

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, DC 20549

FORM 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2025
or
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission file number 1-5667

Cabot Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
Two Seaport Lane, Suite 1400
Boston, Massachusetts
(Address of principal executive offices)

04-2271897
(I.R.S. Employer
Identification No.)

02210-2019
(Zip Code)

Registrant's telephone number, including area code: (617) 345-0100

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, \$1 par value per share	CBT	The New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The Company had 53,723,082 shares of common stock, \$1.00 par value per share, outstanding as of May 1, 2025.

INDEX

Part I. [Financial Information](#)

Item 1.	Financial Statements (unaudited)	3
	Consolidated Statements of Operations	4
	Consolidated Statements of Comprehensive Income (Loss)	4
	Consolidated Balance Sheets	5
	Consolidated Statements of Cash Flows	7
	Consolidated Statements of Changes in Stockholders' Equity	8
	Notes to the Consolidated Financial Statements	10
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	21
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	29
Item 4.	Controls and Procedures	29

Part II. [Other Information](#)

Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	30
Item 5.	Other Information	30
Item 6.	Exhibits	31

Part I. Financial Information
Item 1. Financial Statements

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions, except per share amounts)			
Net sales and other operating revenues	\$ 936	\$ 1,019	\$ 1,891	\$ 1,977
Cost of sales	695	773	1,415	1,513
Gross profit	241	246	476	464
Selling and administrative expenses	64	75	130	142
Research and technical expenses	15	15	29	30
Income (loss) from operations	162	156	317	292
Interest and dividend income	7	8	13	17
Interest expense	(19)	(21)	(37)	(43)
Other income (expense)	1	(1)	2	(30)
Income (loss) from operations before income taxes and equity in earnings of affiliated companies	151	142	295	236
(Provision) benefit for income taxes	(49)	(47)	(90)	(81)
Equity in earnings of affiliated companies, net of tax	3	2	4	3
Net income (loss)	105	97	209	158
Net income (loss) attributable to noncontrolling interests, net of tax	11	13	22	24
Net income (loss) attributable to Cabot Corporation	<u>\$ 94</u>	<u>\$ 84</u>	<u>\$ 187</u>	<u>\$ 134</u>
Weighted-average common shares outstanding:				
Basic	54.0	55.4	54.2	55.3
Diluted	54.4	55.8	54.7	55.8
Earnings (loss) per common share:				
Basic	\$ 1.71	\$ 1.50	\$ 3.40	\$ 2.39
Diluted	\$ 1.69	\$ 1.49	\$ 3.36	\$ 2.37

The accompanying notes are an integral part of these consolidated financial statements.

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
UNAUDITED

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Net income (loss)	\$ 105	\$ 97	\$ 209	\$ 158
Other comprehensive income (loss), net of tax				
Foreign currency translation adjustment, net of tax	34	(15)	(70)	47
Derivatives: net investment hedges				
(Gains) losses reclassified to interest expense, net of tax	(1)	(1)	(2)	(2)
(Gains) losses excluded from effectiveness testing and amortized to interest expense, net of tax	—	1	1	1
Pension and other post-retirement benefit liability adjustments, net of tax	—	(1)	—	(1)
Other comprehensive income (loss), net of tax (provision) benefit of \$3, \$11, \$(1), \$12	33	(16)	(71)	45
Comprehensive income (loss)	<u>138</u>	<u>81</u>	<u>138</u>	<u>203</u>
Net income (loss) attributable to noncontrolling interests, net of tax	11	13	22	24
Foreign currency translation adjustment attributable to noncontrolling interests, net of tax	3	(4)	(4)	—
Comprehensive income (loss) attributable to noncontrolling interests	<u>14</u>	<u>9</u>	<u>18</u>	<u>24</u>
Comprehensive income (loss) attributable to Cabot Corporation	<u>\$ 124</u>	<u>\$ 72</u>	<u>\$ 120</u>	<u>\$ 179</u>

The accompanying notes are an integral part of these consolidated financial statements.

