works diligently to build strategic relationships within at-risk coastal communities across the greater Boston area. Stone Living Lab has created a platform for people to come together and share ideas – partnering with museums, nonprofits, national parks, and other groups to have broad engagement in its ecological programs.

In 2021, Stone Living Lab launched a series of activities to immerse the community in scientific discovery along Boston's beaches. Volunteers were trained to do beach profiling, a simple method for monitoring coastline changes due to storm surges and seasonal variations. These community scientists gathered information to help researchers understand which areas are most susceptible to climate change. Most importantly, the participants were able to observe the environmental changes happening in real time in their own communities.

STEM education is also a core focus for the Cabot Corporation Foundation and Stone Living Lab. Young people ages 10 to 18 are introduced to the concept that scientific inquiry can happen anywhere, even outdoors at a local park or while wading in the ocean. Students investigated the coastal ecosystem during one-day field experiences, and young adults in partner programs joined Lab scientists to explore opportunities in climate science.

The work of Stone Living Lab brings to life Cabot's sustainability pillars of Acting Responsibly for the Planet and Caring for Our People and Communities. By supporting this initiative, we are helping to inspire tomorrow's leaders to pursue STEM careers, enabling real-world applications of climate science and strengthening the resiliency of our local community. As we advance our climate ambition, we are excited to move forward together toward a more sustainable future.

"The generous support of the Cabot Corporation Foundation has allowed us to realize our vision and enable the Lab to uniquely engage with the community. By giving educators and youth from every neighborhood a voice in the future climate destiny for our planet, we change the trajectory of equity and access."

Kathy Abbott | President and CEO, Boston Harbor Now



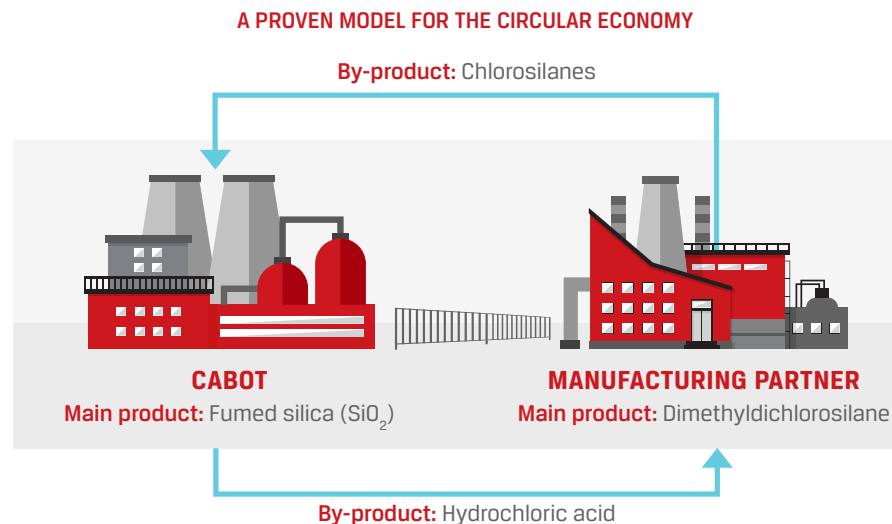
Advancing a More Circular Economy

The principles of a circular economy shift the value chain from a linear model to a circular or closed-loop model. Transitioning to a more circular economy is important to protecting the environment and our natural resources. Customer demands for more sustainably sourced products are also increasing. The concept of circularity considers a product's life cycle from creation of the raw materials used through product end of life. It can include the use of sustainably sourced raw materials, renewable energy, the recovery of waste heat, water use reduction and recycling, and/or the elimination of waste through beneficial reuse and recycling of manufacturing wastes.

Our philosophy on identifying opportunities for circularity in our operations begins with building strong partnerships with our customers and suppliers to capitalize on potential synergies in production – using each other's byproducts and waste materials in a mutually beneficial way. Whether using post-industrial byproducts and wastes from other companies' manufacturing processes as building blocks for our manufacturing processes, partnering to recover waste heat to supply electricity and steam, or incorporating post-consumer recycled and recovered materials into our products, during the year we engaged in identifying opportunities to further promote circularity in Cabot.

Our fumed metal oxides business is well-grounded in principles of circularity utilizing post-industrial byproducts as raw materials in a synergistic process with other chemical producers. Cabot and Dow have been working together for more than 30 years and currently have fence-line relationships with neighboring facilities in Carrollton, KY, and Midland, MI, USA; and in Barry, Wales, UK. Through these cooperative arrangements, our facilities use Dow's silicone byproducts in the production of fumed silica. Conversely, our fumed silica and a byproduct waste acid from the manufacturing process are used by Dow in the production of its silicone products. The transfer of these products and co-products over the fence also eliminates the hazards associated with long-distance transportation of these hazardous materials by rail or truck to other locations, while also eliminating the vehicle emissions associated with that transportation. We have similar closed-loop arrangements with other fumed silica producers in China and Germany.

Another example of circularity in our operations is in our investment in energy recovery systems in our Reinforcement Materials business, where we recycle waste heat to supply our operations and have partnered with local energy producers to export excess steam and electricity to nearby businesses and communities. This not only maximizes energy efficiency within our operations but also reduces GHG emissions associated with energy production from fossil fuels. More recently, through our product sustainability assessment framework, we are also exploring opportunities during the product development phase to incorporate more sustainably sourced materials such as tire pyrolysis oil and reclaimed carbon into key applications.



In our Specialty Compounds business, we continue to identify opportunities to increase the use of recycled plastics and/or reclaimed carbon. Our Quebec, Canada, location sources mechanically recycled polyethylene as a raw material in its masterbatch operations. Our Plasblak® PE8505 is one of our first black masterbatch products that uses both recycled polyethylene and reclaimed carbon in its formulation. By collaborating with sorting machine manufacturers and other key industry leaders, we look to improve the overall sortability of black plastics so that they can be re-granulated and compounded into new plastic items. Certain black masterbatch products also provide unique performance upgrades for compounds made with recycled resins, further enabling applications for recycled content.

As we look to the future, we are hoping to leverage our expertise to identify opportunities to further advance technology innovations that enable the increased use of renewable and recycled content in our products. We are developing sustainability data utilizing life cycle assessment methodologies to quantify our circularity efforts as well as other sustainability benefits. This data is used to evaluate the impacts of our products from cradle to product end of life and to inform and collaborate with customers on future product development activities.

Meaningful & Transparent Climate Disclosures Through TCFD

The importance of effective sustainability reporting is increasing due to new regulatory requirements, evolving environmental, social and governance (ESG) reporting standards, and shifting stakeholder expectations. Our investors, financial institutions, insurance providers, customers, and other stakeholders increasingly seek more robust and transparent reporting, especially regarding our climate actions, opportunities, and progress.

In 2020, we announced our intent to align our climate-related disclosures with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). By aligning with the TCFD recommendations, we can expand our existing risk management practices to incorporate the analysis of medium- (2025 – 2030) to longer-term (2031 – 2050) climate-related risks and opportunities under various climate scenarios, which better positions us to manage future risks as well as capture new business opportunities.

A Phased Approach to Implementing TCFD Recommendations

We have taken a phased approach to aligning our actions with the recommendations under TCFD. Through this approach, we strive to build more resilient climate and business strategies that meet our business needs and support transparent disclosures for our stakeholders.

In 2021, we piloted a process to assess options to improve our existing business risk identification, evaluation, and reporting processes. The overall approach used during the pilot was aligned with the TCFD recommendations and ISO 31000 risk management standard. It also incorporated chemical industry best practices for identifying risks and opportunities, selected climate scenarios, and time horizons.

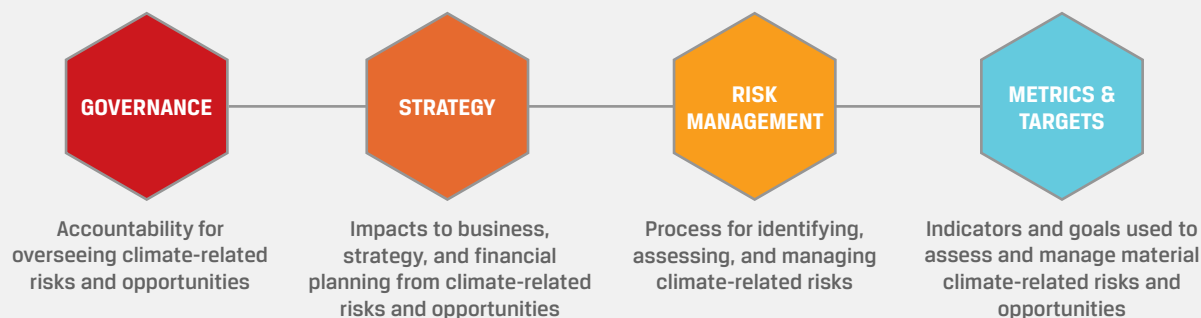
Peer benchmarking and gap analysis – During the discovery phase, our Senior Vice President of SH&E and Chief Sustainability Officer, along with an external consultant, convened a cross-functional working group of internal representatives from our business segments as well as key functions, including finance, investor relations, risk management, research and development, supply chain, manufacturing, legal, safety, health, and environment. The working group completed a gap analysis of our existing climate-related disclosures against the TCFD recommendations and benchmarked our disclosure reporting against peer companies within and outside the chemical industry sector.

Refresh of our risks and opportunities – In a series of workshops, the working group refreshed and categorized our list of climate risks and opportunities.

Climate scenario selection – The working group reviewed publicly available and widely accepted climate scenarios to identify the most appropriate options for the climate scenario analysis. These scenarios are based on the Intergovernmental Panel for Climate Change (IPCC) analysis of climate impacts under different levels of future emissions and global average temperatures. The working group identified two different climate scenarios: RCP 2.6 (Aggressive mitigation scenario) and RCP 6.0 (Intermediate mitigation scenario), to assess the potential impacts and opportunities to our businesses.

Climate scenario analysis – The working group participated in a series of workshops to qualitatively assess potential impacts of the climate risks and opportunities identified. They developed and ranked a comprehensive list of potential climate risks and opportunities relevant to our businesses. The key risks and opportunities were prioritized and categorized according to the TCFD guidance, as illustrated in our TCFD Climate Scenario Risks and Opportunities Matrix (next page).

TCFD has developed recommendations for voluntary climate-related financial disclosures. These recommendations provide useful information to guide decision-making and promote consistency and comparability. The TCFD recommendations include 11 climate-related disclosures in four main areas.



TCFD Climate Scenario Risks and Opportunities Matrix

The following table provides a high-level summary of Cabot's TCFD climate scenario analysis based on the outcome of this first two phases of work³.

		POTENTIAL IMPACT ON BUSINESS							POTENTIAL FINANCIAL IMPACTS				POTENTIAL OPPORTUNITIES				
CLIMATE-RELATED RISKS		Time Horizon	Inability to remain competitive	Regulatory operations curtailment	Reduced production capacity	Increased operating costs	Reputational damage	Reduced demand for products	Fines / other regulatory impacts	Revenue	Expenditures	Assets	Capital costs	More efficient production processes	Emergence of new technologies	Increased market share	
TRANSITION	POLICY AND LEGAL																
	Risk of regulatory change (carbon pricing)	Short				🟡			🟡		🟡		🟡				
	TECHNOLOGY																
	Risk of technology disruption impacting competitive position	Medium	🟡					🟡		🟡		🟡	🟡				
	Opportunity to reduce resource consumption	Medium									🟡		🟡	🟢	🟢		
	Opportunity for new technology enabling use of sustainable feedstocks	Long								🟡			🟡		🟢		
	Opportunity to reduce water consumption	Medium								🟡			🟡	🟢	🟢		
	MARKET																
	Risk of decreased availability of raw materials	Long	🟡	🟡							🟡						
	Risk of product alternatives	Medium	🟡						🟡		🟡						
Opportunity for products with low environmental impact	Medium								🟡			🟡		🟢	🟢		
REPUTATION																	
Risk of perceived inadequacy of climate action	Medium						🟡	🟡		🟡							
PHYSICAL	ACUTE																
	Risk of inversions	Medium	🟡	🟡					🟡	🟡							
	Risk of hurricanes	Medium	🟡		🟡					🟡	🟡	🟡	🟡				
	Risk of flooding	Medium	🟡		🟡					🟡	🟡	🟡	🟡				
	CHRONIC																
Risk of drought	Long	🟡	🟡		🟡				🟡								

³ Prepared as of November 30, 2021; not intended to be considered a full disclosure of the results as aligned with TCFD guidance.



Our Performance

Our 2025 Sustainability Goals	23
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Our 2025 Sustainability Goals

Our 2025 Goals are a suite of objectives and performance targets⁴ developed to drive accountability and continuous improvement for addressing our 11 material topics.



Building a Better Future Together

ECONOMIC VALUE GENERATED & DISTRIBUTED

- ◆ Invest \$1B in capital and technology

PRODUCT SUSTAINABILITY

- ◆ Assess sustainability impacts of our top product applications
- ◆ 100% of our new products and processes will have a sustainability benefit

SUPPLIERS' SUSTAINABILITY

- ◆ Engage our key suppliers on sustainability



Acting Responsibly for the Planet

ENVIRONMENTAL COMPLIANCE

- ◆ 100% of facilities certified with an environmental management system

ENERGY

- ◆ Export 200% of the amount of energy imported
- ◆ Reduce energy intensity by 10%

EMISSIONS

- ◆ Reduce greenhouse gas emissions intensity by 20%
- ◆ Reduce NO_x emissions intensity by 50%
- ◆ Reduce SO₂ emissions intensity by 40%

WASTE & SPILLS

- ◆ Reduce waste disposal from operations by 20% and ultimately eliminate manufacturing waste

WATER

- ◆ Reduce water withdrawal intensity by 20%



Caring for Our People and Communities

OCCUPATIONAL HEALTH & SAFETY

- ◆ Reduce injuries and significant process safety events by 50%

RETENTION, DIVERSITY & DEVELOPMENT

- ◆ Foster inclusion and support development
- ◆ Increase diverse representation

COMMUNITY ENGAGEMENT

- ◆ 100% of our locations engaged in communities
- ◆ Invest \$10M to help our communities thrive



⁴ Target: 2025. Baseline: 2019, except NO_x and SO₂ (2012), GHG and energy intensity (2005). Capital and community investments: our FY2020 – FY2025.



Building a Better Future Together

Through our "Creating for Tomorrow" strategy, we will focus on growing, innovating, and optimizing to enable a more sustainable future. In 2021, we made strategic investments – both financially and within our operating platform – to embed sustainability more deeply in planning and key business decisions.



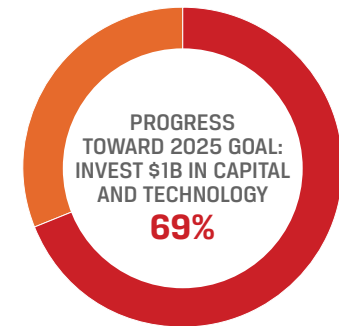
ECONOMIC VALUE GENERATED AND DISTRIBUTED

Cabot had strong financial performance in 2021, delivering adjusted earnings per share⁵ of \$5.02 and operating cash flow of \$257 million. We generated a record discretionary free cash flow⁶ (DFCF) of \$353 million and from fiscal year (FY) 2015 to FY 2021, we returned 64% of DFCF to shareholders through dividends and share repurchases.

With our new "Creating for Tomorrow" strategy, we will leverage our strengths and invest for advantaged growth. We drive growth across our portfolio through capital investments and strategic acquisitions that enhance our competitive position. We announced our intent to divest our Purification Solutions business in November 2021 and completed the sale in March 2022. We also announced the acquisition of Tokai Carbon Co., Ltd., a carbon black manufacturing facility in Tianjin, China, which will support our high-growth battery materials business.

We have achieved more than two-thirds of our 2025 goal to invest \$1 billion in capital and technology. Capital projects such as the conversion of our Xuzhou, China, specialty carbons facility and expansion of our Cilegon, Indonesia, specialty compounds plant will grow our capacity in key markets and regions.

We continue to invest in air emissions controls – completing the air pollution control project in Franklin, LA, USA, and initiating the construction of our air pollution control project and energy recovery system in Ville Platte, LA, USA. Furthermore, we entered into a \$1 billion sustainability-linked unsecured revolving credit facility. Pricing for the facility includes adjustments for our performance against annual intensity reduction targets for our emissions of sulfur dioxide (SO₂) and nitrogen oxides (NO_x). The achievement of these targets may adjust pricing under the credit agreement. It also demonstrates our leadership by executing one of the first sustainability-linked revolving credit agreements in the US chemical industry.

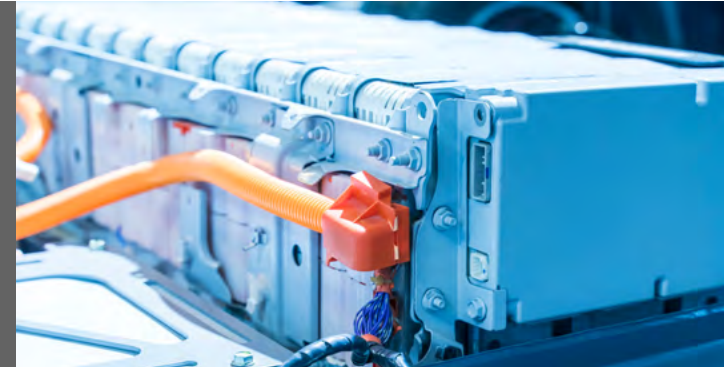


⁵ Non-GAAP (generally accepted accounting principles) financial measure excludes financial results of divested businesses and certain items.

