



## Cabot Corporation to Increase Prices for Rubber Carbon Black Products in North America

May 12, 2021

### *Concurrently Implementing Increased Feedstock Surcharge*

BOSTON – May 12, 2021 - [Cabot Corporation](#) will increase prices by \$0.06 per pound on all carbon black products sold by its Reinforcement Materials segment in North America, effective July 1, 2021, or as customer contracts allow.

This price increase is necessary to address the increasing costs to provide reliability and supply assurance to customers as the industry continues to rebound strongly from the COVID-19 crisis and experiences rising utilizations in line with long-term fundamentals. At the same time, Cabot is investing approximately \$200 million in NOX and SO2 reduction projects to meet requirements related to the U.S. Environmental Protection Agency's (EPA) national enforcement initiative to control air emissions from carbon black manufacturing facilities. Cabot's operating costs are increasing substantially as these systems are put into service to meet industry deadlines in 2021 and 2022. In addition, Cabot is making significant investments in its manufacturing network to maintain and enhance equipment reliability to meet strong customer demand even at high plant utilizations.

In addition, effective for all shipments made on or after July 1, 2021, to the extent allowed under customer contracts, Cabot will apply a feedstock surcharge of \$0.05 per pound to all carbon black products sold by its Reinforcement Materials segment in North America. This replaces the previously announced feedstock surcharge of \$0.03 per pound that was effective as of October 1, 2019.

The increased feedstock surcharge is necessary to address the rising premiums for rubber carbon black feedstock relative to fuel oil indices in North America. These premiums are being driven by changes in the crude oil refining industry, which in turn has been affected by the IMO 2020 regulations, reduced demand for gasoline since the start of the COVID-19 crisis, and several severe weather events.

Collectively, the price increase and feedstock surcharge will enable Cabot to continue to provide its customers with industry-leading levels of quality, sustainability and security of supply.

### **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 [carbon black](#), [specialty carbons](#), [activated carbon](#), [elastomer composites](#), [inkjet colorants](#), [masterbatches and conductive compounds](#), [fumed silica](#) and [aerogel](#). For more information on Cabot, please visit the company's [website](#) at [cabotcorp.com](#).

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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 for the fiscal year ended September 30, 2020.

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