



Cabot Corporation Plans to Invest in U.S. Conductive Carbon Additives Capacity for Electric Vehicle Lithium-ion Battery Applications

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- Plans to invest approximately \$200 million in U.S. conductive carbon additives capacity over the next five years
- First phase of investment includes plans to add 15,000 metric tons of annual conductive carbons capacity in Texas

BOSTON--(BUSINESS WIRE)--Jan. 26, 2023-- [Cabot Corporation](#) (NYSE: CBT) today announced that it plans to add conductive carbon additives (CCA) capacity in the United States to enhance its leadership position in the market and support the transition to electric vehicles (EVs). Cabot plans to add conductive carbons capacity at their existing facility in Pampa, Texas, which is part of an approximately \$200 million planned investment program over the next five years focused on expanding the company's CCA production in the United States.

The adoption of EVs plays a key role in the decarbonization of the economy, and the U.S. government has announced targeted efforts to build a domestic EV battery supply chain. As part of these efforts, federal and state governments have implemented a variety of programs in the form of grants, loans, and tax incentives. Cabot believes that many of these programs present potential funding opportunities for the company in its efforts to expand CCA production capacity in the U.S.

CCAs are an essential component of lithium-ion battery chemistry and are used to provide sufficient electrical conductivity to the active materials. Cabot has the broadest portfolio of CCAs including conductive carbons, carbon nanotubes (CNT), carbon nanostructures (CNS), and blends of CCAs to deliver optimal performance. Additionally, the company's global footprint of manufacturing assets, technology labs and commercial resources enables regional supply security support for its customers.

Demand for critical battery materials, such as CCAs, for EV batteries is expected to continue to grow in the range of 20 to 30 percent globally over the next five years. Growth potential in the U.S. is expected to outpace global growth as penetration of EVs accelerates in the coming years. Cabot is committed to meeting the expected growing demand from its customers in the U.S. and helping to onshore critical battery components such as CCAs.

As part of its investment plans, Cabot expects to invest approximately \$75-90 million to produce 15,000 metric tons of conductive carbons annually at its existing facility in Pampa, TX. This project is expected to create approximately 75 high-quality jobs and is expected to commence operation at the end of calendar year 2025. In addition to a manufacturing plant, Cabot also operates a research and development facility and pilot plant in Pampa that focuses on developing new process technology for battery and other applications.

Cabot also intends to make additional investments to expand its U.S. manufacturing and technology footprint over the next five years with plans to invest in new CNT powder and dispersion capacity and to continue extending its portfolio of innovative products for battery applications.

"We are at a pivotal moment as the vehicle fleet transitions from internal combustion engines to electric vehicles. CCAs are essential materials to make EV batteries work and expanding battery capacity and building a domestic materials supply chain are critical for the growth of EVs to be realized," said Sean Keohane, president and chief executive officer. "We are bringing together a powerful combination of conductive carbon and CNT technology to provide optimal performance and formulation flexibility for our customers. We believe our technology position, along with our existing network of plants and talent, uniquely positions Cabot to support the growth expectations of our customers here in the U.S. Our planned investments will help support the electric vehicle transition and solidify Cabot as a global leader in CCAs for battery applications. These investments are expected to build on the strong momentum we generated in fiscal year 2022, where EBITDA in the product line was \$29M with a year-over-year increase in revenue of 74%."

For 140 years, Cabot has been operating in the U.S. The company is headquartered in Boston, MA and operates seven manufacturing sites and its Global Business & Technology Center in the country. These investment plans are a continuation of Cabot's commitment to U.S. manufacturing and to meeting the needs of its customers in the U.S. For more information on Cabot's Battery Materials portfolio, visit cabotcorp.com/batteries.

About Cabot Corporation

Cabot Corporation (NYSE: CBT) is a global specialty chemicals and performance materials company headquartered in Boston, Massachusetts. The company is a leading provider of [reinforcing carbons](#), [specialty carbons](#), [battery materials](#), [engineered elastomer composites](#), [inkjet colorants](#), [masterbatches and conductive compounds](#), [fumed metal oxides](#) and [aerogel](#). For more information on Cabot, please visit the company's website at cabotcorp.com.

Forward Looking Statement

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

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