⁶ Non-GAAP finance measure. DFCF equals operating cash flow less changes in net working capital less sustaining and compliance capex.

Positioned to Win with Next-Generation Battery Materials

There is strong global demand for conductive carbon additives driven by megatrends such as the rapid electrification of the vehicle fleets, growth in energy storage and renewable energy distribution, and digitalization. We believe that Cabot is uniquely positioned to win in this dynamic market through our portfolio of conductive carbon additives that enhance performance, combined with our proven capabilities in R&D and global manufacturing footprint. In 2021, we launched our Enermax™ 6 carbon nanotube (CNT) series, a multi-walled CNT that enhances energy density in lithium-ion batteries. Furthermore, our investments in the Xuzhou, China, plant conversion and acquisition in Tianjin, China, will provide additional capacity to meet this growing demand.

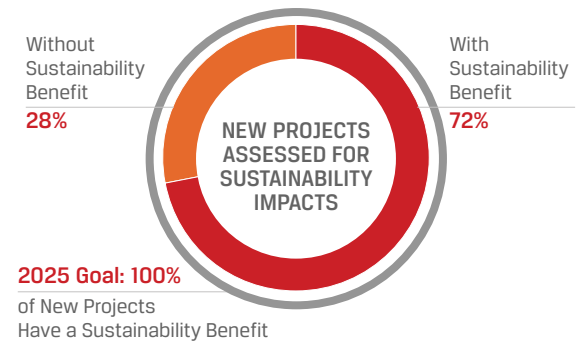
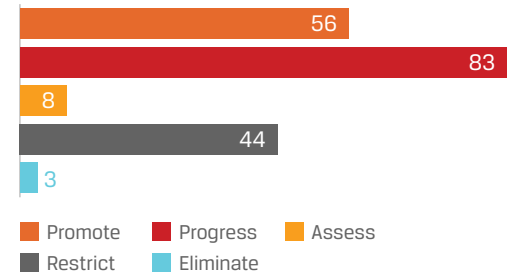


PRODUCT SUSTAINABILITY

We successfully launched our product sustainability assessment framework in 2021. This comprehensive, in-house process evaluates new product development projects for safety, environmental, and health impacts and includes more than 40 questions about sustainability impacts ranging from air emissions to recyclability, potential safety risks to workers, and many more. The assessment covers sustainability impacts across the product life cycle from design to manufacturing, use, and end of life. For each potential impact, the new product is rated in comparison to an existing product benchmark, and the results are scored. Projects can move forward in the stage-gate process if they are given a "promote" or "progress" classification; otherwise, they must undergo further assessment or may be restricted or eliminated altogether. Using this decision-support tool, our R&D teams are able to prioritize sustainability in the product development process.

In our first full year, we assessed 100% of the new product development projects across all of our top product applications. Given the dynamic nature of product development, the performance of our project portfolio changes from month to month. Still, we are proud to report that our snapshot from December 2021 showed that 72% of active projects had a sustainability benefit. This encouraging start will help us as we strive toward our 2025 target that 100% of new products will have a sustainability benefit.

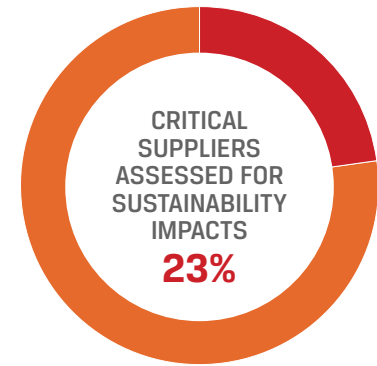
PRODUCT SUSTAINABILITY ASSESSMENTS
Active Projects in Stage-Gate Process December 2021



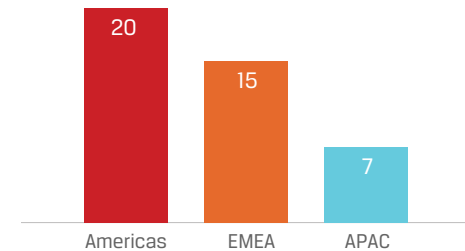
SUPPLIERS' SUSTAINABILITY

This past year, we took steps to increase transparency across our global supply chain. Our Supplier Sustainability Team worked closely with our Source-to-Pay organization to develop a list of critical suppliers, factoring in aspects such as total spend, single source, and the specific needs of our business operations. Prioritizing among our thousands of suppliers will allow us to focus on high-impact relationships. In the fall, we formally engaged a third-party partner to conduct sustainability assessments of our critical suppliers. This platform will enable us to evaluate each supplier using methods meeting the GRI Standards and the principles of the UN Global Compact. By the end of December 2021, we received scorecards for 42 out of 182 critical suppliers identified. We will work toward a 100% participation rate among all critical suppliers in the future. This process will give us a holistic view of our supply chain's environmental and social impacts. With this information, we can take strategic actions to mitigate risk and drive improvements with our business partners.

We also continued to collaborate with suppliers who share our focus on sustainability. One of the focus areas for our Supplier Sustainability 2025 roadmap is promoting circularity in our packaging. Our Tuscola, IL, USA, plant acted on this initiative by switching to wooden pallets with composite blocks made of chipboard from recycled wood, reducing the need for new lumber in these pallets by approximately 30%. Likewise, our Cilegon, Indonesia, plant worked with a local supplier to reclaim 100% of used flexible intermediate bulk containers, making them into plastic pallets and bringing them back for plant use. This closed-loop system reduced pallet disposal costs and eliminated the downstream waste impacts, creating both economic and environmental benefits. Efforts like these have helped us achieve 100% of wooden pallets containing renewable or recycled content and 93% of plastic pallets sourced with recycled or reused materials.



SUPPLIER SUSTAINABILITY ASSESSMENTS BY REGION
Number of Suppliers Assessed



100% of wooden pallets containing renewable or recycled content

93% of plastic pallets sourced with recycled or reused materials



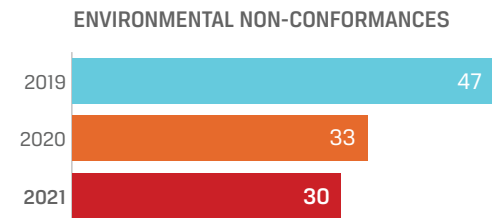
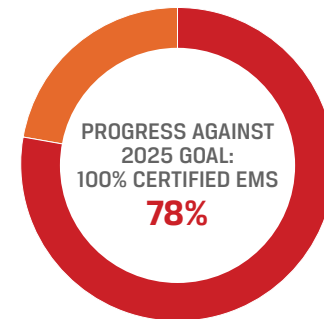
Acting Responsibly for the Planet

Achieving environmental excellence is fundamental to fulfilling our purpose and sustainability vision. Guided by our net zero ambition and 2025 sustainability goals, we took actions in 2021 to make progress on the six material topics under our environmental pillar. We are proud that we have advanced on several of our goals, yet we recognize there is still more to do. As our sustainability initiatives become more embedded in our operations, we uncover interdependences between the actions needed to address emissions, energy, water, and waste. In 2021, we further expanded our analysis at the regional and site level to inform our future decision-making with a holistic view across all areas of sustainability. This integrated approach ensures that we use resources wisely, taking practical and cost-effective steps while focusing on high-impact, high-reward opportunities to accelerate our actions.



ENVIRONMENTAL COMPLIANCE

Our performance in environmental compliance remained strong in 2021. The number of environmental non-conformances (ENCs, which we define as events resulting in a reportable spill or release, a notice of violation, a public complaint, or a regulatory permit deviation) decreased by 9% from 2020. No environmental fines were incurred, and seven corporate SH&E audits were conducted at various sites. Our Wuhai, China, fumed metal oxide plant completed RC-14001 certification, contributing to progress toward our 2025 goal.



ENERGY

Due to the nature of our manufacturing, our energy use is intrinsically tied to our production rate. As we experienced a rebound in production nearly back to 2019 (pre-pandemic) levels, our total energy consumption increased. The increase in total energy use was, however, slightly lower than would have been expected by the increase in production in 2021 if no energy use improvements had been achieved. This is because we made significant progress toward our 2025 goal of exporting 200% of the energy we import. We achieved a record amount of energy exports and imported energy per ton of product, raising our energy ratio to its highest level yet, at 157%. This accomplishment is the result of our actions to improve energy efficiency and proactively invest in energy recovery systems, which make our facilities energy self-sufficient and net exporters to nearby businesses and communities.

Energy recovery and energy efficiency will continue to be two important focus areas of our environmental strategy while we explore new opportunities to innovate and invest in lower-carbon production processes. At the same time, we are mindful of the environmental trade-offs created by our energy recovery systems. We are working diligently to find alternative solutions to improve efficiency in response to the increased demand for water at some of these facilities. Moving forward, we are working to broaden the scope of our Energy Efficiency Team to cover sustainability issues across our manufacturing footprint. This organizational shift will allow the individual Goal Teams to consider the balance of effects across energy, GHG emissions, and other environmental aspects while planning improvements for our manufacturing operations.



Maximizing Resource Efficiency Through Energy Recovery

15 Energy Recovery Systems

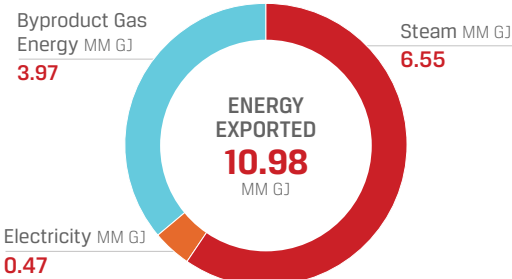
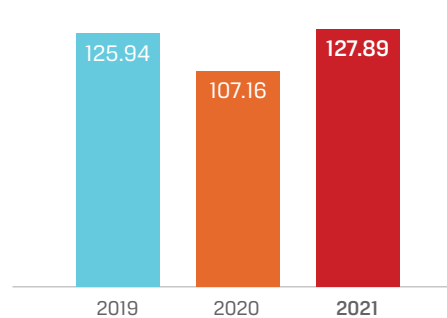
11M gigajoules of zero-emissions energy sold to business partners and neighbors

2021 Latest Energy Recovery System installed in Franklin, LA, USA

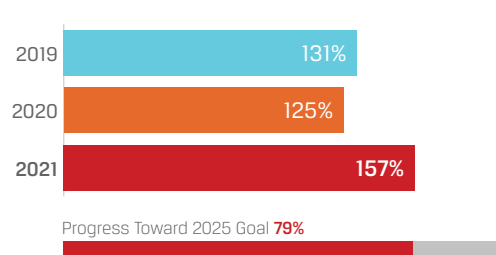
ENERGY SOURCES

Liquid Fuels MM GJ	0.01	0.0%
Purchased Electricity Renewable MM GJ	0.13	0.1%
Steam MM GJ	0.27	0.2%
Purchased Electricity Non-Renewable MM GJ	2.58	1.8%
Natural Gas MM GJ	4.01	2.9%
Raw Materials MM GJ	131.87	95%
Total MM GJ	138.86	100%

ENERGY USE



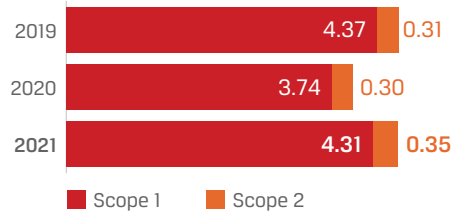
ENERGY RATIO 2025 GOAL



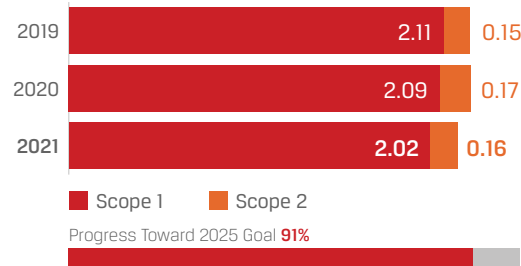
EMISSIONS

In 2021, our absolute emissions of GHGs, SO₂, and NO_x increased over the previous year but stayed just below 2019 (pre-pandemic) levels. We made positive progress toward our emissions goals, achieving 91% of our 2025 GHG intensity goal, 42% toward our SO₂ intensity goal, and 91% toward our NO_x intensity goal. The completion of our Franklin, LA, USA, air pollution control system in 2021 resulted in a positive impact and is expected to make a more significant impact with a full-year of operations – resulting in a combined NO_x and SO₂ emissions reduction of more than 20 tons per day. The air pollution control project currently under construction at our Ville Platte, LA, USA, facility will also substantially decrease SO₂ and NO_x emissions in the future. These types of projects have environmental cross-media effects that we are actively working to address, such as increased water use for the wet scrubber system and increased waste from the production of gypsum from the flue gas desulfurization system. Recognizing this impact, we incorporated an energy recovery system in the scope of the project at Ville Platte to help reduce water demand for flue gas cooling. We are also exploring new technologies and opportunities for water recycling and the beneficial use of gypsum. Guided by our sustainability agenda and our climate ambition, we continue to explore opportunities to mitigate emissions in a timely, cost-effective, and environmentally responsible manner.

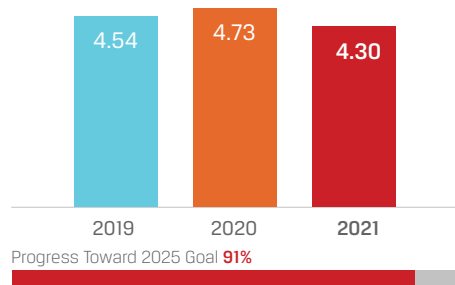
ABSOLUTE GHG EMISSIONS
MM MT CO₂e



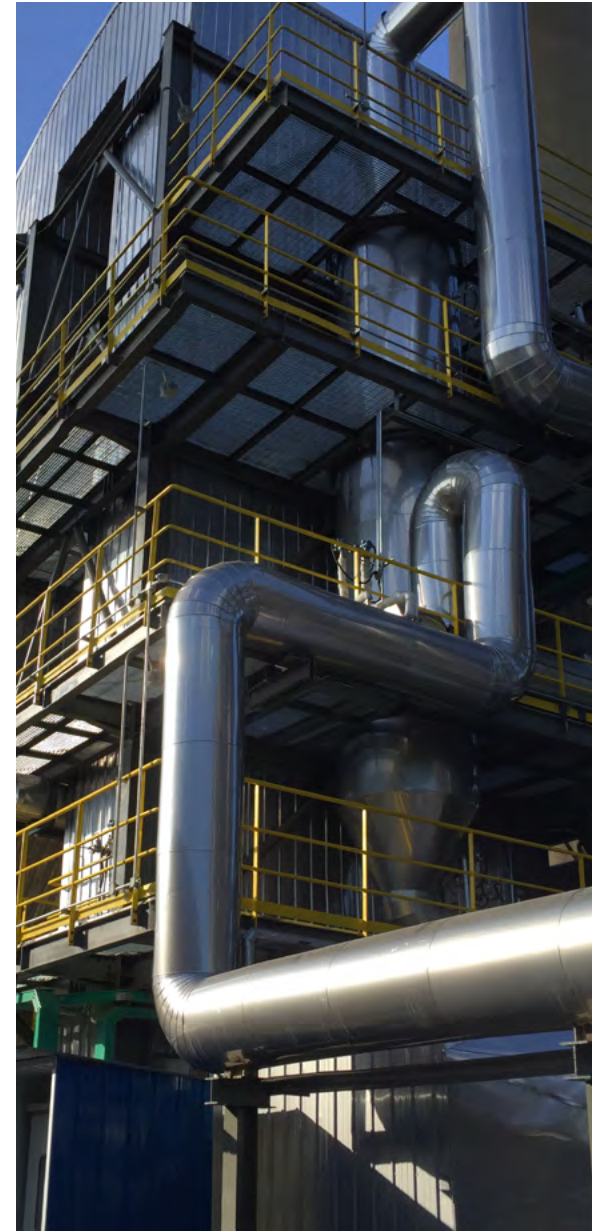
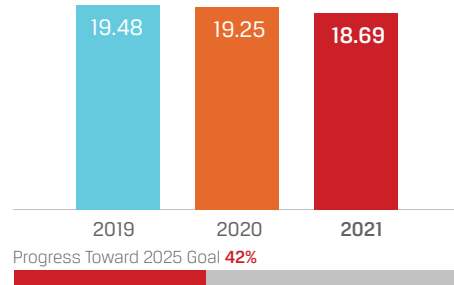
GHG EMISSIONS INTENSITY
MT CO₂e/MT Production



NO_x EMISSIONS INTENSITY
MT/KMT Production



SO₂ EMISSIONS INTENSITY
MT/KMT Production



WASTE AND SPILLS

We follow the waste minimization hierarchy in our approach to our 2025 waste goals. We have a robust program to minimize our off-quality products, increase beneficial use, and develop waste plans at each plant to drive improvements. However, we saw a negative trend in our 2025 waste intensity metric. In 2021, we installed a new air pollution control (APC) system at our Franklin, LA, USA, facility, which resulted in the generation of a new waste stream of gypsum from the APC operations. This, in addition to an increase in overall production, has dampened the positive effect of our waste reduction initiatives. We are working to identify beneficial use outlets for the gypsum byproduct produced by the APC system. We utilize beneficial use outlets for gypsum generated at three other facilities where we have installed similar APC systems.

