



CABOT CORPORATION 2019

SUSTAINABILITY REPORT





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A MESSAGE FROM OUR CEO

SEAN D. KEOHANE

President and Chief Executive Officer

Our Sustainability Journey

At Cabot, we have a long history of focusing intensely on the environmental impacts of our operations and the safety of our employees, partners and communities. We are proud of our industry-leading performance, and this commitment is deeply rooted in our culture. Over time, our approach to sustainability has evolved beyond a foundation of safety, health and the environment to include a greater focus on our broad set of stakeholders, including employees, customers, suppliers and investors. At Cabot, we believe that long-term success requires a commitment to sustainability in its broadest form as well as a balanced approach to stakeholder management.

Our 2025 sustainability goals, announced with the publishing of this report, demonstrate our steadfast commitment to this broad definition of sustainability. This ambitious set of targets will drive our actions on a wide range of sustainability themes that we believe are most critical not only to our success but to the world around us. Our effort and goals are focused in three areas: (1) Caring for our people and communities, (2) Acting responsibly for the planet, and (3) Building a better future together. These goals will inspire our teams as they engage in a relentless pursuit of solutions to the sustainability challenges of our customers, our communities and our world.

While our goals motivate us, goals without measurement and transparency are incomplete. At Cabot, we have published our sustainability reports in accordance with the Global Reporting Initiative (GRI). In an effort to further our commitment to transparency and to provide useful information to our shareholders, we have also aligned our disclosures in this report with the Sustainability Accounting Standards Board (SASB) framework, which sets forth standards for the chemical industry. We also remain

a proud signatory to the United Nations Global Compact (UNGC) and are committed to reporting our progress as a key component of our sustainability report.

Reflecting on 2019, I can confidently say that we advanced the key objectives of our sustainability program. Our safety performance remains in the top quartile of our industry. Innovation is a critical dimension of our sustainability agenda, and we are committed to further embedding sustainability into our product development engagements with customers. A great example of this is the work we are doing to help plastics converters address sustainability challenges from their customers. We recently launched a new black masterbatch series that utilizes postindustrial and reclaimed carbon as well as recycled polymers. These formulations are specifically designed to help the value chain lower its carbon footprint and increase the amount of recycled and secondary content in end products. In line with our sustainability objectives, we became a signatory to the Ellen MacArthur Foundation's New Plastics Economy Global Commitment. We have also pledged to take actions in our European masterbatch facilities to reduce plastic waste as part of the Operation Clean Sweep® program.

We are excited and proud of our new product innovations for lithium-ion battery and tire applications. Lithium-ion batteries are central to the growth of vehicle electrification and alternative energy storage, and our LITX® family of conductive carbon additives plays an integral role in improving battery performance. In the tire industry, our customers seek to extend product life as well as increase fuel economy. These objectives can be optimized through our transformational Cabot Engineered Elastomer Composites, which use a unique mixing technology that enables greater performance of the rubber, leading

to a more sustainable product. This technology was first commercialized with Michelin, and we have since extended the platform more broadly to the tire industry.

I am particularly proud of the growing third-party recognition we continue to receive for our leading environmental, social and governance performance. We were honored to be ranked by *CR Magazine* as one of their 100 Best Corporate Citizens. We earned a Gold rating from EcoVadis for the fourth consecutive year, and we were named one of America's Most Responsible Companies 2020 by *Newsweek*. Recognition like this further validates our commitment to transparency and our outstanding sustainability performance.


As part of our sustainability journey, we also recognize that in order to attract, retain and develop a world-class team, we must foster a diverse and inclusive culture that supports our employees' success, which, in turn, drives our company's success. I am proud of our continued leadership on this front, led by our strong and diverse board and executive management team. We strive to create a safe and open environment where everyone is supported to contribute to our success, and in 2019 we made significant progress in our diversity and inclusion (D&I) strategy through diversity awareness training and the launch of our first Employee Resource Group. We also partnered with American Corporate Partners (ACP) through its mentorship program to assist veterans in their transition

from the military to the civilian workforce. I am personally involved in this program, and I have found it immensely fulfilling to support our brave service members through this important transition. Finally, I was also honored to join CEO Action for Diversity & Inclusion™, a coalition of more than 800 company CEOs pledging to advance D&I in the workplace.

I am encouraged by our sustainability progress and optimistic about our promising future. Of course, none of our achievements would be possible without the hard work and dedication of our employees around the world, who work tirelessly to ensure we are making progress, achieving our goals and living up to our commitments.

With our 2025 goals as our guide, we will continue our relentless pursuit of opportunities to advance the way we do business — both responsibly and profitably. We are excited to share our achievements in this report and welcome you to further explore our work at cabotcorp.com/sustainability.

Regards,



Sean D. Keohane

GRI: 102-12, 102-14, 102-54

"At Cabot, we believe that long-term success requires a commitment to sustainability in its broadest form as well as a balanced approach to stakeholder management."



ABOUT THIS REPORT

This report serves as our annual Sustainability Report and has been prepared in accordance with the GRI Standards: Core option. For the first time, our 2019 report also aligns with the Sustainability Accounting Standards Board (SASB) framework, which enables reporting on sustainability information of most interest to our shareholders and prospective investors. This report serves as our annual Communication on Progress (COP) in support of our commitment to the United Nations Global Compact (UNGC). Our last sustainability report was published in June 2019.

The data and information covered in this report represent our performance across all significant Cabot locations for which we had operational control and majority ownership during the 2019 calendar year, except for the financial data, which reflects Cabot's 2019 fiscal year (October 1, 2018 through September 30, 2019). The data also reflects the divestiture of our Specialty Fluids business, which was completed in June 2019. To ensure the highest level of data integrity, we maintain databases for safety and environmental incident tracking, greenhouse gas emissions, finance and human resources. This data is collected, analyzed and reviewed

by subject matter experts within the organization and, in the case of our greenhouse gas emissions, undergoes biennial verification by an independent third party, which is scheduled to be conducted again in 2021 for 2019 and 2020 data.

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 performance and vision for improvement in each of these 11 areas. For ease of review, we have divided these topics into three chapters reflecting the key focus areas of our sustainability commitment, including Caring for Our People and Communities, Acting Responsibly for the Planet and Building a Better Future Together. Throughout the report, markers are provided to indicate the correlation between material topics, the GRI Standards and the SASB framework.

GRI: 102-46, 102-47, 102-49, 102-50, 102-51, 102-52, 102-54, 102-56



OUR 2025 SUSTAINABILITY GOALS

As an industry leader, we understand our responsibility to continuously improve our sustainability performance. In our view, sustainability extends beyond just safety, health and environmental factors to encompass subjects of importance to all of our stakeholders.

Consistent with this broadened definition of sustainability, our 2025 sustainability goals will drive our actions on a wide range of sustainability themes that we believe are most critical not only to our success but to the world around us. Our 2025 goals, included on page 7 of this report, are aligned with our three sustainability focus areas and the topics that are most material to our stakeholders, tied to our 11 highly material topics as well as the UN Sustainable Development Goals.

We first launched sustainability goals back in 2012 and are proud of the progress we have made toward meeting, and in some cases exceeding, these goals. As our sustainability focus and program have progressed over the years, we are challenging ourselves to accomplish even more between now and 2025. We look forward to achieving continuous improvement across all of these areas in coming years.



2025 SUSTAINABILITY GOALS

Highly Material Topics

UN Sustainable Development Goals



OCCUPATIONAL HEALTH & SAFETY

We will reduce injuries and significant process safety events by 50%.



RETENTION, DIVERSITY & DEVELOPMENT

We will foster an environment where employees report high levels of inclusion and support for their professional development.

We will increase diverse representation in leadership and professional roles.



COMMUNITY ENGAGEMENT

We will actively engage in our communities at 100% of our locations.

We will contribute \$10M in financial donations to help our communities thrive.



ENVIRONMENTAL COMPLIANCE

We will externally certify the environmental management systems in place at 100% of our operating locations.



ENERGY

We will export 200% of the amount of energy imported and reduce energy intensity by 10%.



EMISSIONS

We will reduce greenhouse gas emissions intensity by 20%.

We will reduce NO_x emissions intensity by 50% and SO₂ emissions intensity by 40%.



WASTE & SPILLS

We will reduce waste by 20% and ultimately eliminate disposal of manufacturing waste.



WATER

We will reduce water withdrawal intensity by 20%.



ECONOMIC VALUE GENERATED & DISTRIBUTED

We will invest \$1B in capital and technology to sustain and grow our operations and portfolio.



PRODUCT SUSTAINABILITY

We will conduct assessments of the sustainability impacts of our top product applications and their position in the circular economy.

100% of our product and process development projects will have a sustainability benefit.



SUPPLIERS' SUSTAINABILITY

We will engage with our key suppliers to improve our collective sustainability performance.



GRI: 102-47 | SASB: RT-CH-110a.2, RT-CH-140a.3



OUR COMMUNICATION ON PROGRESS

Since 2015, we have been a proud signatory of the United Nations Global Compact (UNGC) and remain committed to making progress with respect to the 10 principles within the categories of environment, labor, human rights and anti-corruption.



Environment

We are dedicated to understanding and managing our environmental impacts on the world. We recognize the numerous environmental issues facing our planet and fully accept our responsibility to reduce our environmental footprint to the greatest extent possible across our global operations. To this end, we have developed initiatives to minimize the environmental impact of our business, conserve resources and promote environmental awareness. This commitment is underscored by the fact that the majority of the topics identified as most material to our sustainability program are environmentally related. Globally, our efforts are focused on reducing energy usage, emissions and waste. We also recognize that we must monitor our use of water, an important natural resource, and are working across our network of facilities to develop a strategic water management plan to identify water reduction, recycling and efficiency opportunities. We have reevaluated and expanded our 2025 sustainability goals to push ourselves even further between now and 2025. We continuously monitor our progress toward these 2025 targets and other environmental metrics.

Labor

Supporting the safety and well-being of our workforce is our top priority. We work diligently to ensure the safety of our employees, contractors, visitors and communities where we operate. We maintain our sharp focus on safety by ensuring all employees, contractors and visitors are well trained and equipped with everything they need to return home each day the same as they arrived at our facilities. In addition, we 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. In addition to safety, we strive to ensure our organization

reflects the diversity of our operations and are committed to providing equal opportunity for all employees at all levels, as demonstrated by our CEO joining the CEO Action for Diversity and Inclusion. As one of our core values, we respect the differences of all our employees and have zero tolerance for discrimination on the basis of ethnic or racial status, color, nationality, descent, religion, caste, gender, age, physical characteristics or appearance, sexual orientation, union membership or political affiliation. We are fully compliant with all requirements stemming from labor legislation and collective agreements in the countries in which we operate.

Human Rights

We are committed to conducting our business with integrity and believe that it is our responsibility to respect human rights with regard to our employees, suppliers, customers and communities. We firmly believe that every individual deserves to be treated with dignity, honesty, integrity, respect and fairness. We are guided by international standards embodied in the United Nations Universal Declaration of Human Rights; the International Covenant on Civil and Political Rights; the International Covenant on Economic, Social and Cultural Rights; and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. Our commitment is also explicitly covered in our Code of Business Ethics and in our formal Human Rights Policy. We also require that our suppliers comply with our Code of Business Ethics, which in some cases demands higher standards than required by local law. Pursuant to the California Transparency in Supply Chains Act, we have posted on our website a statement that suppliers are expected to comply with all applicable laws and standards related to labor practices and human rights.