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
ASSETS
UNAUDITED

	<u>March 31, 2025</u>	<u>September 30, 2024</u>
	(In millions)	
Current assets:		
Cash and cash equivalents	\$ 213	\$ 223
Accounts and notes receivable, net of reserve for doubtful accounts of \$5 and \$5	739	733
Inventories:		
Raw materials	147	150
Finished goods	333	333
Other	61	69
Total inventories	<u>541</u>	<u>552</u>
Prepaid expenses and other current assets	110	97
Total current assets	<u>1,603</u>	<u>1,605</u>
Property, plant and equipment	4,155	4,082
Accumulated depreciation	<u>(2,552)</u>	<u>(2,548)</u>
Net property, plant and equipment	<u>1,603</u>	<u>1,534</u>
Goodwill	128	133
Equity affiliates	14	23
Intangible assets, net	55	53
Deferred income taxes	204	216
Other assets	177	172
Total assets	<u>\$ 3,784</u>	<u>\$ 3,736</u>

The accompanying notes are an integral part of these consolidated financial statements.

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
LIABILITIES AND STOCKHOLDERS' EQUITY
UNAUDITED

	<u>March 31, 2025</u>	<u>September 30, 2024</u>
	(In millions, except share and per share amounts)	
Current liabilities:		
Short-term borrowings	\$ 190	\$ 45
Accounts payable and accrued liabilities	577	676
Income taxes payable	42	43
Current portion of long-term debt	9	8
Total current liabilities	<u>818</u>	<u>772</u>
Long-term debt	1,090	1,087
Deferred income taxes	39	42
Other liabilities	247	245
Contingencies (Note F)		
Stockholders' equity:		
Preferred stock:		
Authorized: 2,000,000 shares of \$1 par value, Issued and Outstanding: None and none	—	—
Common stock:		
Authorized: 200,000,000 shares of \$1 par value, Issued: 53,832,031 and 54,430,316 shares, Outstanding: 53,700,563 and 54,297,251 shares	54	54
Less cost of 131,468 and 133,065 shares of common treasury stock	(3)	(3)
Additional paid-in capital	—	—
Retained earnings	1,803	1,734
Accumulated other comprehensive income (loss)	(427)	(360)
Total Cabot Corporation stockholders' equity	<u>1,427</u>	<u>1,425</u>
Noncontrolling interests	163	165
Total stockholders' equity	<u>1,590</u>	<u>1,590</u>
Total liabilities and stockholders' equity	<u>\$ 3,784</u>	<u>\$ 3,736</u>

The accompanying notes are an integral part of these consolidated financial statements.

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED

	Six Months Ended March 31	
	2025	2024
	(In millions)	
Cash Flows from Operating Activities:		
Net income (loss)	\$ 209	\$ 158
Adjustments to reconcile net income (loss) to cash provided by operating activities:		
Depreciation and amortization	75	78
Deferred tax provision (benefit)	8	9
Equity in earnings of affiliated companies	(4)	(3)
Share-based compensation	14	13
Other non-cash (income) expense	7	52
Cash dividends received from equity affiliates	12	1
Changes in assets and liabilities:		
Accounts and notes receivable	(30)	(43)
Inventories	(8)	38
Prepaid expenses and other assets	(17)	(11)
Accounts payable and accrued liabilities	(76)	(20)
Income taxes payable	—	(6)
Other liabilities	7	15
Cash provided by (used in) operating activities	<u>197</u>	<u>281</u>
Cash Flows from Investing Activities:		
Additions to property, plant and equipment	(149)	(97)
Cash paid for asset acquisition	(27)	—
Other	2	2
Cash provided by (used in) investing activities	<u>(174)</u>	<u>(95)</u>
Cash Flows from Financing Activities:		
Proceeds from issuance (repayments) of commercial paper, net	145	(85)
Proceeds from long-term debt	6	—
Repayments of long-term debt	(4)	(9)
Purchases of common stock	(89)	(57)
Proceeds from sales of common stock	2	13
Cash dividends paid to noncontrolling interests	(20)	(12)
Cash dividends paid to common stockholders	(47)	(45)
Cash provided by (used in) financing activities	<u>(7)</u>	<u>(195)</u>
Effects of exchange rate changes on cash	(26)	(23)
Increase (decrease) in cash and cash equivalents	(10)	(32)
Cash and cash equivalents at beginning of period	223	238
Cash and cash equivalents at end of period	<u>\$ 213</u>	<u>\$ 206</u>

The accompanying notes are an integral part of these consolidated financial statements.