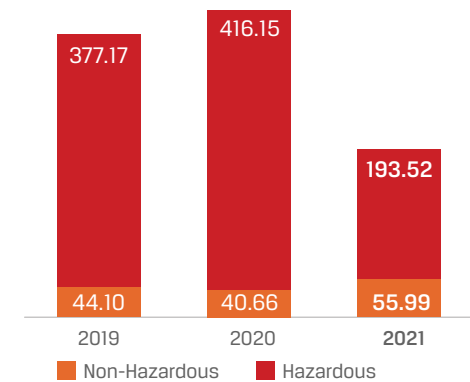
Our total waste generation decreased by 45% from 2020. This change was driven by a planned reduction in hazardous waste at one facility. The start-up of our state-of-the-art Carrollton, KY, USA, plant has allowed us to shift production to this new facility located adjacent to a Dow silicone plant. Our relationship with Dow allows us to reduce this waste stream through a synergistic relationship that enables beneficial use of byproducts from both companies and significantly reduces the volume of waste generated and disposed from the APC system.

Spills Management

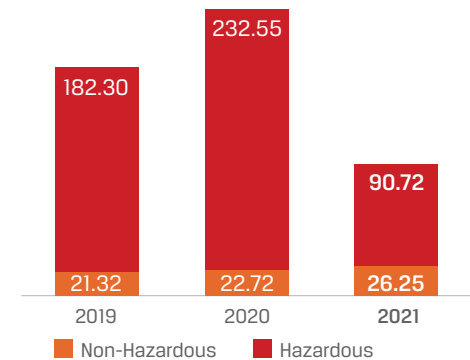
In conjunction with minimizing waste, our spills management program aims to reduce the risk of spills and ensure that controls are in place if a spill or release occurs. We define significant spills as those that are both reportable to an agency and classified as Tier 1 and Tier 2 process safety events. We had four spills in 2021, two of which qualified as significant. The first significant spill released less than one metric ton of waste material during decommissioning activities of groundwater monitoring wells. Nearly all of this material was inert and non-hazardous. The spilled material was cleaned up and disposed of properly, but the reportable quantity required notification to the relevant agency. The second significant spill released approximately 36 metric tons of gypsum. The material was contained on-site but exceeded a regulatory limit resulting in notification to the relevant agency.

There were also two transportation events where third-party carriers released carbon black during traffic incidents. The spilled material was cleaned up in both incidents, and the transportation company instituted driving hour restrictions and driver certification retraining as corrective measures.

ABSOLUTE WASTE GENERATION
Waste Volume (KMT)



WASTE GENERATION INTENSITY
MT/KMT Production

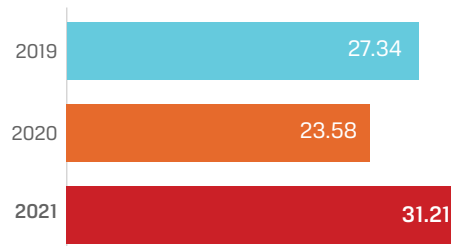


2021 WASTE DISPOSAL

Methods	Non-Hazardous	Hazardous
Reused or Recycled KMT	22.16	4.40
Incinerated with Energy Recovery KMT	3.94	0.71
Incinerated without Energy Recovery KMT	0.32	2.54
Deep Well Injection KMT	0.00	185.21
Landfilled KMT	29.15	0.21
Other KMT	0.43	0.45

BENEFICIALLY REUSED MATERIALS⁷

Reused Waste Volume (KMT)



BENEFICIALLY REUSED WASTE INTENSITY⁷

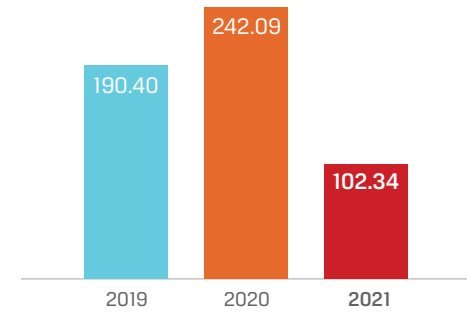
MT/KMT Production



⁷ Cabot's beneficial reuse metrics include recycling, reuse, and incineration with energy recovery.

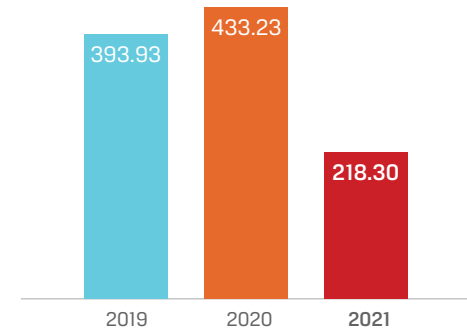
WASTE DISPOSAL INTENSITY⁸

MT/KMT Production



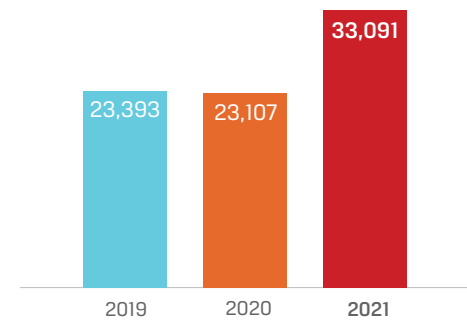
ABSOLUTE WASTE DISPOSAL⁸

Waste Volume (KMT)



2025 GOAL TOTAL WASTE DISPOSAL⁸

Waste Volume (MT)



⁸ Cabot's waste disposal metrics include incineration without energy recovery, landfill, and "other."



WATER

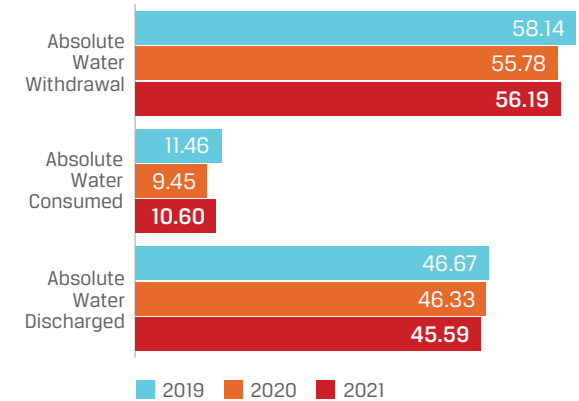
Our water indicators revealed both challenges and improvements to our overall sustainability performance. We experienced an increase in water consumption and total water withdrawal, while water discharge decreased slightly. The increases are correlated with a rise in production and the increase in water use from air pollution control and energy recovery projects. While the air pollution control and energy recovery projects provide a proven net benefit in terms of reducing environmental impacts, we still seek to balance our overall water use.

We've achieved 31% of our 2025 goal to reduce water withdrawal intensity compared to a 2019 baseline. This occurred despite the increase in total water withdrawal, as we saw a greater increase in production volumes. We have a Water Sustainability Goal Team actively working with our sites to assess water usage and identify opportunities for improvement. Each year, we conduct water risk assessments to focus our efforts on the facilities located in water-stressed areas. We also prioritize facilities based on their water withdrawal volume and/or intensity to support the achievement of our water goal. Twelve of our facilities are in areas with high or extremely high baseline water stress, and an additional six have been prioritized based on absolute water withdrawal or water withdrawal intensity. In 2021, we completed water balance assessments at six of our priority sites and water efficiency assessments at another three sites.

In 2021, our Ville Platte, LA, USA, plant participated in the American Chemistry Council's Watershed Risk Assessment. We worked with the ACC and the Water Council, a nonprofit that advances water stewardship to solve global water challenges, to assess watershed risks as a basis for establishing a risk-based improvement action plan. We have committed to executing this watershed risk assessment process at all North American facilities and will incorporate similar best practices across our sites globally. We also have more than 10 projects in planning or under development to improve how we manage our water use globally. These include strategies such as wastewater recovery, rainwater harvesting, and maximizing the use of reverse osmosis.

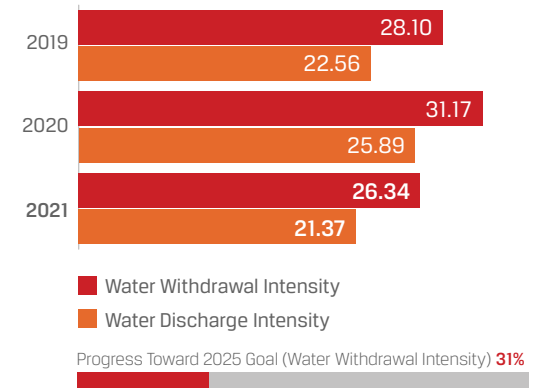


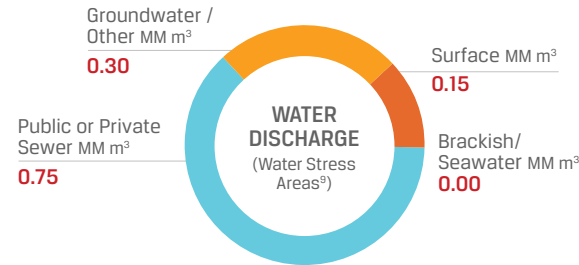
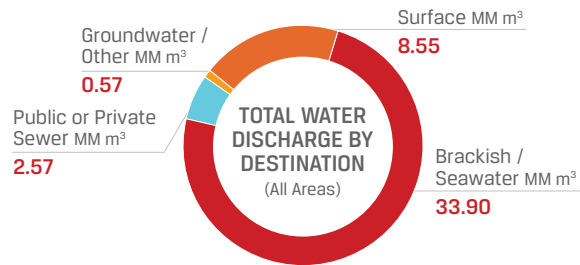
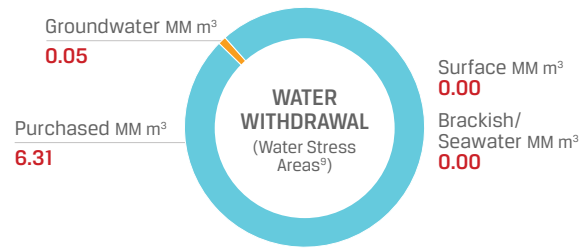
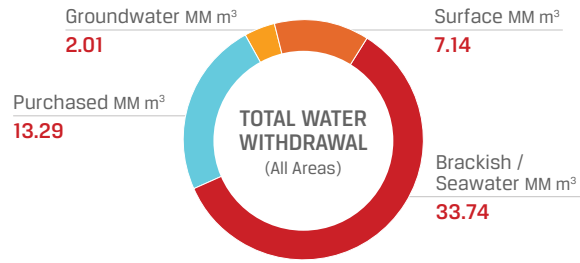
WATER WITHDRAWAL, USE, & DISCHARGE (MM m³)



Water withdrawal includes surface water, brackish/seawater, purchased water, and groundwater, but excludes graywater.

WATER WITHDRAWAL INTENSITY & WATER DISCHARGE INTENSITY (m³/MT)





Reduction in Water Withdrawal Intensity
31% of 2025 Goal

Water Efficiency Projects
10+ Planned or In Development

⁹ Water Stress Areas are locations classified by the World Resources Institute Aqueduct Water Risk Tool as being extremely high or high for baseline water stress.

Leading by Example in Water Scarce Regions

We are proud to share that 11¹⁰ out of our 12 operating sites located in areas with high/extremely high water stress have water intensities below the 2025 reduction target. Six of these sites are among the top seven lowest water intensity sites across all our operations. Two sites in water-scarce regions, Xingtai, China, and Maua, Brazil, also operate as zero-discharge facilities, recycling 100% of effluent in their processes. Beyond our facilities in water-scarce regions, we have zero-discharge operations at two other facilities in our network, Port Dickson, Malaysia, and Cartagena, Colombia.

¹⁰ One site has low production volumes due to its unique operational profile, so its water intensity is not reflective of its actual performance.





Caring for Our People & Communities

At Cabot, our employees and communities play an important role in our success. Each year presents new challenges and opportunities to improve our performance in occupational health and safety; retention, diversity, and development; and community engagement. 2021 offered both learning opportunities and important advancements in each of these areas.



OCCUPATIONAL HEALTH AND SAFETY

2021 started off with strong safety performance, an enhanced focus on personal accountability for safety, and a deliberate pace of work due to COVID-19 protocols. Mid-year, we saw an increase in incidents such as slips/trips/falls and line-of-fire incidents. We also saw an uptick in the number of forklift-related incidents. As a result, we have implemented a Forklift Safety Improvement Plan at all our facilities. Through this initiative, each site developed a targeted action plan with site-specific actions to reduce the likelihood of incident or injury. The plans were implemented in the fall of 2021 and will be reviewed quarterly for progress.

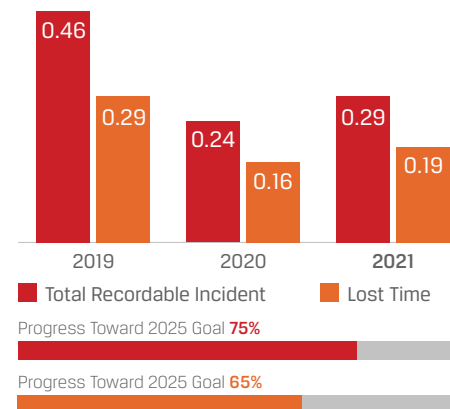
Additionally, due to restrictions on in-person training, we implemented several safety and health virtual learning events. One example was the "Think Reliability" training, where employees learned techniques to ensure we are investigating incidents fully and identifying corrective actions to mitigate recurrence. Another was the "Safety Supervisor Toolbox," where we provided front-line leaders across the global network with tools to engage their teams and improve safety performance. Lastly, a simple course titled "Hazard Awareness" was offered at all levels of the organization. As a result of these initiatives, we have seen an improvement in our safety performance that should help us meet our continuous improvement goal by 2025.

Process Safety

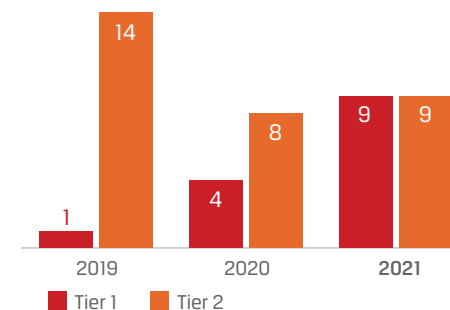
Our approach to process safety emphasizes management systems to control process-related hazards. In 2021, we successfully launched a new management of change software system across all sites. This software will enhance our ability to evaluate and mitigate safety risks before changes occur in our operations. We also began to implement our mechanical integrity program to ensure equipment critical to compliance is managed in accordance with good industry practices. The first steps of this program occurred in 2021, and the rest will be completed in 2022. With these new initiatives, we will strengthen our ability to systematically reduce risk.

The number of process safety incidents increased in 2021. For all of the Tier 1 and Tier 2 incidents we completed a comprehensive root cause analysis which was reviewed by senior management. Immediate actions were taken to protect personnel, the environment, and equipment while long-term measures are in process. The sites involved are focused on operational strategies to minimize these incidents and complete corrective actions that will address the root cause of the incidents.

SAFETY RATES
Injuries per 200,000 Work Hours



PROCESS SAFETY EVENTS
Number of Process Safety Events



RETENTION, DIVERSITY, AND DEVELOPMENT

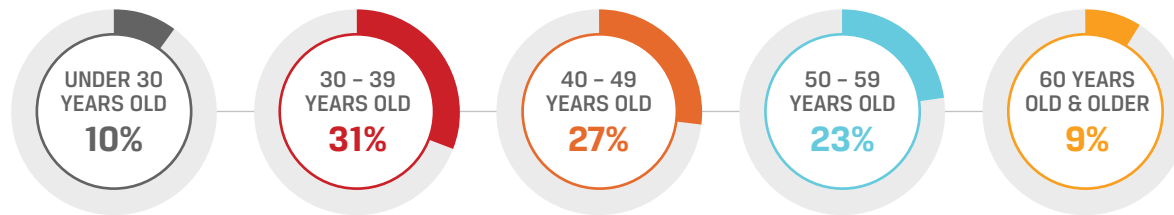
We believe our employees are our most important asset, and we endeavor to provide a diverse, equitable, and inclusive workplace. Our commitment to retention, diversity, and development drives us to expand and refine our programs in support of our 2025 goals. These goals include the following objectives for retention, diversity, and development:

- ◆ Fostering an environment where employees report high levels of inclusion and support for their professional development
- ◆ Increasing diverse representation in leadership and professional roles

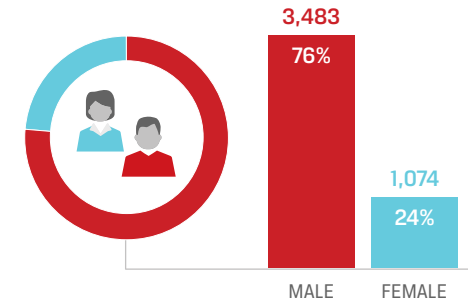
We continue to evolve our practices and advance our efforts in order to meet our goals.