Anti-Corruption

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, which is vital to the success of our business. Our position is that all forms of corruption, including bribery and extortion, are unethical, unacceptable and inconsistent with our values and our Code of Business Ethics. In support of this position, we have developed detailed policies, compliance procedures and training. All employees are required to undergo training on the Code of Business Ethics on an annual basis,

through which they learn how to identify potential risks of corruption and how such matters should be addressed. Depending on the employee's role and job responsibilities, supplementary training may also be required to uphold our high expectations for ethical business conduct. In addition, to facilitate the reporting of potential or suspected misconduct or noncompliance, including bribery-related activities, we provide a reporting hotline through which employees can confidentially report issues or matters of concern.

GRI: 102-12



ABOUT CABOT

Cabot Corporation is a leading global specialty chemicals and performance materials company headquartered in Boston, Massachusetts, USA, that has provided innovative performance solutions to customers for over 135 years. We are a leading provider of rubber and specialty carbons, fumed metal oxides, masterbatches and conductive compounds, activated carbon, inkjet colorants and inks and aerogel.

We strive to be the most innovative, respected and responsible leader in our markets – delivering performance that makes a difference. As a market leader, we collaborate with customers to find innovative solutions that will help them advance their own products for a wide range of industries, from transportation and infrastructure to environment and consumer goods. We know that the properties our products impart – from durability and lightweighting to improved fuel efficiency – give us the opportunity to help our customers address key sustainability challenges. We look to advance in these areas with a continued focus on improving the performance of both our materials and the end products in which they are used.

We are known as one of the global leaders in safety, health and environmental (SH&E) performance, and we continuously invest in sustainability, motivated in large part by the commitment and drive of our colleagues

around the world. Our global network consists of approximately 4,500 employees in 60 facilities in more than 20 countries, including 43 manufacturing sites, global research and development capabilities at eight locations, and sales and administrative staff in more than 25 locations.

As part of our efforts to further our Advancing the Core strategy, in 2019 we completed the divestiture of our Specialty Fluids business to Sinomine (Hong Kong) Rare Metals Resources Co. Limited, a wholly owned subsidiary of Sinomine Resource Group Co., Ltd., in a transaction valued at \$135 million. The transaction allowed us to focus our resources on advantaged growth initiatives in our core businesses including key expansions in our carbon black and fumed metal oxides businesses. In 2019, we celebrated the grand opening of a fumed silica manufacturing facility in Wuhai, China. The state-of-the-art facility adds approximately 8,000 metric tons of annual fumed silica capacity to our global network and is essential to meeting the growing demand of the fumed silica market in China. The project is a joint venture with Inner Mongolia Hengyecheng Silicone Co., Ltd. (HYC), and was completed without a single recordable injury among employees and contractors.

GRI: 102-2, 102-4, 102-6, 102-7, 102-10, 102-12, 103-1

Our Locations



Values and Ethics

We are committed to promoting an ethical business culture that is rooted in our core values of integrity, respect, excellence and responsibility. These values ensure that we are operating ethically and transparently, and are fundamental to our relationships with our customers, partners, distributors, shareholders and colleagues all over the globe. Our Code of Business Ethics establishes the standards of ethical behavior and business conduct that we expect throughout our organization. Each year, all employees are required to complete training on our Code

of Business Ethics in addition to more focused training based on job responsibilities. We provide this training in 13 different languages to our global employees. The Code covers topics such as the importance of treating each other with mutual respect, interacting with our customers and other stakeholders with a high standard of ethics, and serving our communities in a responsible manner. The Office of Compliance, which reports to the Audit Committee of the Board of Directors, oversees the implementation of the Code and overall compliance with laws and regulations.

GRI: 102-16



ENGAGING WITH OUR STAKEHOLDERS

Being a responsible corporate citizen requires maintaining positive relationships with our various stakeholder groups. We diligently seek opportunities to engage with our customers, investors, employees, potential employees, suppliers, regulators and communities and welcome their feedback on how our activities impact their respective interests, as summarized in the table below. Our interaction with these groups can take many forms, including employee meetings, "open days" at our manufacturing facilities when we welcome our neighbors to visit, recruiting events, in-person meetings, and the use of social media 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 and investing in research and innovation.

Our open-door policy provides the framework for employees to raise concerns and report 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 the local community, including the use of Community Advisory Panels (CAPs) and Community Open Days where community members visit our facilities and interact directly with Cabot employees regarding the plant operations, emissions and operating practices.

In 2019, we further engaged our employees around our sustainability program through our first annual Global Sustainability Day. The celebration acted as a time for our employees around the world to stop their daily work and learn about sustainability, what it means to Cabot, and how it encompasses our long-standing safety goals as well as our commitment to pursue sustainable solutions. This day of learning is just one part of a continuous and evolving program to raise awareness about sustainability throughout our organization.

GRI: 102-40, 102-42, 102-43, 102-44 | SASB: RT-CH-210a.1

STAKEHOLDERS	TYPES OF ENGAGEMENT	KEY TOPICS
Employees	Meetings, executive briefings, training sessions, surveys, regular intranet communication	Business performance, value of our work, strategic initiatives and vision, policy and organizational structure, benefits and compensation, safety
Potential Employees	Social media, college campus visits, interviews, internships, job recruitment sites, employee referrals	Sustainability performance, company values, community engagement, benefits and compensation
Communities	Plant visits, open days, sponsorships, engagement programs, foundation activities, social media, website	Plant operations, safety, environmental stewardship, emergency response planning, compliance programs, emissions, sponsorships, 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, product safety and regulatory information
Suppliers	Presentations, supplier agreements, audits and performance assessments, supplier summits, trade shows, trade magazines	Performance criteria and expectations, sustainability, safety
Investors	Annual report, quarterly disclosures, sustainability report, annual meeting, individual meetings, social media, website, business and trade news	Business performance, strategy, execution, material disclosures, sustainability
Regulators	Plant visits, training sessions, technical information exchanges, inspections	Compliance reporting, problem solving, technical information, sustainability



OUR CONTINUED COMMITMENT TO RESPONSIBLE CARE®

Since joining the American Chemistry Council (ACC) in 2010, we have embraced the chemical industry's voluntary Responsible Care® initiative. Through the Responsible Care initiative and the Responsible Care Global Charter, we have made a commitment to improve our health, safety, environmental and security performance throughout the organization. As an active leader in Responsible Care, we are helping drive continuous improvement in the safety and sustainability of our products and operations around the globe.



The Responsible Care principles are closely aligned with our sustainability strategy, and we are an active supporter of these principles around the world. Our participation signifies our deep belief in the value of external engagement and third-party certification of our SH&E and security management systems. Through Responsible Care, we demonstrate our commitment to:

- ◆ continuously improving the SH&E performance of our technologies, processes and products
- ◆ monitoring the security of our sites and working with our neighbors to prepare for and respond to emergencies
- ◆ using resources wisely and minimizing waste
- ◆ promoting responsible management of chemicals
- ◆ communicating openly with stakeholders

Within this program, we have chosen to implement RC14001, which incorporates the requirements of both Responsible Care and International Organization for Standardization (ISO) 14001 environmental management systems, for our key manufacturing facilities and corporate headquarters in the United States and our carbon black

facility in Canada. In 2019, these facilities obtained recertification, and several of our U.S. manufacturing sites have received ACC awards in the Achievement and Excellence categories, demonstrating facility-level safety leadership. We are committed to acting in accordance with the principles of Responsible Care on a global scale and have applied them across our network. Specifically, we continue to be a leader and promoter of Responsible Care in China. As a member of the Association of International Chemical Manufacturers (AICM), which promotes Responsible Care in China, we are actively engaged in leadership positions in the AICM's environment, safety, emergency planning, production and process safety subcommittees.

In 2019, we continued our journey to complete certification for all of our facilities in China, building on our successful certifications at our Tianjin and Xingtai facilities. During the year, both the Shanghai and Jiangxi facilities received RC14001 certification. We are also in the process of obtaining certification for the Shanghai Holding Office and Asia Technology Center while focusing on the future certifications for our recently opened fumed silica plant in Wuhai and our specialty carbon plant in Xuzhou, currently under construction. Due to our strong commitment to Responsible Care in China, AICM has awarded Cabot the Chairman's Award for excellence in implementing the Responsible Care program.

GRI: 102-12 | SASB: RT-CH-210a.1



CARING FOR OUR PEOPLE & COMMUNITIES

14 OCCUPATIONAL HEALTH & SAFETY



17 RETENTION, DEVELOPMENT & DIVERSITY



21 COMMUNITY ENGAGEMENT



We recognize that our people are key to our ability to execute on our sustainability agenda. Our commitment to providing safe working conditions and involving all our employees in our safety efforts has been a fundamental part of Cabot's history. This focus on safety helps us attract and retain top talent from 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 acceptance of diversity in its many forms throughout our workplace. To remain a competitive employer, we acknowledge the importance of our company values, our vision and our 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 communities and look for opportunities to contribute our time and resources so we can play a role in the growth and success of the areas where we operate.



CARING FOR OUR PEOPLE & COMMUNITIES



OCCUPATIONAL HEALTH AND SAFETY

Our Commitment

Our employees are our most valuable asset, and it is our responsibility as an employer to provide a safe work environment and promote wellness across the workforce. This focus on health and safety has been deeply ingrained at Cabot throughout our history and serves as a central theme in our culture. Our goal is for all employees 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.

GRI: 103-1

Our Management Approach

The Safety, Health, Environment and Sustainability (SHE&S) Committee of Cabot's Board of Directors has oversight of health and safety issues at the highest governance level. Executive leadership for implementing related strategies and policies is provided by the senior vice president for SH&E, who oversees a global team of SH&E professionals, including regional directors.

SH&E and security are critical components of our culture. As part of our Drive to Zero initiative, we have set a long-term goal of having zero injuries at our facilities worldwide. Recognizing that it may take many years to achieve this ambitious goal, in 2019 we adjusted our safety goal to achieve a 50% reduction through 2025. To help meet these goals, we provide training to all employees on

safety procedures that meets or exceeds all applicable government regulations and internal standards.

Through our global SH&E Policy, which is endorsed by our executive leadership, we hold ourselves accountable to demonstrate our company values and continuously improve the way we operate. The policy includes guidance on:

- ◆ complying with all applicable regulations
- ◆ sharing complete information about the safe handling of our products
- ◆ maintaining the safety and security of our employees, contractors and neighbors
- ◆ minimizing 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 preparing for emergencies

Our facilities are required to develop and implement a safety program that upholds the 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 to employees, contractors and visitors. Additionally, all Cabot facilities organize local health and safety committees representing employees, including those in formal joint management agreements.

As part of our commitment to Responsible Care, we remain focused on continuously improving the health and safety of our technologies, 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 SH&E regulations, internal company standards and industry-recognized best practices. These risk-based audits are conducted by teams of internal subject matter experts who are supported by external resources as needed.

Additionally, a key factor in keeping our employees and communities safe is our careful attention to process safety. This entails monitoring the condition and functionality of our processes, equipment and infrastructure to ensure our operations are as safe and efficient as possible. Prior to initial unit startups and when significant changes to operations are required, 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, fire, explosion or release of flammable, combustible or toxic chemicals. In accordance with the American Petroleum Institute's recommended practice RP-754, we utilize the Tier 1 and Tier 2 categorization approach to track our performance and report externally. Tier 1 events have more significant consequences resulting from the loss of primary containment of our processes, while Tier 2 events have less significant consequences.

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 risks in the future. We share the results of these evaluations globally, so all our sites can learn from the event and reduce similar risks.