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
UNAUDITED

(In millions, except shares in thousands and per share amounts)

	Common Stock, Net of Treasury Stock		Additional Paid-in	Retained	Accumulat ed Other Compre nsive Income	Total Cabot Corporatio n Stockhold ers'	Noncontro lling	Total Stockhold ers'
	Shares	Cost	Capital	Earnings	(Loss)	Equity	Interests	Equity
Balance at September 30, 2024	54,297	\$ 51	\$ —	\$ 1,734	\$ (360)	\$ 1,425	\$ 165	\$ 1,590
Net income (loss)				93		93	11	104
Total other comprehensive income (loss)					(97)	(97)	(7)	(104)
Cash dividends paid:								
Common stock, \$0.43 per share				(24)		(24)		(24)
Cash dividends declared to noncontrolling interests							(20)	(20)
Issuance of stock under equity compensation plans	308	—	2			2		2
Share-based compensation			8			8		8
Purchase and retirement of common stock	(390)	—	(10)	(31)		(41)		(41)
Balance at December 31, 2024	<u>54,215</u>	<u>\$ 51</u>	<u>\$ —</u>	<u>\$ 1,772</u>	<u>\$ (457)</u>	<u>\$ 1,366</u>	<u>\$ 149</u>	<u>\$ 1,515</u>
Net income (loss)				94		94	11	105
Total other comprehensive income (loss)					30	30	3	33
Cash dividends paid:								
Common stock, \$0.43 per share				(23)		(23)		(23)
Cash dividends declared to noncontrolling interests								
Issuance of stock under equity compensation plans	16	—	—					
Share-based compensation			6			6		6
Purchase and retirement of common stock	(530)	—	(6)	(40)		(46)		(46)
Balance at March 31, 2025	<u>53,701</u>	<u>\$ 51</u>	<u>\$ —</u>	<u>\$ 1,803</u>	<u>\$ (427)</u>	<u>\$ 1,427</u>	<u>\$ 163</u>	<u>\$ 1,590</u>

The accompanying notes are an integral part of these consolidated financial statements.

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
UNAUDITED

(In millions, except shares in thousands and per share amounts)

	Common Stock, Net of Treasury Stock		Additional Paid-in	Retained	Accumulated Other Comprehensive Income (Loss)	Total Cabot Corporation Stockholders' Equity	Noncontrolling	Total Stockholders' Equity
	Shares	Cost	Capital	Earnings			Interests	
Balance at September 30, 2023	55,244	\$ 52	\$ —	\$ 1,574	\$ (362)	\$ 1,264	\$ 143	\$ 1,407
Net income (loss)				50		50	11	61
Total other comprehensive income (loss)					57	57	4	61
Cash dividends paid:								
Common stock, \$0.40 per share				(22)		(22)		(22)
Cash dividends declared to noncontrolling interests							(12)	(12)
Issuance of stock under equity compensation plans	441	—	7			7		7
Share-based compensation			6			6		6
Purchase and retirement of common stock	(260)	—	(13)	(20)		(33)		(33)
Balance at December 31, 2023	<u>55,425</u>	<u>\$ 52</u>	<u>\$ —</u>	<u>\$ 1,582</u>	<u>\$ (305)</u>	<u>\$ 1,329</u>	<u>\$ 146</u>	<u>\$ 1,475</u>
Net income (loss)				84		84	13	97
Total other comprehensive income (loss)					(12)	(12)	(4)	(16)
Cash dividends paid:								
Common stock, \$0.40 per share				(23)		(23)		(23)
Cash dividends declared to noncontrolling interests							(15)	(15)
Issuance of stock under equity compensation plans	122	—	6			6		6
Share-based compensation			7			7		7
Purchase and retirement of common stock	(289)	—	(13)	(11)		(24)		(24)
Balance at March 31, 2024	<u>55,258</u>	<u>\$ 52</u>	<u>\$ —</u>	<u>\$ 1,632</u>	<u>\$ (317)</u>	<u>\$ 1,367</u>	<u>\$ 140</u>	<u>\$ 1,507</u>

The accompanying notes are an integral part of these consolidated financial statements.

CABOT CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2025
UNAUDITED

A. Basis of Presentation

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States (“U.S.”) (“GAAP”) and include the accounts of Cabot Corporation (“Cabot” or the “Company”) and its wholly-owned subsidiaries and majority-owned and controlled U.S. and non-U.S. subsidiaries. Additionally, Cabot considers consolidation of entities over which control is achieved through means other than voting rights. Intercompany transactions have been eliminated in consolidation.