TOTAL GLOBAL WORKFORCE **4,557** 

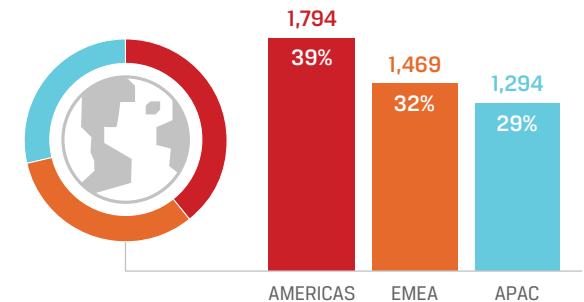
WORKFORCE BY AGE GROUP



GLOBAL WORKFORCE BY GENDER



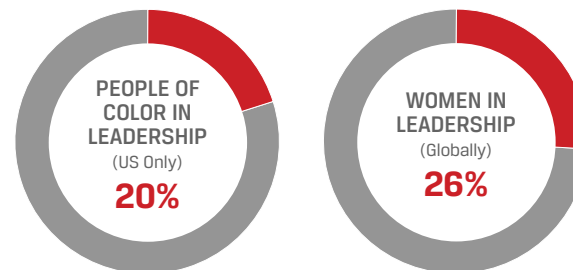
GLOBAL WORKFORCE BY REGION



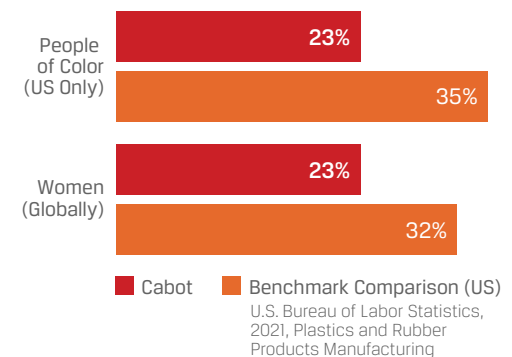
Diversity

We work to create a safe and inclusive environment and increase diverse representation in our workforce.

Our diversity metrics include monitoring the percentage of women globally and ethnic minorities within our workforce in the United States as well as the percentage of leadership roles held by each. In 2021, we saw a slight improvement in the percentage of global leadership and professional roles held by women. Regarding ethnic diversity in the United States, there was a slight increase in our representation by people of color across all roles; however, we saw a slight decline of ethnic diversity in our leadership and professional roles.



DIVERSITY BENCHMARKS



Educating and Building Awareness

In 2021, our Employee Resource Groups (ERGs) helped raise awareness, encourage allyship, offer professional development, and support community engagement. These inspiring efforts included:



Our **Black Employees and Allies United (BEAU)** ERG held a workshop for allies to help build a deeper understanding of the experiences of our black employees. In addition, they hosted a Juneteenth celebration that served to educate employees on its history and meaning and to inspire action to address issues of racial and social inequality.



Our **Women's** ERG hosted a skill-building workshop open to women and allies on harnessing their hidden "superpowers" to be more self-aware in leveraging their confidence and strengths to be more effective at work.



Our **Pride@Cabot** ERG released a video series capturing conversations between LGBTQ+ employees and allies to share their own personal experiences and views on a range of issues, such as challenges LGBTQ+ people can face, dispelling common myths, and reinforcing our commitment to a fair and equitable work environment.



Our **US Military Veterans** ERG was formed to support our veterans mentoring program in collaboration with American Corporate Partners. Our mentors support active military service workers with their transition to the civilian workforce by helping them think through career opportunities, learn how to position their skills when job searching, and understand what to expect.

DEVELOPING SKILLS TO FOSTER AN EQUITABLE AND INCLUSIVE ENVIRONMENT

Aligned with our CEO Action for Diversity & Inclusion™ pledge to advance diversity and inclusion in the workplace, we expanded our unconscious bias training for our people managers. The program was well-received and generated meaningful dialogue, with 99% of our people managers and another 470 employees participating.

ADVANCING OUR DIVERSITY RECRUITING PRACTICES

Based on our 2020 review of talent practices, we discovered that one of our biggest opportunities is attracting diverse talent. An analysis of our interviewing and hiring practices indicates no evidence of bias, but our industry has struggled to attract the talent needed to increase diverse representation. With this focus, we invested in several efforts to build our candidate pools, including:

Developing partnerships with diversity network associations

We developed relationships with Professional Diversity Network, Community Partnerships, and Women in Manufacturing, which helped increase our visibility and access to diverse professional communities to promote our career opportunities.

DE&I-focused social media campaign

To better promote career opportunities at Cabot, we partnered with Monster.com to develop social media content and job ads to attract candidates who share our values and commitment to DE&I.

Enhancing Diversity, Equity, and Inclusion in the Chemical Industry Workforce

We believe that we must do all that we can to build a supportive and inclusive culture. We need to retain and attract the best talent if we are to achieve our ambitions. One of the challenges facing the chemical industry is that we have difficulty attracting diverse talent in significant numbers. We recognize that we cannot only do more to promote the pursuit of STEM education and careers, but do so while also advancing diversity, equity, and inclusion within the chemical industry.

In support of this goal, the Cabot Corporation Foundation became a sponsoring partner of the Future of STEM Scholars Initiative (FOSSI). FOSSI is a national program that seeks to increase the number of underrepresented professionals in the chemical industry workforce by providing scholarships to students pursuing STEM degrees at Historically

Black Colleges and Universities. FOSSI also connects scholars to leadership development, mentoring, and internship opportunities at supporting companies. To ensure a robust and sustainable talent pipeline and create a new generation of outstanding and diverse STEM leaders, FOSSI has set the ambitious goal of funding 1,000 scholars by 2025.

The first FOSSI scholarships were awarded to 151 students who enrolled in college in the fall of 2021. As an inaugural sponsor of FOSSI, Cabot is supporting five scholars in the class of 2021 and will support five additional scholars in the class of 2022. By removing the financial burden of tuition, we are helping these students focus more fully on their studies while developing their professional skill sets. With these scholarships, the program helps grow a more diverse pipeline of future workforce talent by removing financial barriers to college education for students in historically underrepresented groups.

Our involvement with FOSSI complements the work we are doing to increase diversity, equity, and inclusion in our workforce and is a clear demonstration of the power of collaboration. By working together, we can drive meaningful change to increase and promote greater diversity and inclusion in the chemical industry. We are proud to be a part of this truly inspiring effort, as we believe it will have a long-lasting impact on Cabot, the chemical industry, and the lives of those students who will have more access to a college education and advanced career opportunities as a result of this commitment.

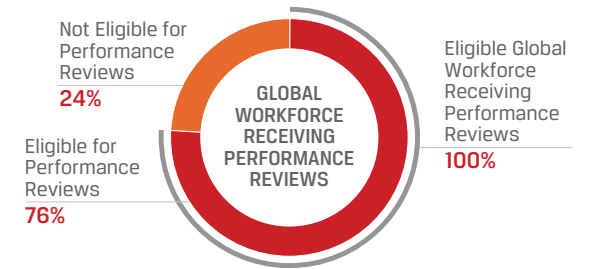
"FOSSI brings together the industry's collective might to make a significant impact on the future of the chemical industry. We are thrilled to have Cabot's support in this important initiative and look forward to working with their team to create opportunities and pathways for success for these deserving scholars."

Mark Vergnano | Founding Chair, FOSSI & Retired Chairman & CEO of The Chemours Company

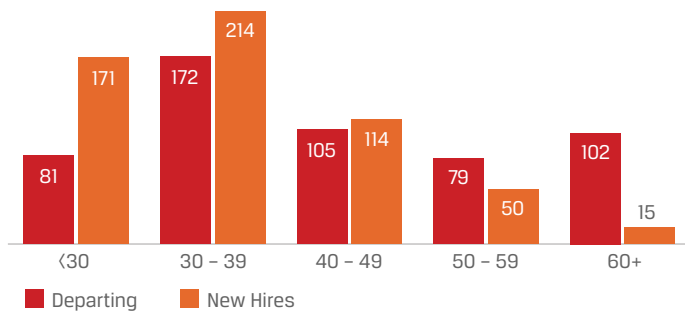


Retention and Development

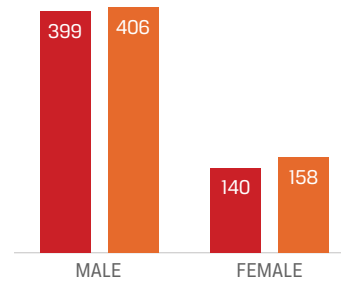
One of the ways we track progress toward our 2025 goals is through our global employee engagement survey. This biennial survey provides valuable feedback regarding employees' perspectives on professional development and inclusion. Our 2021 survey had a strong 87% participation rate, and the results indicated an increase in overall engagement. The Inclusion Index of the survey revealed higher scores on fair treatment and employees feeling valued, having a sense of belonging, and feeling comfortable to challenge the status quo. The survey also showed an increase in our Development Index, with higher scores compared to the previous survey on both manager feedback and opportunities to learn and grow at Cabot. In addition, we continue to monitor turnover rates, which remain below general and manufacturing industry benchmarks.



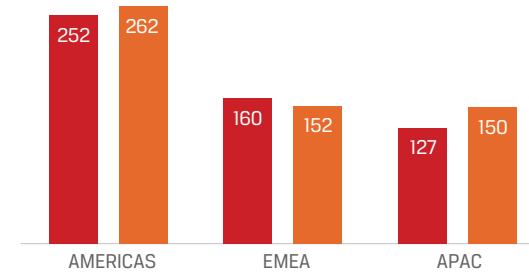
HIRES & DEPARTURES BY AGE GROUP



HIRES & DEPARTURES BY GENDER



HIRES & DEPARTURES BY REGION



DEVELOPING SKILLS AND CAPABILITIES

We offer programs designed to develop our talent tailored to specific employee populations and geographies, including leadership development programs, technical training, and other skill-based training. In 2021, we introduced a few new programs, including:

CHANGE MANAGEMENT: We believe that to succeed, we must create a culture that is receptive to and capable of navigating change effectively. To support this aim, we invested in building our change management capabilities across Human Resources, leadership, transformation project owners, and change leads, which included providing best practice tools, training, and a methodology to support key transformation projects.

ENGINEERING DEVELOPMENT PROGRAM: We expanded this program into a global offering across all three regions to develop the business acumen of our experienced manufacturing engineers to prepare for future leadership roles.

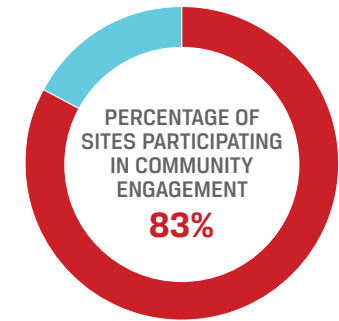
CARBON BLACK TECHNICAL TRAINING: This program was adapted for global, virtual delivery to provide 97 engineers across 19 plants with important fundamentals on how to produce carbon black.

EQUIPPING EMPLOYEES TO DRIVE THEIR CAREER DEVELOPMENT

We believe employees own their career development, and to do this effectively, we must provide them with the guidance, tools, and support needed. In 2021, we launched My Career Development @ Cabot, an employee portal with resources to help them reflect, explore, plan, and take action to develop their skills and pursue their career interests.

COMMUNITY ENGAGEMENT

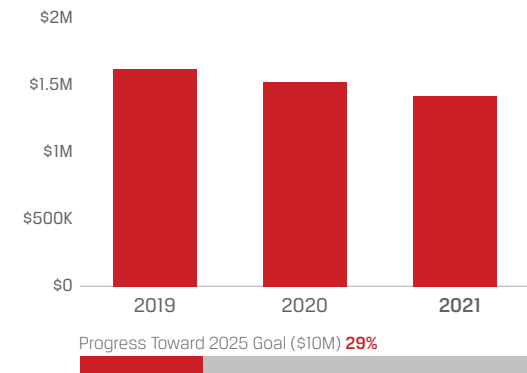
Community engagement strengthens our relationships with our neighbors and motivates our employees who enjoy giving back to local causes that have an impact on their communities. In 2021, our Community Engagement Goal Team worked to advance our collective efforts by tracking regional activities and encouraging sites to lead local engagement initiatives and identify opportunities for grants through the Cabot Corporation Foundation. Consequently, 83% of Cabot sites across the globe engaged in community activities in 2021. These activities ranged from volunteering our time and energy to site-level charitable giving and donations through the Cabot Corporation Foundation. Our donations contributed \$1.4 million toward our goal of investing \$10 million in local communities by 2025.



Promoting Literacy in Cilegon, Indonesia

Reading is fundamental to learning in school and participating in society. Children who can read and write are more likely to succeed in school and have more options later when entering the workforce. Given the importance of reading, our team in Cilegon, Indonesia, has focused its community engagement program on increasing interest and capabilities in reading and donated funds to establish two reading corners in the Rawa Arum area of Indonesia. To help stock these reading corners, our colleagues in Cilegon and Jakarta donated over 450 books. In June 2021, these reading corners were inaugurated by Cilegon Mayor Helldy Agustian and the Head of the Library and Archive Department, Mrs. Nurfatmah. We are proud of our team's efforts to reinforce the value of literacy and hope these reading corners provide a safe, stimulating space for children, and for people of all ages, to read and learn.

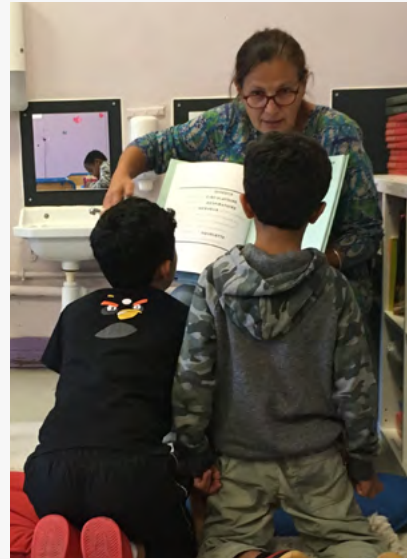
CHARITABLE GIVING



Providing a Safe Place for Children to Learn, Thrive, and Grow in Liège, Belgium

The Cabot Corporation Foundation has supported the homework school "La Place" in Liège, Belgium, since its establishment in 2019. La Place provides after-school support to children ages 6 to 12. The organization helps to foster intellectual development, social independence, and creativity. Currently, 20 children from five neighborhood schools are enrolled at La Place and meet there at least twice a week for homework support and social engagement. The goal of this organization goes far beyond simple homework assistance and coaching after school and

aims to help children maintain a positive self-image, facilitate inclusion and diversity within the community in this multicultural neighborhood, and help them become responsible, active, optimistic, and supportive citizens. In November 2021, Edith Pelzer, Human Resources Manager at our Loncin, Belgium, plant, joined the Board of Directors at La Place. With this role, we will have better insight into how we can support the children of the community in the future.



Sewing Stars Project Changes Lives in Maua, Brazil

We value partnering with community organizations where we can come together to help individuals live their best lives. Our team in Maua, Brazil, supports Associação Estrela Azul, a nonprofit organization that supports vulnerable and at-risk children, adolescents, youth, and their families. Funding from the Cabot Corporation Foundation helped launch the Sewing Stars Project, which teaches sewing techniques and helps train and grow the careers of women in the community. In 2021, a Foundation grant was used to support training for 60 new students and

taught classes including Sustainable Fashion and Creative Sewing, in which scraps and used clothes are transformed into decorative or personal use accessories. The technique encourages upcycling of clothes that would otherwise be discarded. In addition to the space for learning sewing techniques, students can generate income by producing items for sale, such as bathroom rugs, handbags, tablecloths, and wallets. We are proud to support this program, as it expands women's self-employment opportunities and teaches skills that help them lead successful, productive lives.





About this Report

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This document serves as our annual sustainability report, addressing the sustainability topics most material to Cabot. This report has been prepared in accordance with the GRI Standards: Core option. It also addresses the sustainability accounting standard for the Chemicals industry, as defined by the Sustainability Accounting Standards Board framework. Cabot has also incorporated information about our climate scenario analysis process and identified climate-related risks and opportunities in accordance with recommendations of the Task Force on Climate-Related Financial Disclosures. Furthermore, this report includes our annual Communication on Progress as part of our ongoing commitment to the United Nations Global Compact. Our last sustainability report was published in June 2021.

The data and information covered in this report represent our performance across all significant Cabot locations for which the company had operational control and majority ownership during the 2021 calendar year, except for the financial data, which reflects the company's 2021 fiscal year (October 1, 2020, through September 30, 2021). To ensure the highest level of data integrity, we maintain databases for safety and

environmental incident tracking, GHG emissions, finance, and human resources. This data is collected, analyzed, and reviewed by subject-matter experts within the organization. Cabot retained ERM CVS to provide limited assurance in relation to its 2021 emissions intensity calculations for SO₂ and NO_x and its Scope 1 and Scope 2 (location-based) GHG emissions for calendar year 2021. The limited assurance was undertaken in accordance with the ERM CVS assurance methodology, which is aligned with the International Standard for Assurance Engagements ISAE 3000 (revised).