GRI: 103-1, 103-2, 103-3, 403-1

Our Performance

We believe that a strong safety culture contributes to the overall success of our business. It allows us to retain talent, remain operational and serve our customers as a reliable partner. As a result, we are diligent in measuring and monitoring our related performance over the long term.

In 2019, we experienced a 15% increase in our total recordable incident rate (TRIR) across the organization when compared to the previous year. However, the number of days associated with these incidents declined, indicating the injuries in 2019 were less severe than those experienced in 2018.

In 2019, we implemented several changes to help make our safety programs more efficient and robust. Our overall safety performance trend remains strong. We are proud that over 60% of our manufacturing locations worked injury-free in 2019 and more than 99.5% of our employees were injury-free. However, the increase in TRIR has caused us to renew our efforts to ensure a strong safety culture throughout the organization, with a particular focus on the small number of sites that have experienced the majority of injuries in recent years. We will not be satisfied until we achieve the goal of our Drive to Zero initiative — no injuries at any of our facilities worldwide. This drive requires that we continually look for opportunities to further improve and strengthen our safety management system.

We refreshed educational campaigns to prevent hand and finger injuries and to reduce hazards that may lead to slips, trips and falls, some of the leading causes of our injuries. We focused on providing tools and sharing best practices to increase employees' awareness of their surroundings and help employees avoid distractions by focusing on the task at hand.

We began to use a more comprehensive contractor safety qualification process to help ensure we are selecting partners whose SH&E values are in line with our own. This process utilizes external support, which provides us with a more thorough review of the safety and environmental performance of potential partners while freeing up our site SH&E professionals to focus on the day-to-day activities

of our employees and visitors. This system is now in use in our North American facilities, and we plan to expand it throughout our global network.

We implemented a global system for collecting and maintaining safety data sheets for the materials used at our locations. The new system enables our sites to complete a more systematic review of chemicals prior to use and provides our employees with the most current information on the chemicals we use in an easily accessible way.

We continued progress on a comprehensive review of our corporate SH&E standards. These standards outline the minimum expectations set for all our locations worldwide and form the basis of our SH&E management system. With input from our global team, we looked for opportunities to simplify the standards, integrate a risk-based approach and provide our plant-level SH&E professionals with the ability to meet requirements in ways best suited for their locations. At the same time, we were careful to maintain, and in some cases strengthen, the core requirements that have supported our strong SH&E performance and progress on our Drive to Zero.

As an example of a strengthened requirement, we added a layer of protection by requiring our employees and contractors to reconsider possible changes to their preliminary job safety analysis through the practice of a last-minute risk assessment (LMRA). This assessment, conducted just prior to beginning or resuming work, provides an extra opportunity to focus attention on the specific task at hand and the current working conditions. The LMRA has been especially useful in reminding workers of the risks associated with routine tasks that, though familiar, can often lead to injuries.

GRI: 403-2 | SASB: RT-CH-320a.1

SAFETY RATES Injuries per 200,000 Work Hours	2017	2018	2019
Total Recordable Incident	0.47	0.40	0.46
Lost Time	0.26	0.18	0.29

PROCESS SAFETY EVENTS	2017	2018	2019
Tier 1	0	5	1
Tier 2	4	9	14



Learning from the best – Cabot's Chairman's Award recipients

In 2019, our carbon black site in Shimonoseki, Japan, joined five other Cabot locations as recipients of our Chairman's Award. This recognition is given to those manufacturing and research and development sites that have consistently demonstrated excellence in all areas of SH&E performance. The Shimonoseki team attributes its success to a culture in which employees and contractors communicate closely to identify and solve issues. Working together and helping each other are the norm, and all are encouraged and expected to ask questions.

These ideas align with the characteristics of our other Chairman's Award recipients. At our Jiangxi, China site, employees believe success comes from a supportive culture where safety is considered a part of everyone's job. Our facilities in Ravenna, Italy, and Midland, Michigan, USA, also report high levels of dedication to safety by all employees on-site and credit the learnings and support they get from other locations with helping them reduce risk. In Port Dickson, Malaysia, consistent and effective communications empower employees to highlight and mitigate any safety issues, with full support from the site leadership team. At our carbon black plant in Valmez, Czech Republic, a tragic accident that resulted in an employee fatality in 2011 led to a complete rethinking of the site's safety culture, with a focus on cooperation and collaboration. That site has since been a model for others in developing and advancing a safety management system.

Our Chairman's Award recipients span our businesses and geographies and represent the best of what Cabot can achieve through dedication and teamwork.

Process safety

2019 was an important year for our Process Safety Management (PSM) program, as we continued to implement changes to our approach as a result of the comprehensive program review conducted in 2018. Our priorities included developing and implementing improved systems for categorizing process safety events and providing additional education to our global PSM team. We conducted a series of webinar-based training sessions designed to promote improved understanding and sharing of best practices in PSM across our global network.

In 2019, we experienced one Tier 1 event and 14 Tier 2 events. The Tier 1 event involved a spill that was contained on-site. The two main types of Tier 2 events were small, localized fires and losses of containment captured in our secondary containment systems, resulting in minimal environmental impact. One of the Tier 2 events did result in an injury to a contractor that required medical treatment but did not result in any lost work time.

SASB: RT-CH-540a.1



RETENTION, DIVERSITY & 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 Cabot employees and supporting them in realizing successful careers.

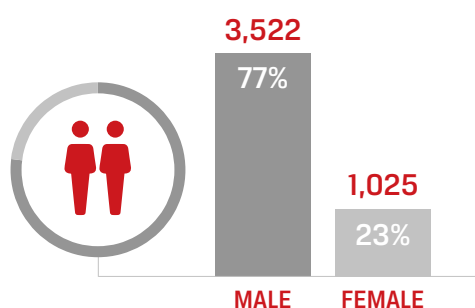
Reporting to the CEO, the senior vice president and chief human resources officer (CHRO) oversees programs and processes to attract, develop, retain and support our employees and routinely updates the Board of Directors on related initiatives. The Human Resources

department enables managers across the company to drive performance and employee development through the use of our performance management process and the implementation of our Code of Business Ethics and our Human Rights Policy, which establish expectations for professional conduct, strict adherence to labor practices and human rights laws, and the creation of a safe and healthy workplace.

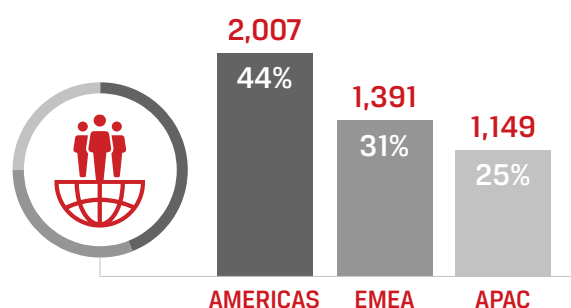
GRI: 102-8, 103-1, 103-2, 103-3, 403-3

TOTAL WORKFORCE 4,547

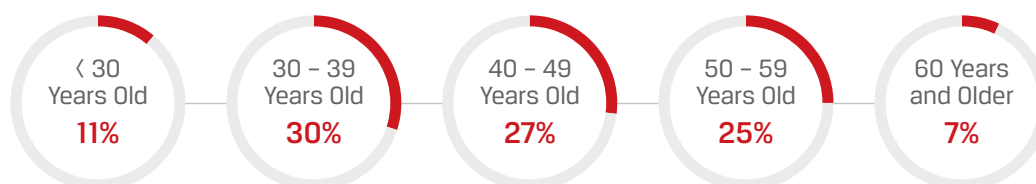
GLOBAL WORKFORCE BY GENDER



GLOBAL WORKFORCE BY REGION



GLOBAL WORKFORCE BY AGE GROUP



GLOBAL WORKFORCE BY CONTRACT

GENDER	MALE		FEMALE	
	Count	Percentage	Count	Percentage
Permanent	3,489	78%	1,005	22%
Temporary	33	62%	20	38%
Full Time	3,489	79%	946	21%
Part Time	33	29%	79	71%

REGION	AMERICAS		EMEA		APAC	
	Count	Percentage	Count	Percentage	Count	Percentage
Permanent	1,987	44%	1,358	30%	1,149	26%
Temporary	20	38%	33	62%	0	0%
Full Time	1,987	45%	1,299	29%	1,149	26%
Part Time	20	18%	92	82%	0	0%

GRI: 405-1

TURNOVER BY GENDER, REGION AND AGE GROUP

GENDER	MALE		FEMALE	
	Count	Percentage	Count	Percentage
Departing Company	463	13%	147	15%
New Hires	279	8%	114	11%

REGION	AMERICAS		EMEA		APAC	
	Count	Percentage	Count	Percentage	Count	Percentage
Departing Company	296	15%	212	16%	102	9%
New Hires	147	7%	157	12%	89	8%

AGE GROUP	< 30		30 – 39		40 – 49		50 – 59		60 +	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
Departing Company	100	22%	164	12%	133	11%	111	10%	102	26%
New Hires	121	26%	138	10%	69	6%	55	5%	9	2%

GRI: 102-8, 401-1

PERFORMANCE REVIEWS BY EMPLOYEE CATEGORY

44%	Clerical/Technical
31%	Professional/Supervisor
25%	Management/Experienced
74%	Male
26%	Female



GRI: 404-3

RETENTION & 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. At the same time, 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.

GRI: 103-1

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 as well as the recruitment of external candidates.

Employment decisions are based on merit and qualifications, regardless of race, color, national origin, religion, gender, sexual orientation, age, disability, veteran status or any 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.

To ensure employees have their basic needs met in order to live healthy and productive lives, we offer comprehensive benefits programs that are 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 healthcare, life and accidental insurance, disability, 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.

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 utilize a performance-based management (PBM) approach, which is a year-round process through which 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.

GRI: 103-1, 103-2, 401-2, 404-2

Our Performance

LEAD performance management approach

We introduced a new leadership model, LEAD, which provides a clear view of what successful performance for all employees looks like to help Cabot attract, develop and retain the talent needed to successfully execute our strategy. LEAD is an acronym for learn, engage, assess and drive, representing four dimensions of leadership. The easy-to-use model contains nine competencies and integrates them across our talent practices, such as recruiting, development and PBM. LEAD provides all employees with a common language to have meaningful conversations about performance and development.

Leader as Coach development program

In 2019, we introduced a new leadership development program, Leader as Coach, which focuses on developing managers' coaching skills to enhance their ability to coach and develop their employees. Through a combination of self-paced study, interactive small-group virtual sessions, on-the-job practice and one-on-one personal coaching calls, participants learn various situational coaching styles, techniques and tools that help them unlock the potential in others so they can perform at their best.

Talent review and succession planning

In 2019, we enhanced our talent review and succession planning process, deploying a robust set of criteria and tools to examine and strengthen our current bench, future talent pipeline and potential successors for our senior leadership positions.

GRI: 404-2

Employee engagement survey

In 2019, we conducted our biannual Employee Engagement Survey as part of our ongoing efforts to hear direct feedback about the Cabot work experience from colleagues across all roles globally. As part of this effort, we introduced new themes in the survey to explore progress on our efforts to focus on culture as well as diversity and inclusion. More than 91% of our employees around the globe completed the survey. Results were shared with employees, who were then encouraged to contribute to action planning to address the key themes identified.

As a means of maintaining a continuous focus on employee engagement, we are also using our survey results as an important measure of our sustainability goals for retention, diversity and development. Actively engaging our employees to share their feedback helps drive action to better foster an environment where everyone can do their best work and enables us to assess current performance and track progress over time.