The unaudited consolidated financial statements have been prepared in accordance with the requirements of Form 10-Q and consequently do not include all disclosures required by Form 10-K. Additional information may be obtained by referring to Cabot’s Annual Report on Form 10-K for its fiscal year ended September 30, 2024 (the “2024 10-K”).

The financial information submitted herewith is unaudited and reflects all adjustments which are, in the opinion of management, necessary to provide a fair statement of the results for the interim periods ended March 31, 2025 and 2024. All such adjustments are of a normal recurring nature. The results for interim periods are not necessarily indicative of the results to be expected for the fiscal year.

B. Significant Accounting Policies

Full detail on the Company’s significant accounting policies may be obtained by referring to Note A in the 2024 10-K.

Argentinian Government Actions

The Company’s wholly-owned Argentinian subsidiary operates in a highly inflationary economy and, as a result, the functional currency of the subsidiary is Cabot’s reporting currency, the U.S. dollar. During the three and six months ended March 31, 2025 the Company recorded foreign exchange losses of less than \$1 million and \$2 million, respectively, related to the revaluation of non-functional currency denominated monetary asset and liability balances. During the three and six months ended March 31, 2024, the Company recorded foreign exchange losses of less than \$1 million and \$40 million, respectively, related to the revaluation of non-functional currency denominated monetary asset and liability balances. Of the \$40 million of foreign exchange losses in the six months ended March 31, 2024, \$33 million related to a single devaluation action in December 2023 by the Argentine government. The Company invests cash in money market funds and recorded investment income of \$1 million for both the three and six months ended March 31, 2025 and \$4 million and \$16 million, respectively, for the three and six months ended March 31, 2024. The foreign exchange losses and investment gains are recorded in Other income (expense) in the Consolidated Statement of Operations.

During the three months ended March 31, 2024, the Company purchased \$30 million in BOPREAL bonds (standing for “Bond for the Reconstruction of a Free Argentina” in Spanish), which are U.S. dollar-denominated securities issued by the Central Bank of Argentina, as part of an Argentine government program to settle foreign payables for importers with debts for goods with customs registration and/or services, incurred on or prior to December 12, 2023. The Company subsequently sold the bonds for \$22 million and utilized the proceeds to partially repay its foreign payables in Argentina. The purchase and proceeds of BOPREAL bonds are included in the Changes in Prepaid expenses and other assets in the Consolidated Statement of Cash Flows. The \$8 million investment loss is included in Other non-cash (income) expense in the Consolidated Statement of Cash Flows and in Other income (expense) in the Consolidated Statement of Operations. In accordance with Argentine government regulations, the Company purchased an additional \$8 million of U.S. dollars in the third quarter of fiscal 2024 at a foreign exchange loss of \$2 million and utilized the funds to complete the settlement of outstanding foreign payables incurred on or prior to December 12, 2023. Payables incurred after December 12, 2023 are not subject to payment through the BOPREAL bond program and the Company has settled these payables through regular operations. As such, there has been no BOPREAL bond activity in fiscal 2025.

Recent Accounting Pronouncements

In November 2024, the FASB issued a new standard, Expense Disaggregation Disclosures. The new guidance requires quantitative and qualitative disclosure of certain cost and expense categories in the notes to the financial statements for interim and annual reporting periods. The new standard is effective for the Company’s fiscal years and interim periods beginning October 1, 2027, with early adoption permitted. The Company is currently evaluating the timing of adoption and evaluating the impact of the potential adoption of this standard on the Company’s Consolidated Financial Statements.

In December 2023, the FASB issued a new standard, Improvements to Income Tax Disclosures. The new guidance requires additional disclosures primarily related to the income tax rate reconciliation and income taxes paid. The new standard is effective for the Company's fiscal years and interim periods beginning October 1, 2025. The Company is currently evaluating the impact of the adoption of this standard on the Company's Consolidated Financial Statements.

In November 2023, the FASB issued a new standard, Improvement to Reportable Segment Disclosures. The new guidance requires enhanced disclosure of significant reportable segment expenses. The new standard is effective for the Company's current fiscal year which began October 1, 2024, and for interim periods beginning October 1, 2025. The Company is currently evaluating the impact of the adoption of this standard on the Company's Consolidated Financial Statements.