This report describes Cabot's sustainability strategy and how it relates to our business and the interests of our stakeholders. The content focuses on the 11 sustainability topics that were found to be most relevant through a comprehensive materiality assessment completed in 2017. Dedicated sections describe our management approaches, performance, and vision for improvement in each area. Throughout the report, markers indicate the correlation between material topics, the GRI Standards, the SASB Framework, the TCFD recommendations, and the UNGC.

Stakeholder Engagement

Our success depends on strong relationships with our stakeholders. We engage with stakeholders in a variety of ways to share information and maintain positive relationships. We diligently seek opportunities to engage with our customers, investors, employees, potential employees, suppliers, regulators, and communities. We welcome their feedback on how our respective interests can converge for an overall positive outcome, as summarized in the table on the right. Our interaction with these groups can take many forms, including employee meetings, Community Engagement Days at our manufacturing facilities for our neighbors, recruiting events, in-person meetings, and the use of our website and social media channels to highlight key community initiatives and company news. We believe it is important for our stakeholders to understand not just the nature of our business but also our ongoing commitment to improving our sustainability performance.

Our open-door policy provides the framework for employees to raise concerns and report suspected violations of corporate policies or the law. Employees may utilize several points of contact, such as supervisors, the Office of Compliance, or the Cabot hotline. Manufacturing facilities have formal processes to engage with the local community, including the use of Community Advisory Panels and Community Engagement Days, where our neighbors can visit our facilities and interact directly with Cabot employees and learn more about the plant operations.

In recent years, we have expanded our engagement with investors on ESG issues to reflect the growing interest in these topics and for viewing our sustainability actions as indicators of our long-term performance.

STAKEHOLDERS	TYPES OF ENGAGEMENT	KEY TOPICS
Employees	Meetings, including Global All Hands meetings, executive briefings, training sessions, surveys, regular intranet communication, internal social media streams	Business performance, the value of our work, strategic initiatives and purpose, policy and organizational structure, benefits and compensation, safety, and sustainability
Potential Employees	Social media, website, college campus visits, interviews, internships, job recruitment sites, employee referrals	Sustainability performance, company values, community engagement, benefits, and compensation
Communities	Plant visits, Community Engagement Days, sponsorships, engagement programs, Foundation activities, website, social media	Plant operations, safety, environmental stewardship, emergency response planning, compliance programs, emissions, community sponsorships, local engagement
Customers	Sales calls, surveys, technical information, exchanges, plant visits, complaint resolution, trade shows, trade magazines, social media, customer portals, website	Business performance, sustainability, satisfaction surveys, technical solutions, product quality and performance, cost, production plans, environmental data, product safety, and regulatory information
Suppliers	Presentations, supplier agreements, performance assessments, supplier summits, trade shows, trade magazines, website	Performance criteria and expectations, sustainability, safety
Investors	Annual report, quarterly disclosures, annual meeting, individual meetings, social media, website, business and trade magazines	Business performance, strategy, execution, material disclosures, sustainability
Regulators	Plant visits, technical information exchanges, inspections	Compliance reporting, problem-solving, technical information, sustainability

Cautionary Statement Relating to Forward-Looking Statements

This sustainability report contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can be identified by the use of words such as "anticipate", "estimate", "expect", "aim", "project", "intend", "plan", "believe", "will", "will be", "will likely result", "should", "could", "target", "forecast", "strategy", "opportunity", "outlook", and similar expressions, and variations or negatives of these words and phrases.

Forward-looking statements involve current expectations of future business and financial performance, financial conditions, and other matters based on current assumptions and expectations of future events that are subject to risks, uncertainties and other factors outside of Cabot's control, which may cause actual results to differ materially from those projected, anticipated or implied in the forward-looking statements and speak only as of the date the statements were made. Such statements include statements that relate to our purpose, ambitions, aims, commitments, strategies, targets, plans and objectives, and our progress on our 2025 sustainability goals. If known or unknown risks materialize, our actual results could differ materially from past results and from those expressed in the forward-looking statements. The use of the word "material" for the purposes of statements regarding our sustainability strategy and goals should not be read as equating to any use of the word in Cabot's other disclosures or filings with the US Securities and Exchange Commission.

Important factors that could cause our actual results to differ materially from those expressed in our forward-looking statements include those described in our Annual Report on Form 10-K for the fiscal year ended September 30, 2021, under the heading "Risk Factors" and in our Quarterly Report on Form 10-Q for the fiscal quarter ended March 30, 2022. Factors relevant to achieving our sustainability goals and ambitions include, but are not limited to, our the success in developing new and innovative products or product applications that advance our goals, including the rate of acceptance of such products and applications; our ability to offset the costs of such product development investments; our success in identifying ways to adopt new technologies in our global network of manufacturing assets; our success in identifying alternative raw materials, including less carbon-intensive, reclaimed and/or recycled materials, for creating our products; and, the impact from changes in the feedstocks we use in our carbon black manufacturing and in the products we make that may have a negative impact on our product yield and/or greenhouse gas emissions, and from the tradeoffs in environmental impacts inherently associated with complex chemical manufacturing operations.

No part of this report is an inducement to invest in Cabot and should not be relied upon in any way in connection with any investment decision. We undertake no obligation to publicly update forward-looking statements, whether because of new information, future events or otherwise, except as required by law.





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Management Approaches

Building a Better Future Together

We recognize the value and importance of incorporating sustainability not only into our direct operations and research efforts but throughout our value chain. This perspective helps us identify how we can best leverage our knowledge and create the greatest value to improve efficiency and implement responsible practices. We actively engage with our customers to collaborate on developing products that impart sustainability benefits such as increased durability and energy efficiency. In addition, we support and collaborate with our suppliers to help them in their pursuit of continuous improvement in sustainability performance. Improving the overall impact of our value chain is dependent on our close collaboration with our customers and suppliers. Together, we pursue innovative solutions to improve our collective sustainability performance and address the key sustainability challenges of today's world.

ECONOMIC VALUE GENERATED AND DISTRIBUTED

OUR COMMITMENT

Strong financial performance is key to the sustainable growth of our business and our future success. Our stakeholders around the world expect us to deliver on our financial commitments by generating and distributing economic value. Through our "Creating for Tomorrow" strategy, we are focused on growing earnings by 8% to 12% while returning over \$1 billion in discretionary free cash flow to shareholders over the next three years. We believe this approach, in combination with investing for growth in our businesses, will allow us to maintain our reputation as a leader in our markets and be well-positioned to respond to the evolving needs of our customers. Through our global operations, we create value for a wide variety of stakeholders, including our local communities, shareholders, investors, suppliers, contractors, and employees. Our compensation programs are designed to provide a competitive package that rewards both the individual's and Cabot's performance and reflects job complexity, expertise, experience, and location. Further, our capital investments across our facilities generate value for local economies through our engagements with local suppliers and contractors to help execute these projects.

OUR MANAGEMENT APPROACH

With the support of our Executive Management Team, the Board of Directors oversees financial performance and strategy, capital structure, and market exposure, as well as Cabot's overall risk profile. Our comprehensive Enterprise Risk Management (ERM) program is led by our Chief Financial Officer and reviewed by the Executive Management Team before it is presented to the Board of Directors. As part of this process, sustainability-related issues, such as impacts of climate change on our business operations and our markets, are evaluated. Opportunities related to how we can respond to markets seeking more sustainable solutions are also a key factor in our strategic planning.

With our "Creating for Tomorrow" strategy, we will leverage our strengths to lead in performance and sustainability – today and into the future. We execute this strategy by investing for advantaged growth in key markets, developing innovative products and processes, and optimizing our operations for efficiency and continuous improvement. These efforts drive strong financial performance for our shareholders while delivering maximum value for our customers.

In addition to the financial metrics reported in our Annual Financial Report and used to measure our success in executing our corporate strategy, we have established a goal to monitor other elements of our overall economic value generated and distributed. Our 2025 sustainability goals include a commitment to invest \$1 billion in capital and technology to sustain our operations and grow our portfolio by 2025. The goal includes capital investments in our operations and technology investments in our portfolio, as well as M&A expenditures for 2020 – 2025.

Our investment decisions and growth strategy are guided by an emphasis on sustainable business practices and full compliance with laws, regulations, and corporate standards. Our actions are governed by our Code of Business Ethics and often go beyond the minimum expectations, requirements, and standards.

To ensure the reliability of our financial and strategic planning, we regularly monitor and evaluate both our short- and long-term needs and objectives. Specifically, we conduct a comprehensive internal review of our financial performance quarterly. We also review our financial performance with our Board of Directors on a bimonthly basis. On an annual basis, we develop and review long-range plans, establish performance targets, and review business and function budgets.

Our financial performance is evaluated closely by our investors and the broader investment community, and our annual financial statements are audited each year by an independent registered public accounting firm.

PRODUCT SUSTAINABILITY

OUR COMMITMENT

Our "Creating for Tomorrow" strategy drives us to develop innovative products and processes that enable a better future. This is exemplified by our products that provide health, safety, environmental, and other sustainability benefits for our customers and their customers. We are committed to developing innovative products that improve the performance of our customers' products by imparting properties that extend product life spans, increase fuel efficiency, and optimize resource conservation. We look to grow our involvement in the circular economy by developing opportunities to use waste or byproducts as raw materials. As a responsible manufacturer, we understand our obligation to share comprehensive information on the health, safety, and environmental aspects of our products.

OUR MANAGEMENT APPROACH

Our Chief Technology Officer provides oversight of product innovation and development in close collaboration with our customer-focused business teams. We also regularly partner with customers to support their goals of developing sustainable products and solutions. Our research and development teams use a stage-gate process and a sustainability screening tool to assess the risks associated with the materials we use and produce regarding the health, safety, and environmental impacts of our own operations and the activities of our suppliers and customers. This approach enables our researchers to streamline our development process, allowing us to evaluate sustainability impacts across the life cycle – from design to manufacturing, use phase, and end of life treatment. Through this lens, we can make informed decisions about the design and formulation of our products in support of our 2025 goal that 100% of product and process development projects will have a sustainability benefit compared to an existing benchmark.

Our regulatory experts and toxicologists within our Product Safety and Toxicology Department lead our efforts to maintain compliance with global product registration requirements. Our corporate product stewardship standards, covering regulatory reviews as part of the new product development process, and our Safety Data Sheet authoring ensure an ongoing review of our product properties and compliance requirements. We are committed to developing transparent product labeling and sharing comprehensive supporting literature to ensure that those who manufacture, transport, store, or use our products are prepared to handle the materials safely. Our corporate chemical prioritization process further enhances this transparency by determining which products should receive a more detailed evaluation and assessment, including risk management measures beyond what is required by regulation. Throughout our product development, we are guided by the precautionary principle and carefully consider the potential effects on health, safety, and the environment. We place careful consideration on avoiding chemicals of concern and reducing hazards associated with our products. We aim to innovate more sustainably, engaging with our partners throughout our value chain to ensure we are developing products that also enable their (product) sustainability goals. Training is provided for our employees, customers, and distributors to relay the health and safety aspects of our products as well as the intended uses, ensuring that our materials are handled and used properly.

Our commitment to product sustainability extends to our engagement with peer companies in our industries. We continue to actively engage in the International Carbon Black Association and the Association of Synthetic Amorphous Silica Producers, as well as other industry associations around the world, such as the Nanotechnologies Industry Association, the American Chemistry Council, and The European Chemical Industry Council. These engagements provide opportunities to further the understanding of regulatory issues, promote collaboration on the expansion of health and safety information, and help ensure the long-term sustainability of our markets.

SUPPLIERS' SUSTAINABILITY

OUR COMMITMENT

We are committed to conducting business with the highest ethical standards, and we expect the same from our suppliers. The increased risks linked to social, environmental, and ethical practices along the value chain, laws and regulations require that we hold trading partners accountable for noncompliance. At the same time, we look for ways to increase shared value through sustainability. As we advance on our sustainability journey, we believe partnering with our suppliers will play an important role in our ability to generate significant positive impacts beyond our own operations.

OUR MANAGEMENT APPROACH

Our suppliers provide a wide range of goods and services, including raw materials; chemical additives; process equipment; packaging materials; logistics services; maintenance, repair, and operations; engineering; and facility and professional services. Our suppliers are managed by our global Source-to-Pay organization, part of our Global Business Services function, and our feedstock sourcing teams. To meet our 2025 goal of engaging with key suppliers to improve our collective sustainability performance, we are taking a strategic approach to identify and address shared challenges. Our

near-term objective is to ensure that all critical suppliers are enrolled in our third-party sustainability assessment process. These assessments will be used to develop supplier sustainability scorecards that evaluate environmental and social impacts against international standards such as GRI and the principles of the UN Global Compact. As this new initiative rolls out, we continue to share our Supplier Code of Conduct with all our suppliers, outlining our expectations for conducting business ethically and in an

environmentally and socially responsible manner. We require our key suppliers to agree to the expectations for responsible and ethical practices described in this document. At the same time, we are also partnering with key customers and business partners on efforts to reduce the impacts of transportation and packaging, among others. Together, we are driving sustainability performance through measures that increase efficiency, support our climate ambition and enhance circularity.

Acting Responsibly for the Planet

Environmental issues significantly affect us all on a global scale, and it is the responsibility of governments and corporations alike to help find solutions to these challenges. As such, we operate our facilities responsibly while delivering innovative solutions that help address the sustainability challenges of our customers, communities, and the world. We acknowledge that we have a responsibility not only to comply with applicable environmental regulations but also to lessen our impacts on the planet, where feasible. We are proud of the improvements in our environmental performance and the leadership we have demonstrated within our industry, but we realize this is an ongoing process. We must continue to work toward innovative, cost-effective solutions to reduce our environmental impacts while remaining competitive within our industries.

Of the 11 material topics serving as the foundation of our sustainability program, more than half are related to environmental performance. The management of these topics is guided by our SH&E Policy, and our performance is measured against specific goals to reduce waste, energy use, water use, and emissions of GHGs, NO_x and SO₂ by 2025. We also continuously monitor our environmental compliance performance against internal year-over-year improvement targets. To accelerate our performance, we routinely evaluate our environmental management practices to uncover broader opportunities that translate into environmental benefits, better use of our shared resources and reduced operating costs.

The Safety, Health, Environment and Sustainability (SHE&S) Committee of our Board of Directors has oversight over environmental issues at the highest governance level. Executive leadership for implementing environmental strategies and policies is provided by the Senior Vice President for SH&E and Chief Sustainability Officer, who oversees a team of professionals assisting our locations in improving overall environmental performance.

ENVIRONMENTAL COMPLIANCE

OUR COMMITMENT

Responsibility is one of our core values, and one way we demonstrate this is through our commitment to 100% compliance with local, regional, and national environmental laws and regulations. Maintaining compliance is consistent with our license to operate and demonstrates to our stakeholders that we are committed to preserving the natural environment we all share.

OUR MANAGEMENT APPROACH

Compliance is managed through our Drive to Zero initiative, focused on reducing environmental non-conformance events, which we define as events resulting in a reportable spill or release, a notice of violation, a public complaint, or a regulatory permit deviation. Our internal standards are developed to meet or exceed applicable laws, regulations, and the requirements of voluntary programs such as Responsible Care. Our approach to compliance is meant to prevent environmental incidents in the design and operation of our facilities and by emphasizing proactive measures such as training and job planning with employees, contractors and business partners. Environmental

awareness training is provided to manufacturing and laboratory employees as part of their new employee orientation, and periodic refresher training is provided to maintain a high level of awareness on the part of all employees involved in our operations.

We seek to promote continuous improvement by undertaking thorough investigations of any incidents that do occur to identify the root cause of the incident and implement appropriate corrective actions. To help minimize the potential for a similar incident to occur, the results of these investigations are shared broadly throughout our global network of facilities. We routinely verify compliance through our comprehensive corporate SH&E audit program. These audits are conducted regularly and provide another opportunity to share best practices and learnings across our network. In addition, we support the efforts of our facilities to secure and maintain external certification of their environmental management systems, and we have set a 2025 goal of externally certifying 100% of our facilities' environmental management systems. These certifications provide an independent assessment that we are fully aware of our environmental aspects and impacts and that we have the systems in place to ensure compliance.

ENERGY

OUR COMMITMENT

Our focus on energy conservation is consistent with our corporate strategy to generate value through efficiency and optimization. We understand that improved energy efficiency delivers both direct and indirect emission reduction and economic benefits. Our manufacturing processes are heavily dependent on energy, and we are committed to continuously looking for ways to advance toward our goal of reducing our overall energy footprint by reducing our consumption and harnessing waste energy that would otherwise be lost in our manufacturing processes. Our work focuses on maximization of the overall efficiency of existing equipment, innovations in equipment, process technologies and waste heat recovery to minimize our energy footprint while considering alternative energy sources to reduce our reliance on fossil fuels. Our 2025 sustainability goals include an energy intensity reduction target and a goal to increase our energy ratio, which measures our performance in capturing and converting waste energy for export in relation to the energy imported. By converting what is now wasted energy into useful byproducts that we export, we can reduce the use of fossil fuels and the associated GHGs that would otherwise be generated outside of our own facilities.