GRI: 102-8, 103-3, 404-3

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.

GRI: 103-1

Our Management Approach

Diversity and inclusion (D&I) is a core responsibility of our director of talent management and development, who reports to the CHRO. Our progress in D&I is overseen by a Diversity and Inclusion Council, comprised of a cross section of business 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 with the objective of ensuring 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.

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.

GRI: 103-2, 103-3



Our Performance

In 2019, we formally launched our organizational commitment to D&I and advanced a number of key diversity initiatives to reinforce our commitments as an organization.

CEO Action for Diversity & Inclusion™ pledge

Our CEO, Sean Keohane, joined more than 800 CEOs in signing the pledge. By signing on to the commitment, Cabot Corporation is promising to take action to cultivate a workplace where diverse perspectives and experiences are welcomed and respected and where employees feel encouraged to speak up and take part in constructive conversations around issues of D&I.

Unconscious bias training

Throughout the organization, we introduced various forms of unconscious bias training to raise awareness and help colleagues learn how to identify unconscious bias and mitigate their own unconscious bias.

D&I integrated into Cabot's talent management agenda

We integrated D&I into our overall talent management approach through the development of a shared vision and road map to further embed D&I into our talent practices. Such efforts included:

- ◆ adding D&I-related questions to our employee engagement survey to hear directly from our employees regarding our efforts to foster diversity and inclusion
- ◆ tracking diversity in our talent review processes to support succession and development
- ◆ implementing pay equity analysis as a regular practice
- ◆ establishing our first Employee Resource Group for Women and Allies
- ◆ increasing representation of women in senior leadership positions, including on our executive team and Board of Directors

GRI: 405-1



COMMUNITY ENGAGEMENT

Our Commitment

Throughout our history, we have maintained a strong sense of community and have strived to be a good corporate citizen. We understand the value of partnering with the communities in which we operate, and we recognize that thriving and resilient 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 and able to contribute to this important effort by offering their time and skills that have a positive impact on our communities.

GRI: 103-1

Our Management Approach

There are two primary conduits for our community engagement efforts. The first is giving at the corporate level by the Cabot Corporation Foundation, and the second is through facility-led 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 in support of 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 is the responsibility of the Foundation's Board of Directors, which meets quarterly to review grant proposals and evaluate the impact of this giving to ensure funds are used in ways that align with our overall values and address the needs of our communities. Our giving pillars are aligned with our core areas of sustainability focus – Caring for our People and Communities, Acting Responsibly for the Planet and Building a Better Future Together. The Foundation plays a unique role in providing financial support to our

communities around the globe while fostering long-term partnerships with organizations that support our shared sustainability goals. To this end, the Foundation Board carefully evaluates how prospective grants may help advance our sustainability objectives. 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. At some locations, Cabot representatives are involved in local industry associations. 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 two-thirds of our facilities globally have dedicated community outreach teams responsible for preparing local community engagement plans.

GRI: 103-1, 103-2, 103-3, 413-1 | SASB: RT-CH-210a.1

Inspiring the next generation of sustainability leaders in Mauá, Brazil

In April 2019, our colleagues from the Mauá, Brazil, facility introduced an educational program to address topics not traditionally taught in local schools. Named "Project Semear (Seed)," the program aims to inspire youth in the community to address environmental and social issues, educate their peers and family members, and learn habits that will prepare them to be responsible adults. More than 30 employees volunteered with a specialist teacher to provide weekly lessons to 9- and 10-year-olds on citizenship and environmental best practices like proper garbage disposal and water and energy conservation. The program proved hugely successful with students enthusiastic to learn about how they could make positive impacts throughout the community and teach others to do the same.

Our Performance

In 2019, Cabot donated more than \$1.6 million to worthy causes around the world. This included Foundation disbursements of \$823,000 and individual facility donations totaling \$793,000. These fiscal contributions were over and above the numerous ways our employees gave back to their communities through volunteerism and personal giving.



Supporting veterans with their career transitions

As part of a new partnership sponsored by the Cabot Foundation with American Corporate Partners, a nonprofit encouraging Americans to support transitioning service members, 18 employees throughout the United States volunteered as mentors for an assigned veteran. Through monthly engagements, our volunteers worked with these individuals to review resumes, prepare for interviews, network and explore professional development opportunities. In doing so, we were able to show our gratitude for service people and also help veterans prepare for fulfilling and successful careers in the next chapter of their lives.

GRI: 413-1

A new, state-of-the-art emission control system in Franklin, Louisiana, USA, designed to reduce SO₂ emissions by 95%.



ACTING RESPONSIBLY FOR THE PLANET

25 ENVIRONMENTAL COMPLIANCE



26 ENERGY



27 EMISSIONS



28 WASTE & SPILLS



30 WATER



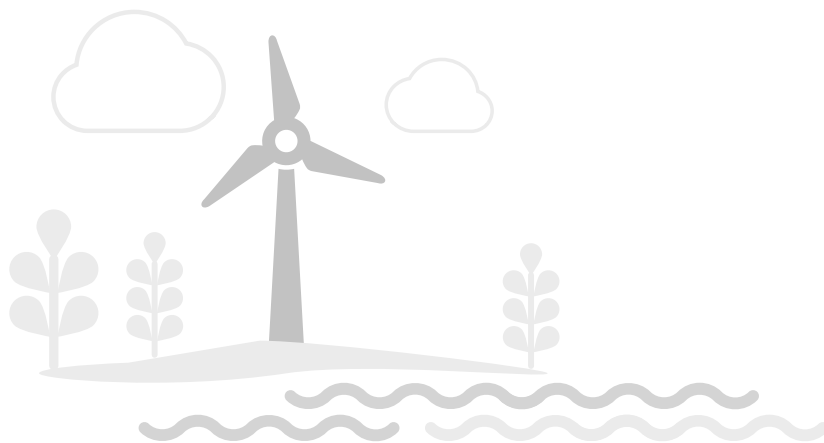
Environmental issues significantly affect us all on a global scale, and it is the responsibility of governments and corporations alike to help find solutions to these challenges. As such, we operate our facilities responsibly while delivering innovative solutions that help address the sustainability challenges of our customers, our communities and our world. We acknowledge that we have a responsibility not only to remain compliant with applicable environmental regulations in the locations where we operate, but also to lessen the impacts we have on the planet. We are proud of the improvements we have made in our environmental performance and the leadership we have demonstrated within our industry but 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 Safety, Health and Environment (SH&E) Policy, and our performance is measured against specific goals to reduce waste and emissions of greenhouse gases (GHG), nitrogen oxides (NO_x) and sulfur dioxide (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 to environmental benefits, better use of our shared resources and reduced operating costs.

The Safety, Health, Environment and Sustainability (SHE&S) Committee of Cabot's Board of Directors has oversight of 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, who oversees a team of professionals assisting our locations in improving overall environmental performance.

We note that we sold our Specialty Fluids business during calendar year 2019, and have adjusted our baseline data and environmental performance data by removing the data associated with Specialty Fluids from the results presented here.

GRI: 103-1, 103-2, 103-3





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 demonstrates to our stakeholders that we are respectful of the law and the permits that have been established to preserve the natural environment we all share and ensures our ongoing license to operate.

GRI: 103-1

Our Management Approach

Compliance is managed through our Drive to Zero initiative, focused on reducing environmental non-conformance (ENC) 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 laws, regulations and the requirements of voluntary programs such as Responsible Care. Our approach to compliance is designed to prevent environmental incidents by emphasizing proactive measures such as training and job planning with employees, contractors and business partners and in the design and operation of our facilities. Environmental awareness training is provided to manufacturing facility 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 be repeated, the results of these investigations are shared broadly throughout our global network of facilities. We manage compliance through our comprehensive 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. 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.

GRI: 103-2, 103-3

Our Performance

As part of our ongoing effort to eliminate ENCs, we realized a 27% reduction in the number of ENCs in 2019 compared with 2018 and a 37% reduction compared with 2017. This improved performance is attributed to investments in environmental controls, increased focus on employee awareness, the use of our management system to improve tracking of our regulatory obligations and implementing corrective actions from our audits.

Comprehensive SH&E audits were conducted at nine locations in 2019. Each audit included an evaluation of facility procedures, practices and site conditions to manage compliance with national, state/provincial and local SH&E regulations; internal company standards; and industry-recognized best practices. Corrective actions were established for any gaps, and closure of those actions was tracked to completion.

In 2019, Cabot incurred one fine of \$2,000 for failure to completely secure a bolt on an outbound shipment from one of our facilities. This event did not cause any environmental harm, and we implemented a system to verify all hazardous materials shipments are correct before leaving the facility.

GRI: 307-1

ENVIRONMENTAL NON-CONFORMANCES





ENERGY

Our Commitment

Our focus on energy 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 intensity by reducing our consumption and harnessing waste energy often lost in our processes. Our work focuses on new innovations in equipment, process technologies, and waste heat recovery and utilization as our primary levers to help us achieve efficiency improvements while also considering alternative energy sources to reduce our reliance on fossil fuels. In our expanded slate of 2025 sustainability goals, we added an additional energy goal to measure our performance of capturing and converting waste energy for export in relation to our import of energy. Our new goal is to capture and export 200% of the energy we import through converting what is now wasted energy into useful byproducts, which reduces the reliance on fossil fuels and reduces greenhouse gas emissions.

GRI: 103-1

Our Management Approach

Because energy is such a crucial part of our manufacturing processes, energy use is managed at several levels throughout the organization. Leaders from our business segments, corporate SH&E, global engineering and our research teams collaborate 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 sources is collected and analyzed through our internally developed corporate energy metric, which evaluates the net energy efficiency of each facility and is used to determine energy trends and improvement opportunities.

GRI: 103-2, 103-3

ENERGY	2017	2018	2019
Energy Use MMGJ	130.84	136.09	125.94
Energy Intensity* GJ / MT of Production	63.03	62.22	60.87

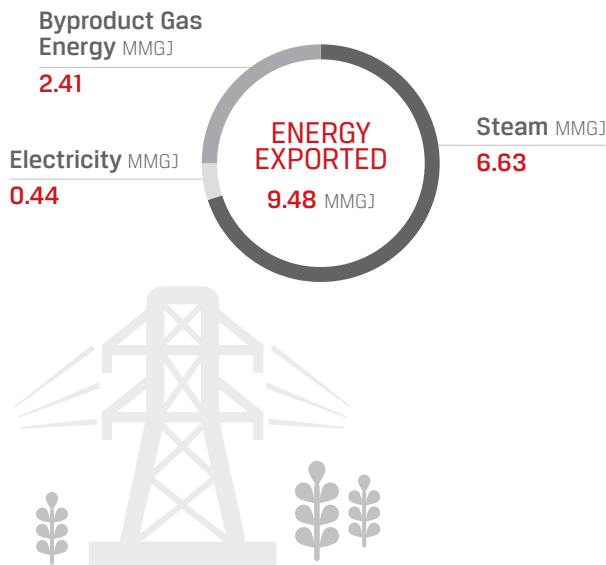
*Progress Toward 2025 Goal **66%**

Our Performance

We continued to make progress on our energy intensity reduction goal in 2019 through the completion of the energy recovery system at our carbon black plant in Franklin, Louisiana, USA, and increased waste heat recovery at our carbon black plant in Tianjin, China. These actions have contributed to a 7.5% reduction in our overall energy use while lowering our energy intensity by over 2% and reaching 65.8% of our 2025 goal. Further, we made progress on our new energy goal to export twice as much energy as we import, exclusive of raw materials. In 2019, we increased our energy exported by 9.9%, to 9.48 million gigajoules (MMGJ) while reducing the amount of energy we imported by 3%, to 7.22 MMGJ. This has increased the amount of energy we exported relative to the amount of energy we imported by nearly 13%, to 131% compared with 2018.