C. Acquisitions

In October 2024, the Company completed the purchase of certain assets and licensed related technology, which the Company expects to use to manufacture certain products for its Battery Materials product line. The Company paid \$27 million, which was allocated to the identifiable assets on a relative fair value basis, with \$19 million allocated to property, plant and equipment and \$8 million to intangible assets.

D. Goodwill and Intangible Assets

The carrying amount of goodwill attributable to each reportable segment and the changes in those balances during the six months ended March 31, 2025 are as follows:

	Reinforcement Materials	Performance Chemicals (In millions)	Total
Balance at September 30, 2024	\$ 48	\$ 85	\$ 133
Foreign currency impact	(2)	(3)	(5)
Balance at March 31, 2025	<u>\$ 46</u>	<u>\$ 82</u>	<u>\$ 128</u>

The following table provides information regarding the Company's intangible assets:

	March 31, 2025			September 30, 2024		
	Gross Carrying Value	Accumulate d Amortizatio n	Net Intangible Assets	Gross Carrying Value	Accumulate d Amortizatio n	Net Intangible Assets
	(In millions)					
Intangible assets with finite lives						
Developed technologies ⁽¹⁾	\$ 40	\$ (13)	\$ 27	\$ 34	\$ (12)	\$ 22
Trademarks	2	(1)	1	2	(1)	1
Customer relationships	58	(31)	27	60	(30)	30
Total intangible assets	<u>\$ 100</u>	<u>\$ (45)</u>	<u>\$ 55</u>	<u>\$ 96</u>	<u>\$ (43)</u>	<u>\$ 53</u>

⁽¹⁾ Included within Developed technologies as of March 31, 2025 is \$8 million of intangible assets acquired during the first quarter of fiscal 2025 as discussed in Note C above.

Intangible assets are amortized over their estimated useful lives, which range between ten and twenty-five years, with a weighted average amortization period of approximately sixteen years. Amortization expense was \$2 million for both the three months ended March 31, 2025 and 2024. Amortization expense was \$3 million for both the six months ended March 31, 2025 and 2024. Amortization expense is included in Cost of sales, Selling and administrative expenses and Research and technical expenses in the Consolidated Statements of Operations. Total amortization expense is estimated to be approximately \$6 million each year for the next five fiscal years.

E. Accumulated Other Comprehensive Income (Loss) (“AOCI”)

Comprehensive income combines net income (loss) and other comprehensive income items, which are reported as components of stockholders’ equity in the accompanying Consolidated Balance Sheets.

Changes in each component of AOCI, net of tax, were as follows:

	Currency Translation Adjustment	Pension and Other Post-retirement Benefit Liability Adjustments (In millions)	Total
Balance at September 30, 2024, attributable to Cabot Corporation	\$ (342)	\$ (18)	\$ (360)
Other comprehensive income (loss) before reclassifications	(104)	—	(104)
Amounts reclassified from AOCI	—	—	—
Less: Other comprehensive income (loss) attributable to noncontrolling interests	(7)	—	(7)
Balance at December 31, 2024, attributable to Cabot Corporation	<u>\$ (439)</u>	<u>\$ (18)</u>	<u>\$ (457)</u>
Other comprehensive income (loss) before reclassifications	34	1	35
Amounts reclassified from AOCI	(1)	(1)	(2)
Less: Other comprehensive income (loss) attributable to noncontrolling interests	3	—	3
Balance at March 31, 2025, attributable to Cabot Corporation	<u>\$ (409)</u>	<u>\$ (18)</u>	<u>\$ (427)</u>

	Currency Translation Adjustment	Pension and Other Post-retirement Benefit Liability Adjustments (In millions)	Total
Balance at September 30, 2023, attributable to Cabot Corporation	\$ (353)	\$ (9)	\$ (362)
Other comprehensive income (loss) before reclassifications	62	—	62
Amounts reclassified from AOCI	(1)	—	(1)
Less: Other comprehensive income (loss) attributable to noncontrolling interests	4	—	4
Balance at December 31, 2023, attributable to Cabot Corporation	<u>\$ (296)</u>	<u>\$ (9)</u>	<u>\$ (305)</u>
Other comprehensive income (loss) before reclassifications	(15)	—	(15)
Amounts reclassified from AOCI	—	(1)	(1)
Less: Other comprehensive income (loss) attributable to noncontrolling interests	(4)	—	(4)
Balance at March 31, 2024, attributable to Cabot Corporation	<u>\$ (307)</u>	<u>\$ (10)</u>	<u>\$ (317)</u>