OUR MANAGEMENT APPROACH

Because energy is such a crucial part of our manufacturing processes, Cabot has established an Energy Efficiency Team within our manufacturing organization that leads our broader energy sustainability efforts. The Energy Efficiency Team defines the execution plan to achieve our 2025 sustainability goals consistent with our corporate sustainability and business segment strategies. The Energy Efficiency Team collaborates with leaders from our business segments, corporate SH&E, global engineering, and research and development to evaluate new energy-saving process technologies, implement capital programs to improve energy efficiency and develop effective means to capture and utilize waste heat and energy.

Management practices designed to optimize operations and implement efficiency measures are undertaken at the facility level. Data on energy use and energy sources is collected and analyzed through our internally developed metric, energy ratio, which is calculated for each facility. This metric helps to monitor the effectiveness of our execution plans, determine energy trends and identify improvement opportunities.

EMISSIONS

OUR COMMITMENT

Our emission reduction efforts involve a variety of different techniques, including improved operational efficiency at our manufacturing facilities. We monitor our process emissions closely with the aim of maintaining compliance with our regulatory obligations and reducing our global environmental footprint. We also look to partner with our customers and others who share our goal of reducing emissions impacts across the value chain by providing products that can help lower their emissions and significantly lower the impact of their products throughout the product life cycle.

OUR MANAGEMENT APPROACH

The overall management strategy for our emission reduction program is led by our business segments working closely with our individual facilities and the SH&E team. In the broadest sense, we continue to advance cost-effective technologies that help meet both our emission reduction and our operational efficiency goals. Our approach toward reducing GHGs is focused on capturing waste energy for use, increasing the

energy efficiency of our processes and equipment, sourcing alternative feedstocks, and procurement of renewable or low-carbon energy where feasible. Our approach towards reducing other emissions such as SO₂ and NO_x includes installing emission control systems when necessary and utilizing lower sulfur content feedstocks where economically feasible. When identifying air pollution controls, we will seek out systems that minimize the production of unwanted byproducts and look for ways to optimize the control systems already in place. We also actively engage with local and regional governments to effectively reduce emissions, where feasible, while working to maintain fair, competitive global marketplaces.

WASTE AND SPILLS

OUR COMMITMENT

We recognize the potential impact that solid waste disposal or spills of hazardous materials could have on the environment in our local communities. Therefore, we take a targeted approach to minimizing waste through a hierarchy of management practices, and our Drive to Zero philosophy extends to an aspiration of zero spills and leaks at our operating facilities. We also believe that finding alternative uses for waste materials and byproducts presents opportunities to contribute to a circular economy.

OUR MANAGEMENT APPROACH

Most of our waste is primarily associated with two sources: off-quality materials produced during the manufacturing process and waste residues originating from air pollution control systems. Other wastes may be generated from sources such as periodic construction and demolition projects, packaging from raw materials and products, laboratory waste from quality assurance activities, and routine office-based activities.

Expectations for the management of waste and the handling of chemicals are governed by Cabot's internal standards applicable to all our manufacturing, laboratory, and R&D facilities. Our waste management standard has established a hierarchy of waste management with the elimination of waste as the highest priority and disposal without any beneficial reuse as the lowest priority. We implement programs to identify reuse opportunities for off-quality products and other waste streams and improve facility

resource efficiency to reduce waste generation. Compliance with these expectations is regularly evaluated through our comprehensive SH&E audit program.

Where feasible, both hazardous and non-hazardous waste is recycled or reused while all other waste is disposed of by incineration or other appropriate off-site treatment at permitted and licensed facilities in accordance with Cabot's Waste Management Standard. Our 2025 goal of reducing total waste disposal by 20% from 2019 levels is designed to encourage facilities to identify beneficial uses for their waste streams with a long-term goal of eliminating all manufacturing-related waste disposal.

We track our waste data from each site on an annual basis as part of routine reporting of waste activities and measure progress against our 2025 goal. While our goal focuses on waste impacts from our direct operations, we also seek opportunities along our value chain to work with suppliers to reduce waste associated with shipping materials and with customers by offering products that incorporate recycled content or extend the useful life of a product.

Spills Management

We aim to avoid all spills through careful management and design of the processes at our facilities. We conduct training on spill management and emergency response in order to ensure personnel are prepared to respond if a spill were to occur.

WATER

OUR COMMITMENT

Water is vital to human life and healthy ecosystems across the globe. It is also a natural resource we depend on in our manufacturing operations, and we must pay close attention to ensuring responsible water consumption and management.

OUR MANAGEMENT APPROACH

Cabot withdraws water from groundwater, surface waters (fresh and brackish), and third-party suppliers for use in our production operations. Where feasible, water from our operations is reused, with the remaining water discharged directly or indirectly to waterways.

We have a responsibility to minimize our direct impacts from these activities. Therefore, we seek to conserve water across our operations and ensure that wastewater discharges are properly treated to avoid degradation of the surrounding environment. We recognize the water impacts across the full life cycle of our products. We look to develop applications for our products that help conserve and protect water resources, including the use of our masterbatch material in durable water piping and water conservation applications.

Our 2025 water goal focuses on the withdrawal of water for production, and our overarching strategy includes mapping water use, monitoring water risks, tracking legal requirements, assessing water management costs, and prioritizing water efficiency projects. Responsibility for water resource management predominantly resides at the facility level, under the guidance of our Water Sustainability Goal Team. Both intake and discharge of water are typically governed by state and local water permits. We strive for full compliance with our obligations under these permits. We also look for opportunities to increase water efficiency and recycle wastewater where feasible.

We evaluate our water management by reviewing data on water withdrawal intensity and water discharge intensity per unit of production. This allows us to evaluate our water usage for each of our operating locations. We have been monitoring annual water use and discharges at our manufacturing facilities since 2009 to better understand where our water is sourced, what our withdrawal rates are, and the volume, quality and destination of water discharged from our facilities. We have completed a water risk evaluation of our manufacturing locations to identify which of them may be impacted

by future water scarcity issues. Twelve facilities are in areas currently classified by the World Resources Institute Aqueduct Water Risk Tool as being extremely high or high for

baseline water stress. Our approach to water management is reviewed by the Water Sustainability Goal Team on an ongoing basis.

Caring for Our People and Communities

Our commitment to providing safe working conditions and involving all our employees in our safety efforts has been fundamental to our history. This focus on safety helps us attract and retain top talent around the world and helps ensure reliable performance in our manufacturing operations. We also offer our employees professional development opportunities and competitive compensation and benefits. We are committed to increasing employee engagement by leveraging the diversity and aspirations of our people and developing their talents by fostering an inclusive environment embracing diversity in its many forms. To remain a competitive employer, we acknowledge the importance of our company values, vision, culture, and sustainability program to our employees as we aim to continuously demonstrate our commitments and enhance our performance.

Our commitments extend to our communities, where we strive to be a good neighbor through our active engagement and responsible business practices. We seek input and feedback from our local communities and look for opportunities to contribute our time and resources so we can play an active role in the growth and success of the areas where we operate.

OCCUPATIONAL HEALTH AND SAFETY

OUR COMMITMENT

Our responsibility as an employer is to provide a safe work environment and promote wellness across the workforce. This focus on health and safety has been deeply ingrained in our culture throughout our history. Our goal is for all employees, contractors, and visitors to return home in the same condition as when they arrived at work. We also strive to help employees lead healthy lifestyles through a variety of initiatives and benefits.

OUR MANAGEMENT APPROACH

The Safety, Health, Environment and Sustainability (SHE&S) Committee of Cabot's Board of Directors has responsibility for overseeing health and safety issues at the highest governance level. Leadership for implementing related strategies and policies is provided by the Senior Vice President for SH&E and Chief Sustainability Officer who oversees a global team of SH&E professionals, including regional directors. SH&E and security are critical components of our culture. The Executive Management Team plays an essential role in setting expectations and ensuring appropriate resources are available to meet our goals and objectives in this regard. As part of our Drive to Zero initiative, we have set a long-term goal of achieving zero injuries at our facilities worldwide. Recognizing that it may take many years to achieve this ambitious objective, we have established a continuous improvement goal for personal safety to achieve a 50% reduction in our recordable incident and severe injury rates by 2025. Through our global SH&E Policy, which is endorsed by our Executive Management Team, we hold

ourselves accountable to demonstrate our company values and continuously improve the way we operate. The policy defines several important objectives for our continuous improvement in safety, including:

- ◆ Complying with all applicable laws and regulations
- ◆ Sharing complete information about the safe handling of our products
- ◆ Maintaining the safety and security of our employees, contractors, and neighbors
- ◆ Managing our operations to minimize any impacts on our communities
- ◆ Exemplifying the Responsible Care® Guiding Principles
- ◆ Partnering with customers to develop innovative and sustainable solutions
- ◆ Improving efficiencies, reducing environmental impacts, and ensuring that we are prepared for all emergencies that could occur

Our facilities are required to develop and implement a safety program that upholds our SH&E Policy and meets all applicable health and safety laws as well as Cabot standards. This program provides oversight for all direct activities occurring in our facilities and within our operational control, including impacts on employees, contractors, and visitors. Additionally, most facilities are operated with local health and safety committees open to all workers, including union and nonunion labor participation. These committees meet on a routine basis, and their primary focus is to ensure open

dialogue around SH&E issues, provide opportunities to communicate progress and challenges, and resolve conflicts on priorities. We also incorporate contractors into our safety program through our selection process, which includes prequalification to ensure they meet minimum SH&E requirements. Contractors receive on-site orientation training and adhere to Cabot safe work permitting processes. In addition, contractors receive ongoing reviews and feedback on their performance through our contractor management standard.

Hazard Identification and Risk Mitigation

Our approach to minimizing risk includes standards-based analysis of impacts and hazards, as well as training all employees to ensure that they are adequately aware of workplace hazards and can take steps to prevent injuries. All employees receive safety training that meets or exceeds all applicable government regulations and internal standards. Our job safety analysis and safe work permit management ensure that risks are addressed before work begins. Risk identification and equipment training cover a range of topics, including potential exposure hazards, occupational noise, personal protective equipment, fire and flammability, physical risks, and ergonomics. To enhance these efforts, we have deployed a web-based learning platform across multiple topics and disciplines.

If a hazardous situation were to arise, workers are empowered to report unsafe conditions through various means. To ensure worker protection against reprisal, Cabot provides an anonymous reporting hotline, investigates all claims of retaliation, and provides training to all employees on coaching, sensitivity to harassment, ethics, and compliance.

We have internal standards for monitoring and controlling long-term health risks. The standards require workplace exposure assessments, incident investigations, implementing corrective actions where necessary, communicating the results to employees, and tracking the data through our central database. Our facilities' implementation of these standards is reviewed periodically through our SH&E audit program.

Occupational Health Services

A suite of occupational health services strengthens our robust approach to worker well-being. These include third-party medical advisory services for occupational injuries and illness management and an independent medical director to advise Cabot on long-term and acute medical conditions associated with our manufacturing operations. All employees have access to information on chemical hazards and occupational services through internal communication networks and SH&E experts.

We carry this approach beyond our operations through an emergency response system and advisory services to cover chemical shipments worldwide. We have a proven track record of promoting occupational health by participating in industry groups and sponsoring research on the potential impacts of our products, including long-term employee health studies dating back more than 50 years.

Continuous Improvement Through Responsible Care®

As part of our commitment to Responsible Care, we remain focused on continuously improving the health and safety of our processes and products. In accordance with this certification, we report our performance metrics annually and undergo external audits regularly to evaluate our program, identify gaps, and undertake corrective actions as needed. In addition to the Responsible Care audits, our sites routinely undergo robust internal SH&E audits, which evaluate procedures, practices, and site conditions in accordance with regulations, internal company standards, and industry-recognized best practices. These risk-based audits are conducted by teams of internal subject-matter experts supported by external resources as needed. Employees participate in site-level and corporate audits through activities ranging from interviews to corrective actions.

PROCESS SAFETY

Another critical factor in keeping our employees and communities safe is our careful attention to process safety. Process safety management is the application of management systems to identify, understand, and control process-related hazards to prevent incidents. This approach includes monitoring the condition and functionality of our processes, equipment, and infrastructure to ensure our operations are as safe and efficient as possible. Before initial unit startups and when significant changes to operations occur, preparedness assessments are conducted by subject-matter experts. We also carefully track process safety events, defined by the Center for Chemical Process Safety as any unanticipated release of material or energy from a process that results in injury, damage to property/assets, or damage to the environment through fire, explosion, or release of flammable, combustible, or toxic chemicals. In accordance with the American Petroleum Institute's recommended practice 754, we utilize the Tier 1 and Tier 2 categorization approach to track our performance and report externally.

In the event of a recordable injury, process safety incident, or high-potential near miss, a thorough incident evaluation is conducted to understand the root cause of the issue and assess how we may implement measures to avoid similar safety events in the future. We share the results of these evaluations globally, so all our sites can learn from the event and reduce similar risks.

RETENTION, DIVERSITY, AND DEVELOPMENT

With approximately 4,500 employees around the world who represent a wide variety of backgrounds and make conducting our business possible, we are committed to celebrating the diversity of all our employees and supporting them in realizing successful careers.

Reporting to the Chief Executive Officer, the Senior Vice President and Chief Human Resources Officer (CHRO) oversees programs and processes to attract, develop, retain, and support our employees and routinely updates our Board of Directors on related initiatives.

The Human Resources Department enables managers across the company to drive performance and employee development using our performance management process and the implementation of our Human Rights Policy, which establish expectations for adherence to labor practices and human rights laws, and the creation of a safe and healthy workplace.

RETENTION AND DEVELOPMENT

OUR COMMITMENT

We understand that employees have a choice of where they work, and it is our goal to remain an employer that attracts and retains top talent. We depend on the broad range of skill sets and experiences from our workforce to be successful as a business and advance on our sustainability journey. We seek diverse candidates for all positions, and we have deployed practices that help ensure all employees are treated fairly and equally by providing competitive benefits and professional development programs. By developing our employees' knowledge and skills, we offer our people opportunities for advancement, enhance value for our customers, and retain talent to further our leadership position. This also benefits our employees' families and local communities by building intellectual capital and supporting broader economic stability.

OUR MANAGEMENT APPROACH

Reporting to the CHRO, the Director of Talent Management and Development is responsible for developing and leading the execution of our talent strategy, focused on building our current and future talent pipeline through the development of our employees and the recruitment of external candidates.

Employment decisions are made without regard to race, color, national origin, religion, gender, sexual orientation, age, disability, veteran status, or other legally protected status. An in-house talent acquisition team leads outreach and recruitment efforts suited to local market dynamics and business needs. We develop a talent pipeline by offering internships, apprenticeships, and training to students in many of the communities in which we operate.

In terms of employee benefits, our Board's Compensation Committee oversees compensation programs, including remuneration of Cabot's Management Executive Committee, reviews of incentive structures, gender-based pay equity, and pay equity among employees. To ensure employees have their basic needs met to live healthy and productive lives, we offer comprehensive benefits programs designed to meet

or exceed what is required and standard for the countries in which we operate. While our benefits vary by location, we typically provide health insurance; life and accidental death insurance; disability insurance; retirement and pension plans; business travel accident insurance; medical travel insurance; vacation, holiday, and leave entitlement; educational financial assistance; and access to retiree medical coverage.

Cabot encourages a culture of well-being and offers programs on physical, financial, emotional, and social health. The delivery of these programs varies by site and includes in-person, online, print, and digital tools. An Employee Assistance Program is available to all employees globally for well-being and emotional support. Cabot fully covers the costs of COVID-19 testing and vaccines for employees in instances where the local government does not provide them. Flu vaccination campaigns are held across many regions, and on-site healthcare is available in some locations. We also offer flexible work arrangements to support our employees with being able to meet family and personal needs while enhancing job satisfaction and productivity.

We recognize the potential each employee brings to Cabot, and we are committed to our employees' development to help them realize this potential to its fullest. Our approach to development is multifaceted and encourages:

- ◆ On-the-job development, including stretch assignments and rotations
- ◆ Continuous feedback from managers, mentors, and peers
- ◆ Formal learning opportunities, including leadership development programs, functional and technical skills training, and professional conferences

We take a holistic approach to employee development. Through our performance-based management process, managers and employees work together to plan work and set expectations, review progress and results, reward performance, and discuss development areas to support performance improvement and career growth. Our training programs are managed both at the corporate level and on a site-by-site basis,

according to the unique mix of each employee's experience, skill set, and career interests, and the company's business objectives. Lastly, career transitioning at the end of employment is handled with sensitivity and commonly includes outplacement services for future job opportunities or retirement.

To support continuous improvement, our biennial employee engagement survey provides an opportunity for the company to receive feedback from our global workforce and gain insights related to engagement, retention, and development.

DIVERSITY

OUR COMMITMENT

We strive to create a safe and open environment where everyone is supported to contribute to our success and have an impact – where the richness of ideas, backgrounds, and perspectives are accepted, respected, and valued. Each of us understands that we are accountable for playing an active role in building and sustaining an inclusive environment where everyone can contribute, grow, and thrive.

OUR MANAGEMENT APPROACH

Diversity, equity, and inclusion (DE&I) is a core responsibility of our Director of Talent Management and Development, who reports to the CHRO. Our progress in DE&I is overseen by a Diversity and Inclusion Council comprised of leaders from across the company, with the directive to examine how we promote and support diversity in all its forms. Policies and practices are reviewed from both global and local perspectives to

ensure that we build an inclusive environment where employees with diverse backgrounds and experiences feel valued and welcome to share new ideas, challenge the status quo, and collaborate broadly within and across their teams. Our biennial employee engagement survey also provides an opportunity for the company to receive feedback on our efforts to foster an inclusive environment.