GRI: 302-1, 302-3 | SASB: RT-CH-130a.1

ENERGY SOURCES		
0.0%	Liquid Fuels MMGJ	0.04
0.1%	Steam MMGJ	0.14
1.9%	Purchased Electricity MMGJ	2.53
3.3%	Natural Gas MMGJ	4.50
94.7%	Raw Materials MMGJ	128.2
	Total MMGJ	135.42



State-of-the-art energy center uses waste heat to produce power

In August 2019, Cabot and our partner CLECO celebrated the startup of a new waste heat recovery boiler and steam turbine generator in Franklin, Louisiana, USA. The 50 megawatt-capacity St. Mary's Energy Center makes beneficial use of Cabot's waste heat to produce power without creating any additional emissions. Using this technology to substitute waste heat for fossil fuel for electricity generation, the people of Louisiana will see a reduction of 110 tons per year of NO_x and 180 tons per year of SO₂ emissions, along with a reduction of 167,000 tons of greenhouse gas emissions.



EMISSIONS

Our Commitment

We understand the broad impacts associated with greenhouse gas (GHG) emissions and air pollutants, including implications for climate, concerns regarding the impact on public health and threats to ecosystems that drive the need to reduce our emissions. Emission reductions can also signal improved operational efficiency at our manufacturing facilities, and we see our focus on emission reductions as a potential competitive advantage. We monitor our process emissions closely and work to minimize our respective impacts in support 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.

GRI: 103-1

Our Management Approach

The overall management strategy for our emission reduction program is led by our business segments, regions and individual facilities. We continue to look to develop and implement cost-effective technologies that help meet both our emission reduction and our operational efficiency goals. We engage closely with governments in the areas where we operate, as they aim to reduce industrial and commercial sources of emissions in their communities. Often, this engagement occurs through our active participation and leadership in various industry groups.

GRI: 103-2, 103-3 | SASB: RT-CH-110a.2, RT-CH-120a.1

Our Performance

By the end of 2019, we had realized 77% of our 2025 GHG reduction target. This was achieved through efforts to improve our process yields through technology, product and process equipment selection, and feedstock selection. We also utilized more efficient production units to produce almost 3% less emissions. Looking forward, we have additional process technology improvements under development for deployment throughout our carbon black facilities that will continue to reduce our overall GHG intensity. At the same time, we are also seeing industry-wide changes in the availability and selection of raw materials that reduce our overall efficiency, which

will create additional challenges for us over the long term. As reported in 2018, we exceeded our NO_x reduction goal ahead of schedule. As part of our expanded 2025 Sustainability Goals, we have increased the NO_x emissions intensity reduction to 50% from the 2012 baseline. We are executing projects in 2020 that will reduce our NO_x emissions at our facility in Xingtai, China, and are in the final stages of construction of our emissions control system at our Franklin, Louisiana, USA, facility, which is expected to go online in 2021. Additional changes in feedstock mix have also helped us continue to reduce our NO_x emissions throughout the network.

Our absolute SO₂ emissions were 7% lower than in previous years, and 2% lower based on emissions intensity. This is the result of variations based on fluctuations in our

feedstock sulfur content as well as the slate of products we produced. We continue to make progress on upgrading the SO₂ control system at our Xingtai, China, facility, are finalizing the implementation of our SO₂ control system at our facility in Franklin, Louisiana, USA, and have started the early engineering for the SO₂ control system at our facility in Ville Platte, Louisiana, USA. These systems are expected to be operational in 2021 and 2022, respectively.

In 2019, we also entered into our first contract to purchase renewable electricity from wind power plants for two of our facilities in the United Kingdom. The contract began in the latter part of 2019 and accounted for over 3,000 megawatt hours of renewable electricity.

GRI: 305-1, 305-2, 305-4, 305-7 | SASB: RT-CH-110a.1, RT-CH-120a.1, RT-CH-110a.2

GHG EMISSIONS	2017	2018	2019
Absolute Emissions			
Scope 1 MM MT CO ₂ e	4.57	4.77	4.37
Scope 2 MM MT CO ₂ e	0.33	0.32	0.31
Emission Intensity*			
Scope 1 MT CO ₂ e / MT Production	2.20	2.18	2.11
Scope 2 MT CO ₂ e / MT Production	0.16	0.15	0.15

*Progress Toward 2025 Goal **77%**



SO ₂ EMISSIONS	2017	2018	2019
Absolute Emissions			
KMT	43.20	43.34	40.23
Emission Intensity*			
MT / KMT Production	20.81	19.81	19.45

*Progress Toward 2025 Goal **33%**

NO _x EMISSIONS	2017	2018	2019
Absolute Emissions			
KMT	13.22	9.79	9.06
Emission Intensity*			
MT / KMT Production	6.37	4.48	4.38

*Progress Toward 2025 Goal **89%**



WASTE & SPILLS

Our Commitment

We acknowledge 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 minimize waste through a hierarchy of management practices, and we work toward zero spills at our facilities. We also believe that finding alternative uses for waste materials and byproducts presents opportunities to further contribute to a circular economy. As part of our expanded 2025 Sustainability Goals, we modified our waste goal to reduce waste disposed that is not beneficially used by 20% and to ultimately eliminate manufacturing waste disposal without beneficial use.

GRI: 103-1

Our Management Approach

Waste is measured by tracking progress against our intensity target and seeking opportunities to reduce waste generated during manufacturing. Expectations for the management of waste and the handling of chemicals are governed by internal standards applicable to all our manufacturing facilities. We implement programs to identify reuse opportunities for off-quality products and other waste streams, and to improve facility resource efficiency to reduce waste generation. Compliance with these expectations is regularly evaluated through our comprehensive SH&E audit program. We aim to avoid all spills through careful management and design of the processes at our facilities, and we conduct training on spill management and emergency response so that we are prepared in the event of an incident.

GRI: 103-2, 103-3

WASTE GENERATION	2017	2018	2019
Absolute Volume			
Nonhazardous KMT	101.62	49.28	44.10
Hazardous KMT	398.24	405.82	377.17
Waste Intensity*			
Nonhazardous MT / KMT Production	48.96	22.53	21.32
Hazardous MT / KMT Production	191.85	185.55	182.30

BENEFICIALLY REUSED MATERIALS	2017	2018	2019
Waste Beneficially Used KMT	85.10	26.59	27.34
Waste Beneficially Used – Intensity MT / KMT Production	41.00	12.16	13.22

WASTE DISPOSAL	2017	2018	2019
Total Waste Disposed KMT	414.77	428.51	393.93
Total Waste Disposed – Intensity MT / KMT Production	199.68	195.93	190.40



Our Performance

Our goal for reducing the intensity of disposed waste was achieved in 2016, but in 2019 we continued to find ways to further reduce waste generation and beneficially use the waste we do generate. Through these efforts, we reduced our waste generation intensity by 2.1% over 2018 and our waste disposal intensity by 2.6%. Further, the amount of waste generated was reduced by 7.5% over 2018. In 2019, we continued our trend toward beneficially reusing the waste we did generate by another 2.8% compared with 2018. The majority of the improvement was related to finding beneficial uses for the waste generated from air pollution control systems at specific facilities.

While we have continued to make excellent progress on our waste disposal goal, we anticipate increased waste generation from the air pollution controls being installed in our Franklin and Ville Platte, Louisiana, USA, facilities. Our plan is to identify beneficial uses for these materials and continue to drive manufacturing waste disposal without beneficial use to zero.

Our waste generation is dominated by a single waste stream at one facility, accounting for over 94% of our disposed waste, and, as we have previously stated, this stream is expected to change substantially to near zero within the next three to five years. Considering all other waste streams, we beneficially reused or recycled 54% of the waste we generated in 2019, an increase of nearly 13%.

In 2019, we did not experience any significant spill or release events, which are classified as a spill or release that triggers emergency reporting to a regulatory agency that was also a Tier 1 or Tier 2 process safety event.

GRI: 306-2, 306-3 | SASB: RT-CH-150a.1

WASTE DISPOSAL METHODS	NON-HAZARDOUS	HAZARDOUS
Reused or Recycled KMT	19.53	4.36
Incinerated WITH Energy Recovery KMT	2.96	0.50
Incinerated WITHOUT Energy Recovery KMT	0.35	1.17
Deep Well Injection KMT	0.00	370.54
Landfilled KMT	20.93	0.53
Other KMT	0.33	0.09



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 processes, and we must pay close attention to ensuring responsible water consumption and management. Therefore, we seek to conserve water across our operations and to discharge wastewater that is properly treated to avoid degradation to the surrounding environment. We also 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 our activated carbon products in water purification systems.

GRI: 103-1

Our Management Approach

Responsibility for water resource management predominantly resides at the facility level. Both intake and discharge of water are typically governed by state and local water permits, and 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 business units, as our numerous manufacturing processes vary in their water requirements. 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. Each year, as part of our comprehensive Enterprise Risk Management program, we conduct a water risk evaluation of our manufacturing locations in order to identify which of them may be impacted by future water scarcity issues. Our most recent evaluation has identified 12 facilities that are in areas classified by the World Resources Institute Aqueduct Water Risk Tool as being extremely high or high for baseline water stress.

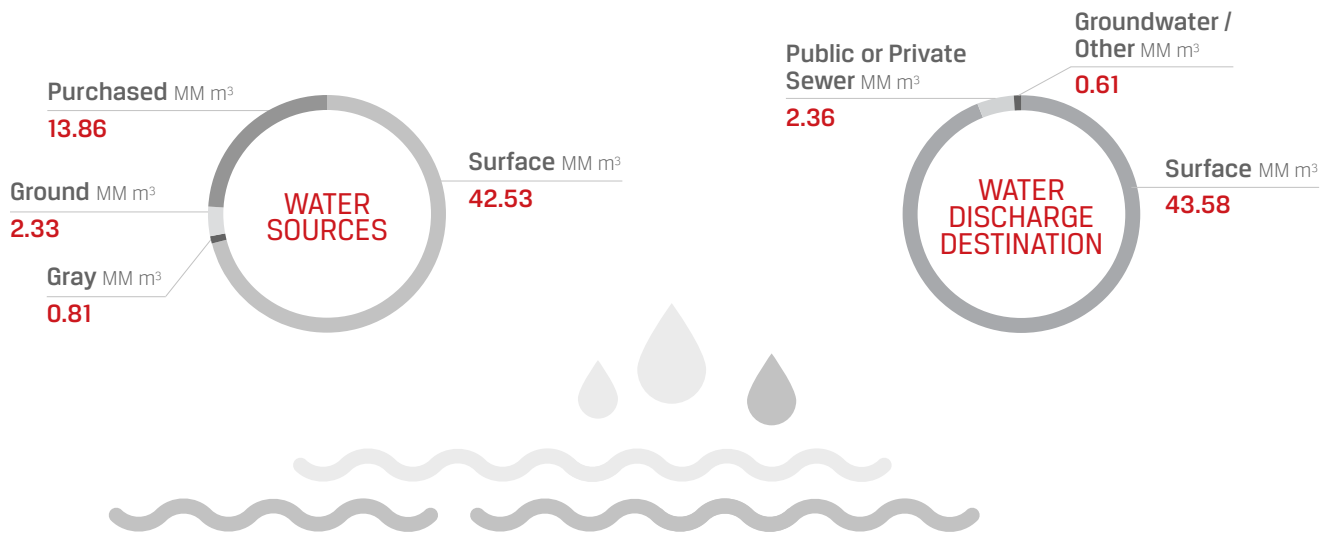
GRI: 103-2, 103-3 | SASB: RT-CH-140a.3

Our Performance

In 2019, we asked a team of Cabot leaders to assess our water reduction efforts and to help develop a long-term strategy for water use reduction. The team identified a number of short- and long-term recommendations, including standardizing our method of measuring water use, developing water use reduction plans that include targets based on site-specific water balances, and developing contingency plans for high or extremely high baseline water scarcity areas. In 2019, we saw a 4.4% increase in our water use intensity, while realizing a 1% decrease in the total amount of water supplied to our facilities. The largest increase was associated with the full operation of our aerogel facility in Frankfurt, Germany, while our absolute water supply decrease was driven mainly by a drop in the amount of water supplied to our carbon black facilities. We also saw a 12% drop in our total water use, as measured by the difference between water supplied and water discharged from our manufacturing facilities, with the largest declines attributable to the carbon black and activated carbon facilities.