The amounts reclassified out of AOCI and into the Consolidated Statements of Operations in each of the three and six months ended March 31, 2025 and 2024 are as follows:

	Affected Line Item in the Consolidated Statements of Operations	Three Months Ended March 31		Six Months Ended March 31	
		2025	2024	2025	2024
(In millions)					
Derivatives: net investment hedges					
(Gains) losses reclassified to interest expense	Interest expense	\$ (2)	\$ (2)	\$ (3)	\$ (3)
(Gains) losses excluded from effectiveness testing and amortized to interest expense	Interest expense	—	1	1	1
Pension and other postretirement					
Amortization of actuarial losses and prior service cost (credit)	Other income (expense)	(1)	(1)	(1)	(1)
Total before tax		<u>\$ (3)</u>	<u>\$ (2)</u>	<u>\$ (3)</u>	<u>\$ (3)</u>

F. Contingencies

Respirator Liabilities

Cabot has exposure in connection with a safety respiratory products business that a subsidiary acquired from American Optical Corporation ("AO") in an April 1990 asset purchase transaction. The subsidiary manufactured respirators under the AO brand and disposed of that business in July 1995. In connection with its acquisition of the business, the subsidiary agreed, in certain circumstances, to assume a portion of AO's liabilities, including costs of legal fees together with amounts paid in settlements and judgments, allocable to AO respiratory products used prior to the 1990 purchase by the Cabot subsidiary. In exchange for the subsidiary's assumption of certain of AO's respirator liabilities, AO agreed to provide to the subsidiary the benefits of: (i) AO's insurance coverage for the period prior to the 1990 acquisition and (ii) a former owner's indemnity of AO holding it harmless from any liability allocable to AO respiratory products used prior to May 1982. As more fully described in the 2024 10-K, the respirator liabilities generally involve claims for personal injury, including asbestosis, silicosis and coal worker's pneumoconiosis, allegedly resulting from the use of respirators that are alleged to have been negligently designed and/or labeled. At no time did this respiratory product line represent a significant portion of the respirator market. In addition to Cabot's subsidiary, other parties are responsible for significant portions of the costs of these respirator liabilities (as defined in the 2024 10-K, the "Payor Group").

Cabot has a reserve to cover its expected share of liabilities for pending and future respirator liability claims, which is included in Other liabilities and Accounts payable and accrued liabilities on the Consolidated Balance Sheets. The Company expects these liabilities to be incurred over a number of years. The reserve balance was \$34 million and \$35 million at March 31, 2025 and September 30, 2024, respectively.

The Company's current estimate of the cost of its share of pending and future respirator liability claims is based on facts and circumstances existing at this time, including the number and nature of the remaining claims. Developments that could affect the Company's estimate include, but are not limited to, (i) significant changes in the number of future claims, (ii) changes in the rate of dismissals without payment of pending claims, (iii) significant changes in the average cost of resolving claims, including potential settlements of groups of claims, (iv) significant changes in the legal costs of defending these claims, (v) changes in the nature of claims received or changes in our assessment of the viability of these claims, (vi) trial and appellate outcomes, (vii) changes in the law and procedure applicable to these claims, (viii) the financial viability of the parties that contribute to the payment of respirator claims, (ix) exhaustion or changes in the recoverability of the insurance coverage maintained by certain members of the Payor Group, or a change in the availability of the indemnity provided by a former owner of AO, (x) changes in the allocation of costs among the various parties paying legal and settlement costs, and (xi) a determination that the assumptions that were used to estimate Cabot's share of liability are no longer reasonable. The Company cannot determine the impact of these potential developments on its current estimate of its share of liability for existing and future claims. Because reserves are limited to amounts that are probable and estimable as of a relevant measurement date, and there is inherent difficulty in projecting the impact of potential developments on Cabot's share of liability for these existing and future claims, it is reasonably possible that the liabilities for existing and future claims could change in the near term and that change could be material.

Other Matters

The Company has various other lawsuits, claims and contingent liabilities arising in the ordinary course of its business and with respect to its divested businesses. The Company does not believe that any of these matters will have a material adverse effect on its financial position; however, litigation is inherently unpredictable. Cabot could incur judgments, enter into settlements or revise its expectations regarding the outcome of certain matters, and such developments could have a material impact on its results of operations in the period in which the amounts are accrued or its cash flows in the period in which the amounts are paid.