We firmly believe that fostering diverse perspectives and experiences not only builds a community of employees who feel included and valued but also enhances our ability to be innovative. Our business success depends on our ability to create an environment where we all understand and acknowledge the importance of our differences. This supports our efforts in recruiting and retaining top talent and establishing a welcoming environment for our employees.

COMMUNITY ENGAGEMENT

OUR COMMITMENT

Throughout our history, we have maintained a strong sense of community and always strive to be a good corporate citizen. We understand the value of partnering with the communities in which we operate, and we recognize that thriving communities are essential for a sustainable future. Community engagement benefits our neighbors, resonates with employees on a personal level, and allows us to operate with the trust and confidence of our neighbors. We are fortunate to have a workforce comprised of many individuals who are willing to contribute to this important effort by offering their time and skills to positively impact our communities.

OUR MANAGEMENT APPROACH

There are two primary conduits for our community engagement efforts. The first is our giving activities at the corporate level by the Cabot Corporation Foundation, and the second is through facility-led giving initiatives. The Cabot Corporation Foundation was established in 1953 to support qualified charitable, nonprofit organizations in the United States. The charter was amended in 1992 to include grants to qualified charitable organizations outside of the United States to support our intent to have meaningful impacts across our global footprint. A budget for the Foundation's donations is approved

by Cabot's Board of Directors on an annual basis. Decisions for how these funds are distributed are the responsibility of the Foundation's Board of Directors, which meets regularly to review grant proposals and to ensure funds are used in ways that align with our charter. The Foundation plays a unique role in providing financial support to our communities across the globe while fostering long-term partnerships with organizations that support our shared sustainability goals. Our facilities are responsible for developing and fostering relationships in the local community, and they are committed to making a meaningful difference in many ways. Active community engagement teams at many of our locations take the lead in evaluating the needs of the community and identifying organizations the facility may partner with to deliver a lasting and meaningful impact. Our community engagement activities take the form of volunteer events, charitable giving, and sponsorship of local causes. In the case of monetary contributions, funds are typically managed as part of facility budgets, with additional resources available through the Cabot Corporation Foundation. Nearly all our facilities globally have dedicated Community Outreach teams responsible for preparing local community engagement plans.

GRI Content Index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.



GENERAL DISCLOSURES

GRI 101: Foundation 2016

GRI 102: General Disclosures 2016

Disclosures	Page Number / Response
102-1 Name of the organization	Cabot Corporation
102-2 Activities, brands, products, and services	p. 7
102-3 Location of headquarters	2 Seaport Lane, Suite 1400, Boston, MA 02210 USA
102-4 Location of operations	p. 6
102-5 Ownership and legal form	Cabot Corporation is a publicly traded corporation (NYSE: CBT)
102-6 Markets served	p. 7
102-7 Scale of the organization	Refer to p. 6 for the number of employees and operations. Net revenue and total capitalization can be found in Cabot's Form 10-K , filed November 29, 2021, Part II, Item 8, Financial Statements and Supplementary Data.

102-8 Information on employees and other workers	p.35
--	------

Global Workforce by Contract and by Gender

Gender	Male		Female	
	Permanent	3,444	77%	1,028
Temporary	39	46%	46	54%
Full Time	3,433	78%	989	22%
Part Time	50	37%	85	63%

Global Workforce by Contract and by Region

Region	Americas		EMEA		APAC	
	Permanent	1,780	40%	1,398	31%	1,294
Temporary	14	16%	71	84%	-	0%
Full Time	1,773	40%	1,355	31%	1,294	29%
Part Time	21	16%	114	84%	-	0%

Beyond our employees, we regularly engage contractors, typically hired for specific project-based work or discrete periods of time. These workers represent approximately 27% of Cabot's workforce and are included in our occupational health and safety management program.

102-9	Supply chain	pp. 26, 46
102-10	Significant changes to the organization and its supply chain	p. 24
102-11	Precautionary Principle or approach	p. 46
102-12	External initiatives	<p>p. 15</p> <p>Cabot is also a signatory to the following:</p> <ul style="list-style-type: none"> ◆ CEO Action for Diversity & Inclusion™ ◆ Ellen MacArthur Foundation's New Plastics Economy Global Commitment
102-13	Memberships of associations	<p>p. 46</p> <p>Cabot is an active member of the following national and international industry/advocacy groups and associations:</p> <ul style="list-style-type: none"> ◆ Advanced Porous Materials Association (AdvaPor) ◆ American Chemistry Council (ACC) ◆ Association of Synthetic Amorphous Silica Producers (ASASP) ◆ China Petroleum and Chemical Industry Federation (CPCIF) ◆ Corporate Environmental Enforcement Council (CEEC) ◆ Decarb Connect ◆ Environmental Law Institute ◆ essenscia (Belgium) ◆ European Chemical Industry Association (CEFIC) ◆ European Masterbatchers and Compounders (EuMBC) ◆ International Carbon Black Association (ICBA) ◆ Manufacturers Alliance for Productivity and Innovation (MAPI) ◆ Nanotechnology Industry Association (NIA) ◆ Society of Toxicology ◆ Synthetic Amorphous Silica and Silicate Industry Association (SASSI)
102-14	Statement from senior decision-maker	pp. 3-4
102-16	Values, principles, standards, and norms of behavior	pp. 10, 13
102-18	Governance structure	<p>p. 10</p> <p>For additional details on the Board's composition, refer to the Proxy Statement</p>
102-40	List of stakeholder groups	p. 42
102-41	Collective bargaining agreements	p. 14
102-42	Identifying and selecting stakeholders	p. 42
102-43	Approach to stakeholder engagement	p. 42
102-44	Key topics and concerns raised	pp. 20, 42
102-45	Entities included in the consolidated financial statements	Refer to Cabot's Form 10-K , filed November 29, 2021, Part I, Item 1, Business, for a description of our operations and entities in which Cabot has an ownership interest, and Exhibit 21 to Cabot's Form 10-K for a list of Cabot's subsidiaries.
102-46	Defining report content and topic Boundaries	p. 42
102-47	List of material topics	p. 23

102-48 Restatements of information

This year, Cabot increased the level of resources dedicated to data review and assurance to continuously improve our reporting accuracy. Select metrics were restated due to correcting data categorization and other errors in site-level information. The restated values differing by more than 1% are summarized below:

2020 Metric	Previously Reported	Corrected Value	% Change
2025 Sustainability Goal - Invest in capital and technology (\$M)	357	395	10.6%
2025 Sustainability Goal - Total Charitable Giving (\$M)	1.7	1.5	-12.6%
Absolute NO _x emissions (KMT)	8.36	8.46	1.2%
Water sources (all areas) - surface (MM m ³)	7.18	6.81	-5.2%
Water sources (all areas) - purchased (MM m ³)	12.07	12.54	3.9%
Water sources (water stress) - surface (MM m ³)	0.37	-	-100.0%
Water sources (water stress) - purchased (MM m ³)	4.79	5.21	8.8%
Water discharge (water stress) - public or private sewer (MM m ³)	0.63	0.64	1.6%
SASB process safety total incident rate	0.19	0.06	-68.4%

2019 Metric	Previously Reported	Corrected Value	% Change
Absolute water withdrawal (MM m ³)	58.86	58.14	-1.2%
Water withdrawal intensity (m ³ /MT)	28.45	28.10	-1.2%
Water sources (all areas) - surface (MM m ³)	42.53	41.52	-2.4%
Water sources (all areas) - purchased (MM m ³)	14.01	14.29	2.0%
Water sources (water stress) - surface (MM m ³)	1.01	0	-100.0%
Water sources (water stress) - purchased (MM m ³)	5.44	5.68	4.4%
Total water discharge (all areas) - public or private sewer (MM m ³)	2.36	2.41	2.1%
Water discharge (water stress) - public or private sewer (MM m ³)	0.65	0.70	7.7%

102-49 Changes in reporting

p. 42

102-50 Reporting period

p. 42

102-51 Date of most recent report

p. 42

102-52 Reporting cycle

p. 42

102-53 Contact point for questions regarding the report

Inquiries or comments concerning the content of this report may be directed to sustainability@cabotcorp.com.

102-54 Claims of reporting in accordance with the GRI Standards

p. 42

102-55 GRI content index

This complete GRI Content Index meets the intent and format required by the GRI Standards.

102-56 External assurance

p. 42
For additional information, refer to the [independent assurance statement](#) issued by ERM CVS.

MATERIAL TOPICS – BUILDING A BETTER FUTURE TOGETHER

Economic Performance

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 45 The boundaries for reporting Cabot's economic value generation are limited to its direct operations. External factors that may affect Cabot's performance include events beyond the company's control such as global economic setbacks.
103-2 The management approach and its components	p. 45
103-3 Evaluation of the management approach	p. 45

GRI 201: Economic Performance 2016

Disclosures	Page Number / Response
201-1 Direct economic value generated and distributed	p. 24 For additional information, refer to Cabot's Form 10-K , filed November 29, 2021.
201-2 Financial implications and other risks and opportunities due to climate change	pp. 10, 21 For additional information, refer to Cabot's 2021 CDP filing .

Product Sustainability

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 46 Product health, safety and environmental impacts occur primarily downstream from Cabot's operations through the activities of our customers and, in some cases, through end use by consumers.
103-2 The management approach and its components	p. 46
103-3 Evaluation of the management approach	p. 46

GRI 416: Customer Health and Safety 2016

Disclosures	Page Number / Response
416-1 Assessment of the health and safety impacts of product and service categories	pp. 25, 46 100% of significant product categories are assessed for health and safety impacts using the best available information.

Suppliers' Sustainability

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 46
103-2 The management approach and its components	pp. 46-47
103-3 Evaluation of the management approach	pp. 46-47

GRI 308: Supplier Environmental Assessment 2016

Disclosures	Page Number / Response
308-2 Negative environmental impacts in the supply chain and actions taken	p. 26

GRI 414: Supplier Social Assessment 2016

Disclosures	Page Number / Response
414-2 Negative social impacts in the supply chain and actions taken	p. 26

MATERIAL TOPICS – ACTING RESPONSIBLY FOR THE PLANET

Environmental Compliance

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 47
103-2 The management approach and its components	p. 47
103-3 Evaluation of the management approach	p. 47

GRI 307: Environmental Compliance 2016

Disclosures	Page Number / Response
307-1 Non-compliance with environmental laws and regulations	p. 27 Adhering to local environmental laws and regulations is the responsibility of Facility General Managers as well as site Environmental Managers located at each facility. Oversight of site resources is the responsibility of regional SH&E leadership and on-going compliance is verified through implementation of a compliance self-assessment process as well as corporate-led compliance audit program. In support of compliance efforts, resources include a robust database to track near-miss and incidents involving non-conformance as well as corrective actions, as well as over \$83 million in environmental capital spending in FY 2021, which was dedicated to ensuring compliance with requirements and improving environmental performance.

Energy

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 48
103-2 The management approach and its components	p. 48
103-3 Evaluation of the management approach	p. 48

GRI 302: Energy 2016

Disclosures	Page Number / Response
302-1 Energy consumption within the organization	p. 28 For more information about our energy and fuel sources, refer to Cabot's 2021 CDP filing .
302-3 Energy intensity	In 2021, Cabot's energy intensity was 59.99 GJ/MT production, which represents 80% progress toward Cabot's 2025 goal of 10% reduction below 2005 levels. Energy consumption includes all forms of energy used by facilities under Cabot's operational control, excluding waste energy captured and sold.

Air Pollutants / GHG

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 48
103-2 The management approach and its components	p. 48
103-3 Evaluation of the management approach	p. 48

GRI 305: Emissions 2016

Disclosures	Page Number / Response												
305-1 Direct (Scope 1) GHG Emissions	p. 29 Our greenhouse gas calculations were completed in accordance with The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standards (Revised Edition) and drawing guidance from the IPCC Guidelines for National Greenhouse Gas Inventories – 2006 and The Climate Registry: General Reporting Protocol. Emissions were calculated using the operational control approach and IPCC Second Assessment Report 100-year global warming potentials, and included emissions of CO ₂ , CH ₄ and N ₂ O. We maintain databases that track monthly usage volumes of feedstock materials and fossil fuels, as well as production volume. Cabot's total Scope 1 and Scope 2 (location-based) emissions for 2021 was 4.66 MM MT CO ₂ e. Our Scope 1 and Scope 2 GHG emissions (location-based) undergo a limited assurance in accordance with the ERM CVS assurance methodology, which is aligned with the International Standard for Assurance Engagements ISAE 3000 (revised).												
305-2 Energy indirect (Scope 2) GHG emissions	p. 29 See Disclosure 305-1 in the GRI Content Index for a description of GHG monitoring methods.												
305-4 GHG emissions intensity	p. 29 GHG intensity is calculated as metric tonnes of CO ₂ equivalent (MTCO ₂ e) per MT of product. The intensity of our GHG emissions is calculated for all Scope 1 and 2 emissions produced by facilities under Cabot's operational control, as reported under Disclosures 305-1 and 305-2.												
305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x) and other significant air emissions	p. 29 <table border="1"> <thead> <tr> <th>Absolute Emissions</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>SO₂ Emissions (KMT)</td> <td>40.30</td> <td>34.44</td> <td>39.87</td> </tr> <tr> <td>NO_x Emissions (KMT)</td> <td>9.39</td> <td>8.46</td> <td>9.17</td> </tr> </tbody> </table>	Absolute Emissions	2019	2020	2021	SO ₂ Emissions (KMT)	40.30	34.44	39.87	NO _x Emissions (KMT)	9.39	8.46	9.17
Absolute Emissions	2019	2020	2021										
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NO _x Emissions (KMT)	9.39	8.46	9.17										

Waste

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 49
103-2 The management approach and its components	p. 49
103-3 Evaluation of the management approach	p. 49

GRI 306: Waste 2020

Disclosures	Page Number / Response
306-1 Waste generation and significant waste-related impacts	pp. 30, 49
306-2 Management of significant waste-related impacts	pp. 19, 30, 49
306-3 Waste generated	p. 31
306-4 Waste diverted from disposal	p. 31 Recycling and reuse activities occur both within Cabot's facilities and off-site. Materials recycled on-site are not tracked and are excluded from the data below. The table below represents the total diversion for non-hazardous and hazardous waste off-site:

	Non-hazardous	Hazardous
Reused or Recycled (KMT)	22.16	4.40
<i>Total</i>	<i>26.56</i>	

306-5 Waste directed to disposal	p. 31 Disposal activities occur offsite from Cabot's facilities, except for deep well injection. Total waste by category of disposal operations is provided below:
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	Non-hazardous	Hazardous
Incinerated with energy recovery (KMT)	3.94	0.71
Incinerated without energy recovery (KMT)	0.32	2.54
Deep well injection (KMT)	0.00	185.21
Landfilled (KMT)	29.15	0.21
Other (KMT)	0.43	0.45
Subtotal	33.84	189.12
<i>Total</i>	<i>222.96</i>	

Water

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 49
103-2 The management approach and its components	p. 49
103-3 Evaluation of the management approach	p. 49

GRI 303: Water and Effluents 2018

Disclosures	Page Number / Response
303-1 Interactions with water as a shared resource	pp. 32-33, 49-50
303-2 Management of water discharge-related impacts	pp. 32-33, 49-50 Standards for wastewater discharge and the profile of receiving waterbodies are determined by local regulations as part of the permitting process. Cabot's wastewater discharge is treated as required and discharged generally in compliance with its permitted limits. Where exceedances occur, corrective actions are implemented.
303-3 Water withdrawal	pp. 32-33 Cabot's metric for water withdrawal includes surface water, brackish/seawater, purchased water, and groundwater, but excludes gray water. All Surface, Purchased, and Groundwater is considered fresh (<1,000 mg/L total dissolved solids [TDS]), while Brackish/Seawater is >1,000 mg/L TDS. 6.36 MM m ³ (11%) of Cabot's water withdrawal (excluding gray water) occurs in areas identified as High or Very High Water Stress.
303-4 Water discharge	pp. 32-33 All discharges of Surface, Public or Private Sewer, and Groundwater are considered fresh (<1,000 mg/L TDS), while Brackish/Seawater is >1,000 mg/L TDS. 1.19 MM m ³ (3%) of Cabot's absolute water discharge occurred in areas identified as High or Very High Water Stress according to the WRI Aqueduct Analysis. Cabot follows the discharge limits for priority substances which are set by local regulations.
303-5 Water consumption	p. 32 Cabot's water consumption metric is calculated by subtracting total water discharge from total water withdrawal (and excludes graywater). 5.17 MM m ³ (49%) of Cabot's water consumption occurs in areas identified as High or Very High Water Stress.

