Cabot Corporation to Increase Feedstock Surcharge for Rubber Carbon Black Products in North America

August 19, 2019

BOSTON – August 19, 2019 – Effective for all shipments made on or after October 1, 2019, to the extent allowed under customer contracts, Cabot Corporation will apply a Feedstock Surcharge of $0.03 per pound to all carbon black products sold by its Reinforcement Materials segment in North America. This replaces the previously announced feedstock surcharge of $.01 per pound that has been in effect since April 1, 2019.

The majority of rubber carbon black feedstock purchased by Cabot in North America is a byproduct of the crude oil refining process. This market is seeing increasing effects from changes in the types of crude oil being refined and an increase in demand for low sulfur fuel oil associated with the upcoming 2020 International Maritime Organization (IMO 2020) regulation, also known as MARPOL. As a result, Cabot is seeing changes to the type and availability of material with the specific quality required to produce carbon black.

Cabot recognizes that IMO 2020 will bring long-term benefits to the environment and human health; it also presents disruption and additional costs across multiple industries. This Feedstock Surcharge will enable Cabot to remain a reliable supplier of high-quality carbon black products to meet growing demand in the region. In addition, it will ensure Cabot continues to provide the highest level of service and technical support while also offering innovative products to its customers.

ABOUT CABOT CORPORATION
Cabot Corporation (NYSE: CBT) is a global specialty chemicals and performance materials company, headquartered in Boston, Massachusetts. The company is a leading provider of rubber and specialty carbons, activated carbon, inkjet colorants, masterbatches and conductive compounds, fumed silica and aerogel. For more information on Cabot, please visit the company's website at cabotcorp.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in the press release regarding Cabot's business that are not historical facts are forward-looking statements that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K.

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