G. Income Tax

Effective Tax Rate

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(Dollars in millions)			
(Provision) benefit for income taxes	\$ (49)	\$ (47)	\$ (90)	\$ (81)
Effective tax rate	32%	33%	30%	34%

For the three and six months ended March 31, 2025, the provision for income taxes included a net discrete tax expense of \$7 million and \$9 million, respectively. For the three and six months ended March 31, 2024, the provision for income taxes included a net discrete tax expense of \$8 million and \$15 million, respectively.

Income tax in Interim Periods

The Company records its tax provision or benefit on an interim basis using an estimated annual effective tax rate. This rate is applied to the current period ordinary income or loss to determine the income tax provision or benefit allocated to the interim period. The income tax effects of unusual or infrequent items are excluded from the estimated annual effective tax rate and are recognized in the impacted interim period. Losses from jurisdictions for which no benefit can be recognized are excluded from the overall computations of the estimated annual effective tax rate and a separate estimated annual effective tax rate is computed and applied to ordinary income or loss in the loss jurisdiction.

Valuation allowances are provided against the future tax benefits that arise from the deferred tax assets in jurisdictions for which the Company expects that no benefit can be recognized. The estimated annual effective tax rate may be significantly impacted by non-deductible expenses and the Company's projected earnings mix by tax jurisdiction. Adjustments to the estimated annual effective income tax rate are recognized in the period when such estimates are revised.

Uncertainties

Cabot and certain subsidiaries are under audit in a number of jurisdictions. In addition, certain statutes of limitations are scheduled to expire in the near future. It is reasonably possible that a change in the unrecognized tax benefits may also occur within the next twelve months related to the settlement of one or more of these audits or the lapse of applicable statutes of limitations. However, an estimated range of the impact on the unrecognized tax benefits cannot be quantified at this time.

Cabot files U.S. federal and state and non-U.S. income tax returns in jurisdictions with varying statutes of limitations. The 2021 through 2023 tax years generally remain subject to examination by the IRS and various tax years from 2021 through 2023 remain subject to examination by the respective state tax authorities. In foreign jurisdictions, various tax years from 2006 through 2024 remain subject to examination by their respective tax authorities.

During the three and six month periods ended March 31, 2025, Cabot released uncertain tax positions of nil and \$2 million, respectively, due to the expiration of statutes of limitations in various jurisdictions. During the three and six month periods ended March 31, 2024, Cabot released uncertain tax positions of nil and \$1 million, respectively, due to the expiration of statutes of limitations in various jurisdictions.

H. Earnings Per Share

The following tables summarize the components of the basic and diluted earnings (loss) per common share ("EPS") computations:

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
(In millions, except per share amounts)				
Basic EPS:				
Net income (loss) attributable to Cabot Corporation	\$ 94	\$ 84	\$ 187	\$ 134
Less: Dividends and dividend equivalents to participating securities	1	—	1	—
Less: Undistributed earnings allocated to participating securities ⁽¹⁾	1	1	2	2
Earnings (loss) allocated to common stockholders (numerator)	<u>\$ 92</u>	<u>\$ 83</u>	<u>\$ 184</u>	<u>\$ 132</u>
Weighted average common shares and participating securities outstanding	54.8	56.2	55.0	56.2
Less: Participating securities ⁽¹⁾	0.8	0.8	0.8	0.9
Adjusted weighted average common shares (denominator)	<u>54.0</u>	<u>55.4</u>	<u>54.2</u>	<u>55.3</u>
Earnings (loss) per common share - basic:	\$ 1.71	\$ 1.50	\$ 3.40	\$ 2.39
Diluted EPS:				
Earnings (loss) allocated to common stockholders	\$ 92	\$ 83	\$ 184	\$ 132
Plus: Earnings allocated to participating securities	2	1	3	2
Less: Adjusted earnings allocated to participating securities ⁽²⁾	2	1	3	2
Earnings (loss) allocated to common stockholders (numerator)	<u>\$ 92</u>	<u>\$ 83</u>	<u>\$ 184</u>	<u>\$ 132</u>
Adjusted weighted average common shares outstanding	54.0	55.4	54.2	55.3
Effect of dilutive securities:				
Common shares issuable ⁽³⁾	0.4	0.4	0.5	0.5
Adjusted weighted average common shares (denominator)	<u>54.4</u>	<u>55.8</u>	<u>54.7</u>	<u>55.8</u>
Earnings (loss) per common share - diluted:	\$ 1.69	\$ 1.49	\$ 3.36	\$ 2.37