GRI: 303-1, 303-3, 306-1 | SASB: RT-CH-140a.1

WATER USE & DISCHARGE	2017	2018	2019
Absolute Volume			
Water Supply MM m ³	52.91	60.36	59.53
Water Discharge MM m ³	39.51	45.65	46.56
Water Intensity			
Water Supply m ³ / MT	25.49	27.60	28.77
Water Discharge m ³ / MT	19.03	20.87	22.50





BUILDING A BETTER FUTURE TOGETHER

33 ECONOMIC VALUE GENERATED & DISTRIBUTED



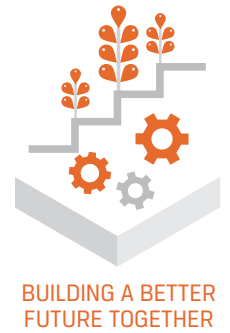
35 PRODUCT SUSTAINABILITY



36 SUPPLIERS' SUSTAINABILITY



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 influence 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 & 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. To that end, we are focused on growing our earnings by 7% to 10% over time while also returning 50% of our discretionary free cash flow to shareholders. 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 that reflects job complexity, strategic value of the individual's position, experience and location. Further, our capital investments of nearly \$250 million across our global facilities provide value to local economies through the use of local suppliers and contractors to help execute these projects.

GRI: 103-1

Our Management Approach

With the support of our Executive Committee, 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 Committee before it is presented to the Board of Directors. As part of this process, sustainability-related issues — such as impacts from 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.

Our Advancing the Core strategy is designed to extend our leadership in performance materials. We do this by investing for growth in our core businesses, driving application innovation with our customers, and generating strong cash flows through efficiency and optimization. The goal of this strategy is to deliver sustained and attractive total shareholder return, built on earnings growth and a balanced capital allocation framework. This strategy helps ensure that we invest sufficiently in our core businesses to capture opportunities and drive long-term earnings growth while also providing our shareholders with a meaningful cash return.

Our investment decisions and growth strategy are guided by an emphasis on sustainable business practices and full compliance with laws, regulations and corporate standards, including 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.

GRI: 103-2, 103-3, 201-2

Our Performance

Our team was able to navigate a challenging business and economic environment and delivered solid performance in fiscal year 2019. We delivered adjusted earnings per share (EPS)¹ of \$3.91 and strong cash generation performance, with operating cash flow¹ of \$361 million and free cash flow¹ of \$137 million. We continued to deliver on our commitment to return cash to our shareholders, returning more than 50% of discretionary free cash flow through dividends and share repurchases. Our focus on cash generation allowed us to remain committed to our capital allocation framework, which seeks to balance investments for growth in our core businesses with strong cash return to our shareholders.

We are committed to long-term value creation and continue to execute our Advancing the Core strategy. We advanced a number of key strategic investments including the divestiture of the Specialty Fluids business. This move enabled us to not only focus our portfolio, but also to utilize the proceeds to repurchase shares above our stated capital allocation framework and invest in advantaged opportunities to grow our core businesses.

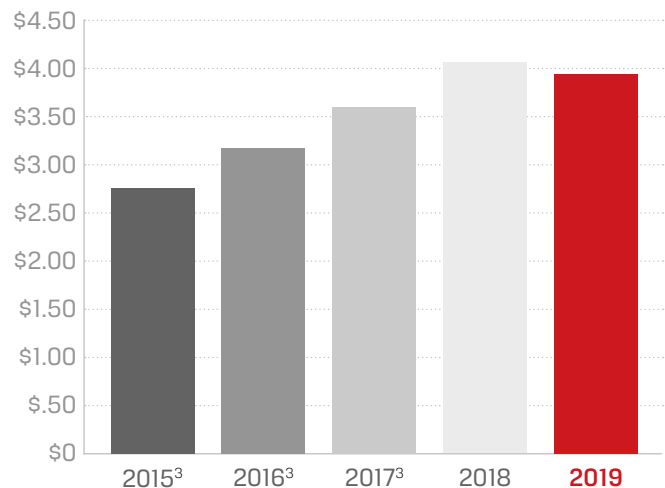
We continued to make several long-term strategic investments to extend our leadership positions and to drive sustained growth. We commenced operations at our new fumed silica plant in Wuhai, China, employing approximately 60 new employees.

We have made significant progress toward our stated goal of expanding global carbon black manufacturing capacity. In 2019, we broke ground on a capacity expansion project in our manufacturing facility in Cilegon, Indonesia. In addition, we began the upgrade of our new carbon black site in Pizhou, China, to produce specialty carbons.

Our business success enables us to further our contributions to society and the communities where we operate by generating jobs, providing fair wages, adopting the latest technology and materials to reduce our environmental impact, and participating in charitable giving and community events.

GRI: 201-1

ADJUSTED EARNINGS PER SHARE (\$)² \$ per share/fiscal year



¹ Non-GAAP (generally accepted accounting principles) financial measure. Refer to non-GAAP reconciliations on page 10 of our [2019 Annual Report](#).

² Non-GAAP financial measure, excludes financial results of divested businesses and certain items. Refer to non-GAAP reconciliations on page 10 of Cabot Corporation's [2019 Annual Report](#) for a reconciliation of these measures to their most directly comparable GAAP financial measure.

³ In fiscal 2018, the Company elected to change its inventory valuation method of accounting for its U.S. carbon black inventories from the last-in, first-out ("LIFO") method to the first-in, first-out ("FIFO") method. The Company applied this change retrospectively, and fiscal 2017 and 2016 balances have been updated accordingly. Fiscal 2015 has not been updated to reflect this change and may not be comparable to the other years presented.



PRODUCT SUSTAINABILITY

Our Commitment

Our vision of delivering performance that makes a difference is exemplified by our products that provide health, safety, environmental and other sustainability benefits for our customers and their customers. We are committed to continuing to develop 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 responsible manufacturers, we understand our obligation to share comprehensive information on the health, safety and environmental aspects of our products.

GRI: 103-1

Our Management Approach

Oversight of product innovation and development is provided by our chief technology officer 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 to assess the risks associated with the materials we use and produce, with regard to the health, safety and environmental impacts from our own operations as well as the activities of our suppliers and customers. Through this lens, we can make informed decisions about the design and formulation of our products.

Our efforts to maintain compliance with global product requirements are led by regulatory experts and toxicologists within our Product Support and Toxicology department. Our corporate hazard communication program ensures an ongoing review of our product properties as well as compliance with global requirements. We are committed to developing transparent product labeling and sharing comprehensive supporting literature to ensure those who manufacture, transport, store or use our products are prepared to handle the materials safely. 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.

This commitment to product sustainability extends to our engagement with peer companies in our industries. Cabot has long been a participant and leader in the International Carbon Black Association and the Association of Synthetic Amorphous Silica Producers as well as other industry associations around the world. These engagements provide opportunities to further the understanding of

regulatory issues, promote collaboration on expansion of health and safety information, and help ensure the long-term sustainability of our markets.

GRI: 103-2, 103-3, 416-1 | SASB: RT-CH-410b.2

Our Performance

Innovation is a critical dimension of our sustainability agenda, and it is essential to our ability to win in the marketplace and grow. This is why we are committed to further embedding sustainability into our product development engagements with customers.

Improving circular economy of plastics

As plastics manufacturers seek more sustainable solutions to comply with global environmental and labeling standards, we launched a new black masterbatch series that utilizes postindustrial carbon black and recycled carbons. These new formulations are specifically designed to help the industry lower its carbon footprint and increase the amount of recycled and secondary content in end products. Furthering our sustainability objectives in this area, we became a signatory of the Ellen MacArthur Foundation's New Plastics Economy Global Commitment. We also pledged to take actions to reduce plastic waste at our European masterbatch facilities as part of the Operation Clean Sweep® program.

Expanding advanced carbons portfolio

After acquiring new carbon nanostructure (CNS) technology capabilities, we have been actively working with customers serving the automotive industry to advance applications of CNS-containing composites for a wide range of conductive applications, including electrostatic discharge and electromagnetic interference (EMI) shielding. This work led to the creation of a new

family of unique materials that consists of a network of crosslinked carbon nanotubes manufactured using a proprietary process. ATHLOS™ CNS is an innovative new solution that will allow us to help customers better respond to the premium performance demands of next-generation plastic applications by enabling an optimal balance of EMI shielding, conductivity, mechanical strength and processability. The addition of ATHLOS CNS to EMI shielding solutions enables significant lightweighting and miniaturization advantages by replacing or reducing the loading of traditional metal-based alternatives.

Advancing innovation in energy materials

As we focus on growth in attractive markets, we continue to look for investment opportunities that enhance our portfolio with new, differentiated products and create maximum value in the chain through formulations. Our Energy Materials business recently made a \$2 million investment in Group 14, a startup company with promising technology for improving lithium-ion battery (LIB) performance. Group 14 manufactures novel LIB materials that boost battery performance and are designed for low cost and "drop in" compatibility with existing LIB production. With the investment, Group 14 will scale up the manufacturing of a next-generation anode material and advance it into commercial production. As a result of the investment, we are working with other industry leaders on material development and have the unique opportunity to closely collaborate with industry-leading battery material

suppliers and battery original equipment manufacturers to help understand and solve next-generation LIB performance issues.

Assuring safety for food manufacturers

Our activated carbon plant in Klazienaveen, the Netherlands, received FSSC 22000 Food Safety System Certification, the highest level of food safety assurance. This is the first Cabot activated carbon site to receive this certification and covers our NORIT® E 153 activated carbon colorant portfolio as well as foodstuff purification products such as NORIT® SA4 PAH, NORIT® SA ULTRA PAH and NORIT® SA5 PAH HF carbons, all for edible oils purification. This certification demonstrates our commitment to continuous improvement in the food industry.

Providing ongoing regulatory and safety support to our customers

Our team of product regulatory specialists continued to provide our customers with the information and compliance support needed to ensure our products could be used in the wide variety of applications and geographies that Cabot serves. Activities included preregistration for chemical control regulations in Korea and Eurasia, partnering with our industry peers to meet EU REACH nanomaterial requirements, and supporting ongoing toxicology research on carbon black.



SUPPLIERS' SUSTAINABILITY

Our Commitment

We are committed to conducting business with the highest ethical standards, and we expect the same of our suppliers. At the same time, we see opportunities to generate 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.