MATERIAL TOPICS – CARING FOR OUR PEOPLE AND COMMUNITIES

Occupational Health and Safety

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 50
103-2 The management approach and its components	pp. 50-51
103-3 Evaluation of the management approach	pp. 50-51

GRI 403: Occupational Health and Safety 2018

Disclosures	Page Number / Response
403-1 Occupational health and safety management system	p. 51 Potential limits of our influence or exclusions to our safety program may include joint ventures where Cabot is not the controlling managing partner and/or where Cabot owns less than 50% of the Joint Venture (Sanmar, India, and Negroven, Venezuela).
403-2 Hazard identification, risk assessment, and incident investigation	pp. 34, 51

403-3	Occupational health services	p. 51
403-4	Worker participation, consultation, and communication on occupational health and safety	p. 51
403-5	Worker training on occupational health and safety	pp. 34, 51
403-6	Promotion of worker health	p. 52
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Cabot's Supplier Code of Conduct requires that all suppliers implement robust safety management programs and commit to continuous improvement for safety performance. Contractors with negative health and safety records or performance will be removed from our sites. We also share safety resources and partner with adjacent facilities within industrial parks, where feasible.

403-9 Work-related injuries p. 34
 Methods for calculating each metric are provided below:

- ◆ **Total Recordable Incident Rate (TRIR):** Number of injuries (employees and contractors) per 200,000 work hours (~100 employees)
- ◆ **Lost Time Incident Rate (LTIR):** Number of lost time injuries (employees and contractors) per 200,000 work hours (~100 employees)
- ◆ **Severity Rate:**
 - Cabot Severity Rate: Number of lost workdays (employees and contractors) per 200,000 work hours (~100 employees)
 - Ecovadis Lost Time Injury Frequency Rate: (total number of lost time injury events x 1,000,000)/total hours worked company wide
 - Ecovadis Lost Time Injury Severity Rate: (number of days lost due to injuries x 1,000)/total hours worked
- ◆ **Process Safety Events:** Defined by the Center for Chemical Process Safety as a "release of material or energy from a process that resulted in injury, fire or explosion, or release of flammable, combustible or toxic chemicals."
- ◆ **High Consequence Work-Related Injuries:** Number of lost time cases greater than 180 days (excluding fatalities)

2021 Safety Rates Employees vs. Contractors	Employees		Contractors	
	Number	Rate	Number	Rate
Fatalities	0	0.00	0	0.00
High Consequence Work-Related Injuries	3	0.07	0	0.00
Recordable Work-Related Injuries	17	0.39	4	0.14
Total Hours Worked	8,774,908		5,697,390	

*Rates calculated on a 200,000 work-hour basis

Severity Rates	2021
Cabot Severity Rate	11.00
Ecovadis Lost Time Injury Frequency Rate	0.97
Ecovadis Lost Time Injury Severity Rate	0.06

Employment, Diversity and Training

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 52
103-2 The management approach and its components	pp. 52-53
103-3 Evaluation of the management approach	pp. 52-53

GRI 401: Employment 2016

Disclosures	Page Number / Response																																																																					
401-1 New employee hires and employee turnover	p. 38																																																																					
	<table border="1"> <thead> <tr> <th>Gender</th> <th colspan="2">Male</th> <th colspan="2">Female</th> </tr> </thead> <tbody> <tr> <td>Departing</td> <td>399</td> <td>12%</td> <td>140</td> <td>14%</td> </tr> <tr> <td>New Hires</td> <td>406</td> <td>12%</td> <td>158</td> <td>15%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Region</th> <th colspan="2">Americas</th> <th colspan="2">EMEA</th> <th colspan="2">APAC</th> </tr> </thead> <tbody> <tr> <td>Departing</td> <td>252</td> <td>14%</td> <td>160</td> <td>11%</td> <td>127</td> <td>10%</td> </tr> <tr> <td>New Hires</td> <td>262</td> <td>15%</td> <td>152</td> <td>11%</td> <td>150</td> <td>12%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Age Group</th> <th colspan="2"><30</th> <th colspan="2">30-39</th> <th colspan="2">40-49</th> <th colspan="2">50-59</th> <th colspan="2">60+</th> </tr> </thead> <tbody> <tr> <td>Departing</td> <td>81</td> <td>19%</td> <td>172</td> <td>12%</td> <td>105</td> <td>9%</td> <td>79</td> <td>8%</td> <td>102</td> <td>27%</td> </tr> <tr> <td>New Hires</td> <td>171</td> <td>40%</td> <td>214</td> <td>15%</td> <td>114</td> <td>9%</td> <td>50</td> <td>5%</td> <td>15</td> <td>4%</td> </tr> </tbody> </table>	Gender	Male		Female		Departing	399	12%	140	14%	New Hires	406	12%	158	15%	Region	Americas		EMEA		APAC		Departing	252	14%	160	11%	127	10%	New Hires	262	15%	152	11%	150	12%	Age Group	<30		30-39		40-49		50-59		60+		Departing	81	19%	172	12%	105	9%	79	8%	102	27%	New Hires	171	40%	214	15%	114	9%	50	5%	15	4%
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401-2 Benefits provided to full-time employees	p. 52																																																																					
404-2 Programs for upgrading employee skills and transition assistance programs	pp. 36, 38, 52-53																																																																					
404-3 Percentage of employees receiving regular performance and career development reviews	<p>p. 38</p> <p>76% of Cabot employees were eligible for performance reviews. Among these, 100% received performance reviews in 2021, including the following:</p> <table border="1"> <thead> <tr> <th colspan="2">Performance Reviews by Eligible Employee Category</th> </tr> </thead> <tbody> <tr> <td>Clerical/Technical</td> <td>100%</td> </tr> <tr> <td>Professional/Supervisor</td> <td>100%</td> </tr> <tr> <td>Management/Experienced</td> <td>100%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Performance Reviews by Gender (Among Eligible Employees)</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>100%</td> </tr> <tr> <td>Female</td> <td>100%</td> </tr> </tbody> </table>	Performance Reviews by Eligible Employee Category		Clerical/Technical	100%	Professional/Supervisor	100%	Management/Experienced	100%	Performance Reviews by Gender (Among Eligible Employees)		Male	100%	Female	100%																																																							
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GRI 405: Diversity and Equal Opportunity 2016

Disclosures	Page Number / Response																						
405-1 Diversity of governance bodies and employees	pp. 10, 35																						
	<table border="1"> <thead> <tr> <th colspan="2">Diversity of Board of Directors at the end of 2021 by Gender</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>70%</td> </tr> <tr> <td>Female</td> <td>30%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Diversity of Board of Directors at the end of 2021 by Age Group</th> </tr> </thead> <tbody> <tr> <td>Under 30</td> <td>0%</td> </tr> <tr> <td>30-50</td> <td>0%</td> </tr> <tr> <td>Over 50</td> <td>100%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Diversity of Board of Directors at the end of 2021 by Race/Ethnicity*</th> </tr> </thead> <tbody> <tr> <td>Asian</td> <td>1</td> </tr> <tr> <td>Hispanic/Latino</td> <td>1</td> </tr> <tr> <td>White</td> <td>7</td> </tr> </tbody> </table> <p>*US-based Board members</p>	Diversity of Board of Directors at the end of 2021 by Gender		Male	70%	Female	30%	Diversity of Board of Directors at the end of 2021 by Age Group		Under 30	0%	30-50	0%	Over 50	100%	Diversity of Board of Directors at the end of 2021 by Race/Ethnicity*		Asian	1	Hispanic/Latino	1	White	7
Diversity of Board of Directors at the end of 2021 by Gender																							
Male	70%																						
Female	30%																						
Diversity of Board of Directors at the end of 2021 by Age Group																							
Under 30	0%																						
30-50	0%																						
Over 50	100%																						
Diversity of Board of Directors at the end of 2021 by Race/Ethnicity*																							
Asian	1																						
Hispanic/Latino	1																						
White	7																						

GRI 406: Non-Discrimination 2016

Disclosures	Page Number / Response																										
406-1 Incidents of discrimination and corrective actions taken	<p>Allegations of discrimination:</p> <table border="1"> <thead> <tr> <th>Open (from previous year)</th> <th>New Claims Alleged*</th> <th>Total Claims Closed</th> <th>Total Open Cases</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>9</td> <td>8</td> <td>2</td> </tr> </tbody> </table> <p><i>*Nine alleged claims included four anonymous reports related to the same allegations.</i></p> <p>Corrective actions taken:</p> <table border="1"> <thead> <tr> <th></th> <th>No Action</th> <th>Policy Review</th> <th>Training</th> <th>Discipline</th> <th>Termination</th> </tr> </thead> <tbody> <tr> <td>Substantiated</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Unsubstantiated</td> <td>2</td> <td>5</td> <td>5</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Open (from previous year)	New Claims Alleged*	Total Claims Closed	Total Open Cases	1	9	8	2		No Action	Policy Review	Training	Discipline	Termination	Substantiated	0	0	0	0	0	Unsubstantiated	2	5	5	0	0
Open (from previous year)	New Claims Alleged*	Total Claims Closed	Total Open Cases																								
1	9	8	2																								
	No Action	Policy Review	Training	Discipline	Termination																						
Substantiated	0	0	0	0	0																						
Unsubstantiated	2	5	5	0	0																						

Community Engagement

GRI 103: Management Approach 2016

Disclosures	Page Number / Response
103-1 Explanation of the material topic and its Boundary	p. 53
103-2 The management approach and its components	p. 53
103-3 Evaluation of the management approach	p. 53

GRI 413: Local Communities 2016

Disclosures	Page Number / Response
413-1 Operations with local community engagement, impact assessments, and development programs	pp. 18, 39-40

SASB Chemicals Index

Industry Standard Version 2018-10

Greenhouse Gas Emissions

Code	Accounting Metric	Page Number / Response
RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	p. 29 48% of our Scope 1 emissions are covered under cap and trade or carbon tax schemes.
RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and analysis of performance against those targets	pp. 17, 29 See GRI Content Index, GRI 305-1 for our methodology. Cabot's GHG reduction strategy was started in 2010 as a voluntary program and has continued to evolve with our team coordination, planning activities, and projects in support of the 2025 sustainability goals.

Air Quality

Code	Accounting Metric	Page Number / Response
RT-CH-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs) (4) hazardous air pollutants (HAPs)	p. 29 Emissions data are either directly measured or determined with engineering calculations based on production. At the present time, we do not globally track VOCs or HAPs, but our facilities typically control these emissions through combustion control equipment.

Energy Management

Code	Accounting Metric	Page Number / Response
RT-CH-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	p. 28 1. Total non-raw material energy consumed: 6.99 MM GJ 2. Percentage of non-raw material energy from grid electricity: 36.9% 3. Percentage of non-raw material energy from renewables: 1.8% 4. Total self-generated energy: 14,265 TJ (includes steam and electricity generation for internal use and export and other energy exports associated with tailgas as a fuel and heat source).

Water Management

Code	Accounting Metric	Page Number / Response
RT-CH-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	pp. 32-33 Percentage of total water withdrawn in regions with High or Extremely High Baseline Water Stress: 11% Percentage of total water consumed in regions with High or Extremely High Baseline Water Stress: 49%
RT-CH-140a.2	Number of incidents of noncompliance associated with water quality permits, standards and regulations	There were seven water quality permit deviations in 2021.
RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	pp. 32-33, 49-50 Water management risks vary by site and include physical constraints on availability and discharge, sensitive catchments, flood risk, regulatory and permitting restrictions, and water cost considerations. At some facilities, Cabot faces trade-offs between water efficiency and other priorities. These include energy recovery systems that capture waste heat but require more water to operate efficiently and air pollution control technology that requires water to help reduce air emissions.

Hazardous Waste Management

Code	Accounting Metric	Page Number / Response								
RT-CH-150a.1	Amount of hazardous waste generated; percentage recycled	<p>pp. 30-31</p> <p>Wastes are defined as hazardous based on the local regulations affecting each facility. For example, in the United States, hazardous waste is primarily defined by the Resource Conservation and Recovery Act (in addition to other state and local regulations), and in the European Union it is based on the EU Waste Framework Directive (Directive 2008/98/EC on waste, including its subsequent amendments) along with other local requirements.</p> <p>Total hazardous waste generated (including deep well injection) for 2021 was 193,520 MT, of which 4,400 MT (2.3%) was reused or recycled.</p> <table border="1"> <thead> <tr> <th></th> <th>Hazardous</th> </tr> </thead> <tbody> <tr> <td>Reused or Recycled (MT)</td> <td>4,400</td> </tr> <tr> <td>Total Hazardous Waste (MT) (MT)</td> <td>193,520</td> </tr> <tr> <td>% Recycled</td> <td>2.3%</td> </tr> </tbody> </table>		Hazardous	Reused or Recycled (MT)	4,400	Total Hazardous Waste (MT) (MT)	193,520	% Recycled	2.3%
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% Recycled	2.3%									

Community Relations

Code	Accounting Metric	Page Number / Response
RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	pp. 39-40, 42

Workforce Health & Safety

Code	Accounting Metric	Page Number / Response
RT-CH-320a.1	(1) TRIR and (2) fatality rate for (a) direct employees and (b) contract employees	p. 34 Refer to the data table "2021 Safety Rates Employees vs. Contractors" located in the GRI Content Index under GRI 403-9.
RT-CH-320a.2	Description of efforts to assess, monitor and reduce exposure of employees and contract workers to long-term (chronic) health risks	p. 51

Product Design for Use-Phase Efficiency

Code	Accounting Metric	Page Number / Response
RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	<p>p. 25</p> <p>Our sustainability assessment framework for new products and processes includes questions related to use-phase efficiency. We anticipate that in the coming years, we will be better positioned to disclose the associated revenue generated from products that impart benefits in use-phase efficiency.</p>

Safety and Environmental Stewardship of Chemicals

Code	Accounting Metric	Page Number / Response
RT-CH-410b.1	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	4% of products contain Category 1 and 2 substances. Of these, 100% have undergone a hazard assessment.
RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern, (2) develop alternatives with reduced human and /or environmental impact	pp. 25, 46

Genetically Modified Organisms

Code	Accounting Metric	Page Number / Response
RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	None of our products contain GMOs.

Management of the Legal and Regulatory Environment

Code	Accounting Metric	Page Number / Response
RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	pp. 17, 46 Cabot reviews new or pending regulations that may affect its operations globally through a variety of mechanisms, including industry associations, newsletter, consultants, and various other resources. Cabot may comment on a certain number of those regulations. We evaluate new regulations to determine what actions are required to implement them throughout the organization, including the financial costs of these regulations to the Corporation.

Operational Safety, Emergency Preparedness and Response

Code	Accounting Metric	Page Number / Response
RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR) and Process Safety Incident Severity Rate (PSISR)	p. 34 <ul style="list-style-type: none"> ◆ Process Safety Incident Count: Nine, based on Tier 1 process safety incidents per ANSI/API RP 754. ◆ Process Safety Total Incident Rate: 0.12, based on PSIC x 200,000 divided by total employee and contractor hours. ◆ We currently do not calculate the Process Safety Incident Severity Rate.
RT-CH-540a.2	Number of transport incidents	Cabot devotes time and energy to partner with quality third-party transporters to ensure that safety and security are the top priorities, which is evident in the low number of transportation related incidents. Processes include the qualification of transport companies, including standards for insurance certifications, driver capabilities, and route security. We had three transportation related incidents in 2021, two of which were spills/releases during traffic incidents with third-party carriers (see p. 30). The third incident involved a worker fatality for one of Cabot's railroad transportation service providers in which the transportation worker fell and was subsequently struck by a railcar during services provided to Cabot.

Activity Metric

RT-CH-000.A	Production by Reportable Segment	2,133,000 MT
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TCFD Index

Governance

Disclosure	Page Number / Response
Disclose the organization's governance around climate-related risks and opportunities.	p. 10

Strategy

Disclosure	Page Number / Response
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	pp. 17, 20-21, 48-49 Cabot's Form 10-K , filed November 29, 2021, Part 1, Item 1A. Risk Factors, pp. 14-19.

Risk Management

Disclosure	Page Number / Response
Disclose how the organization identifies, assesses, and manages climate-related risks.	pp. 14, 20, 29, 45

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
Disclosure	Page Number / Response
GHG reduction targets	pp. 17, 23, 29
GHG emissions (Scopes 1 and 2)	p. 29
Energy goal and metrics	pp. 23, 28 See also GRI Content Index, Disclosure 302-3.
Water intensity and water risk evaluation metrics	pp. 23, 33

United Nations Global Compact Index

Human Rights

UN Global Compact Principle	Page Number / Response
1. Businesses should support and respect the protection of internationally proclaimed human rights.	pp. 13, 15
2. Businesses should make sure that they are not complicit in human rights abuses.	pp. 13, 15

Labor

UN Global Compact Principle	Page Number / Response
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	pp. 14-15
4. Businesses should uphold the elimination of all forms of forced and compulsory labor.	pp. 13-15
5. Businesses should uphold the effective abolition of child labor.	pp. 13-15
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	pp. 13-15, 53

Environment

UN Global Compact Principle	Page Number / Response
7. Businesses should support a precautionary approach to environmental challenges.	pp. 15, 27, 46
8. Businesses should undertake initiatives to promote greater environmental responsibility.	pp. 15, 17, 19, 27-33
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	pp. 15, 17, 19, 24-25

Anti-Corruption

UN Global Compact Principle	Page Number / Response
10. Businesses should work against corruption in all its forms, including extortion and bribery.	pp. 13-15



Cabot Corporation 2021 Sustainability Report

We welcome your feedback on this report and our sustainability progress, as well as any other comments or questions you may have. You may contact us at sustainability@cabotcorp.com. To learn more, please visit: cabotcorp.com/sustainability.

