

Cabot Issues 2012 Sustainability Report Update

August 9, 2012

BOSTON--(BUSINESS WIRE)--Aug. 9, 2012-- Cabot Corporation (NYSE: CBT) has issued its 2012 Sustainability Matters Update, reporting the company's performance and progress in the areas of safety, environmental performance, sustainability and social investment.

Sustainability Matters: Cabot Corporation's 2011/2012 Sustainability Update (Photo: Business Wire)

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The update, now available online at http://www.cabotcorp.com, reports on Cabot's activities since the issuance of its 2010/2011 sustainability report in October 2011, which was the company's first report issued in conformance with the Global Reporting Initiative's (GRI) comprehensive CSR Reporting Framework.

"We feel a deep sense of responsibility towards our employees, stakeholders and the environment. We also believe that there is a strong positive relationship between sustainability and financial performance," said Cabot President and Chief Executive Officer Patrick Prevost. "Our sustainability report gives insight into our recent performance. We have new product and process innovations that will further reduce our emission intensity, and we have also made improvements in our safety and environmental performance."

Highlights of the 2012 Sustainability Matters Update include:

- Portfolio management: Cabot completed its acquisition of Norit, the world's leading producer of activated carbons. This will strengthen Cabot's specialty chemicals portfolio with a non-cyclical, high growth and high margin business and will increase its capabilities in the sustainability space. It also places Cabot as a leading provider of purification solutions.
- Environmental performance: Cabot invested more than \$35 million in fiscal year 2011 on environmentally-related capital projects to improve efficiency and maintain regulatory compliance. These projects helped to make progress on our goal of a 20% reduction in greenhouse gas emission intensity by 2020, using 2005 as a baseline.
- Training and development: Cabot launched several training programs to help improve leadership skills, provide guidance to our employees for conducting our business ethically and in compliance with the law, and establish a renewed set of corporate values.
- Employee safety: Cabot maintained one of the best safety records among global manufacturing organizations with a 2011 Total Recordable Incident Rate (which is the total number of incidents per 200,000 hours worked) of 0.31. We continue to invest in improving our process safety management by focusing on operational improvements and risk reduction.
- Sustainable development and innovation: Cabot created new product and process applications that are contributing to sustainability advances in several industries, including renewable energy, sustainable development and transportation. Cabot is focused on product innovation and process improvements that can reduce the impact on the environment.
- Community outreach: Over the past year, Cabot donated more than \$1.9 million in direct and in-kind support to a wide-range of programs aimed to improve science and technology literacy, and enhance community health and human services.
- External recognitions: Cabot was recognized for its sustainability efforts by being included in the Calvert Social Index®, ranked a "leader" in the Maplecroft Climate Innovation Indexes (CII) Cycle 3, as well as named one of the 2012 100 Best Corporate Citizens by Corporate Responsibility (CR) Magazine.

"Our sustainability report is an important part of our commitment to transparency and ensuring that our economic, environmental and social responsibility efforts are fully understood by our employees, investors, customers and neighbors," said Prevost. "We will continue to make progress towards our greenhouse gas goal and are exploring additional areas to target. We are proud of the positive achievements we have made to date and look forward to the ideas and feedback from the readers of our new report."

In addition to the Sustainability Update, Cabot will report its 2011 greenhouse gas (GHG) emissions to the Carbon Disclosure Project (CDP) for the fourth consecutive year. The CDP promotes the disclosure of GHG emission data by the world's largest corporations to create the most comprehensive repository of GHG emissions data. The data are then made available to institutional investors, business leaders, policy makers, and the general public.

About Cabot Corporation

Cabot Corporation (NYSE: CBT) is a global specialty chemicals and performance materials company, headquartered in Boston, Massachusetts. The company is the world's No. 1 producer of rubber and specialty grade carbon black, activated carbons, inkjet colorants and cestum-formate drilling

<u>fluids</u> and has market-leading positions in <u>fumed silica</u>, <u>aerogel</u>, and <u>elastomer composites</u>. For more information on Cabot, please visit the company's website is: <u>http://www.cabotcorp.com</u>

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