GRI: 103-1

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 (MRO), engineering and facility and professional services. Our suppliers are

being managed by our global Source to Pay organization, part of our newly formed Global Business Services, which was introduced in October 2019, and our business feedstock sourcing teams. The formation of Global Business Services, including Source to Pay, has triggered a review of how we select and evaluate suppliers. As part

of this renewed structure for purchasing activities, the method by which suppliers are selected and evaluated has also been under review. 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, and we require our key suppliers to acknowledge the expectations for responsible and ethical practices described in this document.

GRI: 102-9, 103-2, 103-3

Our Performance

Throughout the majority of 2019, advancing sustainability in our supply chain was focused on integrating sustainability criteria as part of our supplier qualification process and audits. The audit criteria included elements that are fundamental to general risks associated with supply chain management as well as to our core sustainability interests such as health, safety, environmental protection, human rights, ethics, business continuity and quality. Audits were prioritized based on supplier criticality to our business and exposure to risks, taking the following into account:

- ◆ Category of goods and services provided, as it relates to risks and environmental impact associated with the type of labor performed, directly or indirectly
- ◆ Risks related to country-level (including regional) regulations applied to supplier activities performed or products provided
- ◆ Review of historical performance and concerns raised by internal key users and purchasing category managers, whose assessment includes deep industry and market knowledge

All the suppliers prioritized for audits in 2019 were evaluated on sustainability criteria. Over the course of the year, we audited 12% of the total number of our critical

suppliers. Through this audit program, our target was to evaluate at least half of our critical suppliers. While this was a beneficial first step in our approach to addressing sustainability in our supply chain, we recognized an opportunity to ensure our efforts will be optimal in efficiency and efficacy as part of the new Global Business Services function. Our goal is to engage our suppliers through collaborative solutions that benefit our shared sustainability performance without causing an undue burden on our partners.

Collaborating with suppliers in China to cut plastic waste

Our team in China has been developing a leasing program for our plastic pallets. Instead of selecting standard single-use pallets for key customers in China, we coordinated with our partners both upstream and downstream in our logistics supply chain to identify a better solution. The alternative allows for pallets to be sent back to the nearest network point for redistribution to Cabot and our partners, enabling a savings of approximately 85 metric tons of plastic per year.

Deploying technology to reduce waste

In our effort to avoid unnecessary disposal of bags used to package our product, our team in Brazil has been partnering with a supplier to develop a radio-frequency identification (RFID) tag that could help track the movement of these bags. This would allow us to improve the percentage of bags returned for reuse and coordinate with customers accordingly. Currently, approximately 65% of bags are returned to Cabot from our customers, and we anticipate this rate will increase to about 80% with the use of RFID tags. This system will also help us monitor the condition of bags being reused and enhance our ability to track packages throughout their distribution.

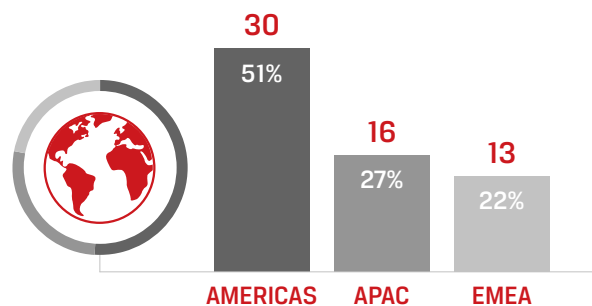
GRI: 308-2, 414-2

SUPPLIER SUSTAINABILITY AUDITS

100%	Supplier Audits that Included Sustainability Criteria
12%	Critical Suppliers Audited on Sustainability Criteria



SUPPLIER SUSTAINABILITY AUDITS BY REGION



GRI CONTENT INDEX

GRI 101: Foundation 2016

GENERAL DISCLOSURES

GRI 102: General Disclosures 2016

Disclosure Number	Disclosure Title	Page Number / Response
102-1	Name of the organization	Cabot Corporation
102-2	Activities, brands, products, and/or services	p. 9
102-3	Location of headquarters	2 Seaport Lane, Suite 1300, Boston, MA 02210 USA
102-4	Location of operations	pp. 9-10
102-5	Ownership and legal form	Cabot Corporation is a publicly traded corporation (NYSE: CBT).
102-6	Markets served	p. 9
102-7	Scale of the organization	Refer to p. 9 for the number of employees and operations. Net revenue can be found on Cabot's Annual Report , p. 8. Total capitalization can be found in Cabot's Form 10-K filed November 22, 2019. Part II, Item 8 Financial Statements and Supplementary Data.
102-8	Information on employees and other workers	pp. 17-18 We regularly engage a relatively small percentage of non-employee contractors, typically hired for specific project-based work or discrete periods of time.
102-9	Supply chain	pp. 36-37
102-10	Significant changes to the organization and its supply chain	p. 9
102-11	Precautionary principle or approach	Throughout our operations and our product development, we are guided by the precautionary principle and carefully take into account effects on the environment, health and safety.
102-12	External initiatives	pp. 4-5, 8-9, 12 In addition to the UNGC, Cabot participates in the Carbon Disclosure Project, and we comply with the American Chemistry Council's (ACC) Responsible Care® program as part of our commitment to safety, health and environment (SH&E). We have also signed on to the Ellen MacArthur Foundation's New Plastics Economy Global Commitment and CEO Action for Diversity & Inclusion Pledge.
102-13	Memberships of associations	Cabot is an active member of the following national and international industry/advocacy groups and associations: <ul style="list-style-type: none"> ◆ Advanced Porous Materials Association (AdvaPor) ◆ American Chemistry Council (ACC) ◆ Association of Synthetic Amorphous Silica Producers (ASASP) ◆ China Petroleum & Chemical Industry Federation (CPCIF) ◆ Corporate Environmental Enforcement Council (CEEC) ◆ Environmental Law Institute (ELI) ◆ essencia (Belgium) ◆ European Masterbatchers and Compounders (EuMBC) ◆ International Carbon Black Association (ICBA) ◆ Manufacturers Alliance for Productivity & Innovation (MAPI) ◆ Nanotechnology Industry Association (NIA) ◆ National Safety Council (NSC) ◆ Society of Toxicology (SOT) ◆ Synthetic Amorphous Silica and Silicate Industry Association (SASSI) ◆ United Nations Global Compact (UNGC)

GRI 102: General Disclosures 2016 *continued*

Disclosure Number	Disclosure Title	Page Number / Response
102-14	Statement from senior decision-maker	pp. 4-5
102-16	Values, principles, standards, and norms of behavior	p. 10
102-18	Governance structure	The Board of Directors has five standing committees: Audit, Compensation, Executive, Governance and Nominating, and Safety, Health, Environment and Sustainability. For additional details on the Board's composition, refer to the Proxy Statement .
102-40	List of stakeholder groups	p. 11
102-41	Collective bargaining agreements	Across all Cabot operations, 41% of employees are covered by collective bargaining agreements. The terms of collective bargaining agreements are fully aligned with Cabot's Code of Business Ethics and Human Rights Policy .
102-42	Identifying and selecting stakeholders	p. 11
102-43	Approach to stakeholder engagement	p. 11
102-44	Key topics and concerns raised	p. 11
102-45	Entities included in the consolidated financial statements	Refer to Cabot's Form 10-K November 22, 2019, Part I, Item 1, Business, for a description of our operations and entities in which Cabot has ownership interest, and Cabot's Form 10-K Exhibit 21 for a list of Cabot's subsidiaries.
102-46	Defining report content and topic boundaries	p. 6
102-47	List of material topics	pp. 6-7
102-48	Restatements of information	There were no restatements of historical financial data from fiscal year 2019; however, due to a revised approach to classifying Tier 1 and Tier 2 process safety events, historical data was updated accordingly (refer to p. 16). Additionally, historical environmental data has been restated from what was disclosed in previous Sustainability Reports to exclude impacts from our Specialty Fluids business, which was divested in 2019.
102-49	Changes in reporting	p. 6
102-50	Reporting period	p. 6
102-51	Date of most recent report	p. 6
102-52	Reporting cycle	p. 6
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. 6
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. 6

MATERIAL TOPICS — BUILDING A BETTER FUTURE TOGETHER

Economic Performance

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	pp. 9, 33
103-2	The management approach and its components	pp. 33-34
103-3	Evaluation of the management approach	p. 34

GRI 201: Economic Performance 2016

Disclosure Number	Disclosure Title	Page Number / Response
201-1	Direct economic value generated and distributed	p. 34 For additional information, refer to Cabot's Form 10-K .
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change	pp. 33-34 For additional information, refer to Cabot's 2019 Carbon Disclosure Project filing (cdp.net).

Product Sustainability

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	p. 35 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. 35
103-3	Evaluation of the management approach	p. 35

GRI 416: Customer Health and Safety 2016

Disclosure Number	Disclosure Title	Page Number / Response
416-1	Assessment of the health and safety impacts of product and service categories	p. 35 100% of significant product categories are assessed for health and safety impacts using the best available information.

Suppliers' Sustainability

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	p. 36
103-2	The management approach and its components	pp. 36-37
103-3	Evaluation of the management approach	pp. 36-37

GRI 308: Supplier Environmental Assessment 2016

Disclosure Number	Disclosure Title	Page Number / Response
308-2	Negative environmental impacts in the supply chain and actions taken	p. 37 In 2019, our supplier sustainability efforts were focused on integrating sustainability criteria as part of our supplier qualification process and audits. The audit criteria included elements that are fundamental to general risks associated with supply chain management as well as to our core sustainability interests such as health, safety, environmental protection, human rights, ethics, business continuity and quality. Audits were prioritized based on supplier criticality to our business and exposure to risks. Any issues identified were addressed with the specific suppliers.

GRI 414: Supplier Social Assessment 2016

Disclosure Number	Disclosure Title	Page Number / Response
414-2	Negative social impacts in the supply chain and actions taken	p. 37 In 2019, our supplier sustainability efforts were focused on integrating sustainability criteria as part of our supplier qualification process and audits. The audit criteria included elements that are fundamental to general risks associated with supply chain management as well as to our core sustainability interests such as health, safety, environmental protection, human rights, ethics, business continuity and quality. Audits were prioritized based on supplier criticality to our business and exposure to risks. Any issues identified were addressed with the specific suppliers.

MATERIAL TOPICS – ACTING RESPONSIBLY FOR THE PLANET

Environmental Compliance

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	pp. 24-25
103-2	The management approach and its components	pp. 24-25
103-3	Evaluation of the management approach	pp. 24-25

Environmental Compliance

GRI 307: Environmental Compliance 2016

Disclosure Number	Disclosure Title	Page Number / Response
307-1	Non-compliance with environmental laws and regulations	p. 25 Adhering to local environmental laws and regulations is the responsibility of facility general managers as well as site environmental managers located at each facility. In support of compliance efforts, resources include a robust database to track near-miss and ENC events and corrective actions, as well as over \$26.4 million in environmental capital spending in FY 2019, which was dedicated to improving facilities' environmental performance.

Energy

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	p. 26
103-2	The management approach and its components	p. 26
103-3	Evaluation of the management approach	p. 26

GRI 302: Energy 2016

Disclosure Number	Disclosure Title	Page Number / Response
302-1	Energy consumption within the organization	pp. 26-27 For more information about our energy and fuel sources, refer to our response to the CDP Climate Change Questionnaire (cdp.net).
302-3	Energy intensity	p. 26 Energy consumption includes all forms of energy consumed by facilities under Cabot's operational control and excludes energy sold to third parties.

Air Pollutants / GHG

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	p. 27
103-2	The management approach and its components	p. 27
103-3	Evaluation of the management approach	p. 27

GRI 305: Emissions 2016

Disclosure Number	Disclosure Title	Page Number / Response
305-1	Direct (Scope 1) GHG emissions	p. 28 Our greenhouse gas calculations were completed in accordance with <i>The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standards (Revised Edition)</i> and drawing guidance from the <i>IPCC Guidelines for National Greenhouse Gas Inventories – 2006</i> and <i>The Climate Registry: General Reporting Protocol</i> . Emissions were calculated using the operational control approach and <i>IPCC Second Assessment Report</i> 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. Our 2017 and 2018 GHG emissions were verified in alignment with the principles of <i>ISO-14064-3:2006/ Specifications with Guidance for the Validation and Verification of Greenhouse Gas Assertions</i> under a Limited Level of Assurance by ERM. The next verification is scheduled to be completed in 2021 for our 2019 and 2020 GHG data.
305-2	Indirect (Scope 2) GHG emissions	p. 28 See Disclosure 305-1 in the GRI Content Index for a description of GHG monitoring methods.
305-4	GHG emissions intensity	p. 28 GHG intensity is calculated as MT CO ₂ e emissions/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. 28 Data reported has been calculated using actual test measurements based on country-specific or U.S. EPA methods, Cabot engineering estimates, or similar emission factors.

Waste & Spills

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	p. 28
103-2	The management approach and its components	p. 29
103-3	Evaluation of the management approach	p. 29

GRI 306: Effluents and Waste 2016

Disclosure Number	Disclosure Title	Page Number / Response
306-2	Waste by type and disposal method	p. 29 Cabot manages its waste streams in accordance with a hierarchy of waste management with elimination of the stream as the top priority and disposal without any beneficial use as the bottom priority. The majority of nonhazardous waste is recycled or reused, and the majority of hazardous waste is generated at one location and disposed of via on-site deep well injection. While this waste stream will continue to be tracked, changes are expected that will significantly reduce or eliminate the volume of hazardous waste disposed of by deep well injection over the next two years. As such, this stream has been excluded from our overall reduction goal.
306-3	Total number and volume of significant spills	p. 29

Water

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	p. 30
103-2	The management approach and its components	p. 30
103-3	Evaluation of the management approach	p. 30

GRI 303: Water 2016

Disclosure Number	Disclosure Title	Page Number / Response
303-1	Water withdrawal by source	pp. 30-31
303-3	Water recycled and reused	p. 30

GRI 306: Effluents and Waste 2016

Disclosure Number	Disclosure Title	Page Number / Response
306-1	Water discharge by quality and destination	pp. 30-31 Cabot's wastewater discharge is treated as needed and discharged generally in compliance with its permitted limits. Where exceedances occur, corrective actions are implemented. No organization uses our wastewater discharges for any purpose.

MATERIAL TOPICS – CARING FOR OUR PEOPLE & COMMUNITIES

Occupational Health & Safety

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	pp. 14-15
103-2	The management approach and its components	p. 15
103-3	Evaluation of the management approach	p. 15

Occupational Health & Safety

GRI 403: Occupational Health & Safety 2016

Disclosure Number	Disclosure Title	Page Number / Response
403-1	Workers representation in formal joint management – worker health and safety committees	p. 15 The majority of our manufacturing locations, regional offices and service centers have joint health and safety committees operating at the site level and reporting to the corporate SH&E department. These committees represent all workers and contractors.
403-2	Types of injury and rates of injury (IR), occupational diseases (ODR), lost days (LDR), absenteeism (AR), and number of work-related fatalities	p. 16 Methods for calculating each metric are provided below: <ul style="list-style-type: none"> ◆ 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 (Lost Day Rate): Number of lost work days (employees and contractors) per 200,000 work hours (~100 employees): 9.86 ◆ Process Safety Events (PSE): 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."

Employment, Diversity & Training

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	pp. 17, 20
103-2	The management approach and its components	pp. 17-20
103-3	Evaluation of the management approach	pp. 17, 19, 20

GRI 401: Employment 2016

Disclosure Number	Disclosure Title	Page Number / Response
401-1	New employee hires and employee turnover	p. 18
401-2	Benefits provided to full-time employees	p. 19 Our comprehensive benefits programs are designed to be a competitive supplement to Social Security or other social welfare benefits provided by the countries where our operations are located. While our benefits vary by location, these typically include healthcare, life and accidental insurance; disability; 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.

GRI 404: Training and Education 2016

Disclosure Number	Disclosure Title	Page Number / Response
404-2	Programs for upgrading employee skills and transition assistance programs	p. 19 Our training programs are managed at the corporate level and on a site-by-site basis, according to the unique mix of each employee's experience and skill set, career interests, and the core business objectives of the company. Career transitioning is handled with sensitivity and commonly includes outplacement services for future employment opportunities or retirement.
404-3	Percentage of employees receiving regular performance and career development reviews	p. 18

Employment, Diversity & Training

GRI 405: Diversity and Equal Opportunity 2016

Disclosure Number	Disclosure Title	Page Number / Response
405-1	Diversity of governance bodies and employees	<p>pp. 17, 20</p> <p>Diversity of employees at the end of 2019:</p> <p>By Gender:</p> <ul style="list-style-type: none"> ◆ Male: 77% ◆ Female: 23% <p>By Age Group:</p> <ul style="list-style-type: none"> ◆ Under 20: 1% ◆ 20-29: 10.7% ◆ 30-39: 30.0% ◆ 40-49: 26.8% ◆ 50-59: 25.6% ◆ 60+: 6.9% <p>Diversity of the Board of Directors at the end of 2019:</p> <p>By Gender:</p> <ul style="list-style-type: none"> ◆ Male: 66% ◆ Female: 33% <p>By Age Group:</p> <ul style="list-style-type: none"> ◆ Under 30: 0% ◆ 30-50: 0% ◆ Over 50: 100% <p>As we continue to introduce key performance indicators to track diversity, we have begun capturing minority demographics for our workforce in the United States. At the end of 2019, 25% of this population identified as a race or ethnicity other than white/Caucasian.</p>

GRI 406: Non-discrimination 2016

Disclosure Number	Disclosure Title	Page Number / Response																		
406-1	Incidents of discrimination and corrective actions taken	<p>During 2019, we were made aware of four alleged cases of discrimination. These and previous cases that were not yet resolved were reviewed and investigated, leading to the closure of five cases in 2019.</p> <p>Allegations of discrimination:</p> <ul style="list-style-type: none"> ◆ Total claims alleged: 4 ◆ Total claims closed: 5 <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>5</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>		No Action	Policy Review	Training	Discipline	Termination	Substantiated	0	0	0	0	0	Unsubstantiated	5	0	0	0	0
	No Action	Policy Review	Training	Discipline	Termination															
Substantiated	0	0	0	0	0															
Unsubstantiated	5	0	0	0	0															

Community Engagement

GRI 103: Management Approach 2016

Disclosure Number	Disclosure Title	Page Number / Response
103-1	Explanation of the material topic and its boundaries	p. 21
103-2	The management approach and its components	p. 21
103-3	Evaluation of the management approach	p. 21

GRI 413: Local Communities 2016

Disclosure Number	Disclosure Title	Page Number / Response
413-1	Operations with local community engagement, impact assessments, and development programs	pp. 21-22

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. 28 40.7% 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. 7, 27-28. See p. 43, GRI 305-1 for our methodology. Cabot's GHG Reduction strategy was developed in 2010 as a voluntary program.

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) and (4) hazardous air pollutants (HAPs)	pp. 27-28 Emissions data are either directly measured or determined with engineering calculations. At the present time, we do not track VOCs or HAPs globally, but all of our facilities 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	pp. 26-27 1. Non-raw material energy consumed: 7.220 MMGJ; 2. Percentage of grid electricity of non-raw material energy: 34.9%; 3. Percentage of energy from renewable: 0.15%; 4. Total self-generated energy exported: 9.48 MMGJ (0.44 MMGJ electricity; 6.63 MMGJ steam; 2.41 MMGJ energy for heat recovery)

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	p. 30 There are 12 operating sites within the Cabot network that are in regions with baseline water stress conditions that are considered Extremely High or High. Of these, two facilities are zero discharge designed to recycle 100% of their water captured back into the process. As part of our renewed effort, evaluations at these high-priority plants for ways to improve our overall water use were highlighted by a special project team in 2019 and will be expanded upon by a water use team to meet Cabot's goal of a 20% reduction in water use.
RT-CH-140a.2	Number of incidents of noncompliance associated with water quality permits, standards and regulations	There were a total of 13 water-related incidents of noncompliance in 2019.
RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	pp. 7, 30

Hazardous Waste Management

Code	Accounting Metric	Page Number / Response
RT-CH-150a.1	Amount of hazardous waste generated, percentage recycled	p. 29 Total amount of hazardous waste generated is 377,000 MT, of which 4.86 MT is recycled or used for energy recovery; 51% of nonhazardous waste is recycled, utilized for energy recovery or reused. Wastes are defined as hazardous based on the local regulations for each facility.

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. 11, 12, 21

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. 16 Cabot TRIR: 0.43, LTIR: 0.28, Severity Rate: 7.19, Fatalities: 0; Contractor TRIR: 0.51, LTIR: 0.29, Severity Rate: 14.27, Fatalities: 0
RT-CH-320a.2	Description of efforts to assess, monitor and reduce exposure of employees and contract workers to long-term (chronic) health risks	Cabot has an internal IH standard and a hearing conservation standard that applies to its facilities worldwide. The standards require workplace exposure assessments, implementing corrective actions where necessary, communicating the results to employees and tracking the data through our central database. The facilities' implementation of these standards is reviewed on a periodic basis through our audit program.

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	In 2020, we introduced new goals related to product sustainability that include evaluating the sustainability attributes of our top product applications, after which we will be better positioned to disclose the associated revenue generated from products that impart benefits in use-phase efficiency. Refer to pp. 35-36 for recent examples of products with use-phase efficiency.

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	3% of the products we produced are classified as hazardous, and more than 95% of those products have undergone a hazard assessment.
RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	p. 35 We have a team of product regulatory experts who are responsible for overseeing compliance with our regulatory obligations around the world. This team continuously monitors emerging regulations, evaluating and preparing response activities for risks those regulations may present to Cabot products or markets. Cabot takes leadership roles in numerous industry associations in order to advance the health and safety information available on our products. Internally, we have a robust new product development process that includes the evaluation of current and potential regulatory risks associated with our products and raw materials and our newly introduced product sustainability goals' focus on assessing and subsequently improving the safety profile of new products.

Genetically Modified Organisms

Code	Accounting Metric	Page Number / Response
RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Cabot uses minimal organic materials (byproducts from other industries), and the impact is expected to be minimal.

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	Cabot reviews new or pending regulations that may affect its operations globally through a variety of mechanisms, including industry associations, newsletters and various other avenues. Cabot may comment on certain 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 Production by Reportable Segment

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.16 Process Safety Incident Count: 15, based on ANSI/API RP 754; Process Safety Total Incident Rate: 0.20. We currently do not calculate the Process Safety Incident Severity Rate.
RT-CH-540a.2	Number of transport incidents	We had one transportation incident involving a fine, although no material was released from the vehicle, and the incident did not require the filing of a US DOT 5800 form. There were no other transport incidents in 2019 that trigger the filing of a US DOT 5800 report or similar reports in other jurisdictions.

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