⁽¹⁾ Participating securities consist of shares underlying unvested time-based restricted stock units (the "TSUs"), earned and unvested performance-based restricted stock units (the "PSUs", and referred to in this note collectively with the TSUs as the "RSUs"), stock units accounted for under the Supplemental 401(k) Plan portion of the Company's Deferred Compensation and Supplemental Retirement Plan, and stock units and phantom stock units accounted for under the Company's Non-Employee Directors' Deferral Plan. The holders of RSUs are entitled to receive dividend equivalents, payable in cash, to the extent dividends are paid on the outstanding shares of Common Stock, and equal in value to the dividends that would have been paid in respect of the Common Stock underlying the RSU. The accounts of holders of stock units and phantom stock units are credited with dividend equivalents, which are payable, in stock or cash, as the case may be, with the distribution of account balances.

Undistributed earnings are the earnings which remain after dividends declared during the period are assumed to be distributed to the common and participating stockholders. Undistributed earnings are allocated to common and participating stockholders on the same basis as dividend distributions. The calculation of undistributed earnings is as follows:

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
(In millions)				
Calculation of undistributed earnings (loss):				
Net income (loss) attributable to Cabot Corporation	\$ 94	\$ 84	\$ 187	\$ 134
Less: Dividends declared on common stock	22	23	46	45
Less: Dividends declared on participating securities	1	—	1	—
Undistributed earnings (loss)	<u>\$ 71</u>	<u>\$ 61</u>	<u>\$ 140</u>	<u>\$ 89</u>
Allocation of undistributed earnings (loss):				
Undistributed earnings (loss) allocated to common stockholders	\$ 70	\$ 60	\$ 138	\$ 87
Undistributed earnings allocated to participating stockholders	1	1	2	2
Undistributed earnings (loss)	<u>\$ 71</u>	<u>\$ 61</u>	<u>\$ 140</u>	<u>\$ 89</u>

- (2) Undistributed earnings are adjusted for the assumed distribution of dividends to the dilutive securities, which are described in (3) below, and then reallocated to participating securities.
- (3) Represents incremental shares of common stock from the assumed exercise of stock options issued under Cabot's equity incentive plans. For the three and six months ended March 31, 2025, 174,689 and 86,010 incremental shares of common stock, respectively, were excluded from the calculation of diluted earnings per share because the inclusion of these shares would have been antidilutive. For the three and six months ended March 31, 2024, 281,488 and 244,448 incremental shares of common stock, respectively, were excluded from the calculation of diluted earnings per share because the inclusion of these shares would have been antidilutive.

I. Financial Instruments and Fair Value Measurements

The FASB authoritative guidance on fair value measurements defines fair value, provides a framework for measuring fair value, and requires certain disclosures about fair value measurements. The required disclosures focus on the inputs used to measure fair value. The guidance establishes the following hierarchy for categorizing these inputs:

- Level 1 — Quoted market prices in active markets for identical assets or liabilities
- Level 2 — Significant other observable inputs (e.g., quoted prices for similar items in active markets, quoted prices for identical or similar items in markets that are not active, inputs other than quoted prices that are observable such as interest rate and yield curves, and market-corroborated inputs)
- Level 3 — Significant unobservable inputs

There were no transfers of financial assets or liabilities measured at fair value between Level 1 and Level 2 and there were no Level 3 investments during the first six months of either fiscal 2025 or 2024.

At March 31, 2025 and September 30, 2024, the fair values of cash and cash equivalents, accounts and notes receivable, accounts payable and accrued liabilities, and short-term borrowings and variable rate debt approximated their carrying values due to the short-term nature of these instruments. Cash and cash equivalents are classified as Level 1 within the fair value hierarchy.

At March 31, 2025 and September 30, 2024, Cabot had derivatives relating to foreign currency risks, including a net investment hedge and forward foreign currency contracts, carried at fair value. At March 31, 2025 and September 30, 2024, the fair value of the net investment hedge was an asset of \$7 million and \$1 million, respectively, and was included in Prepaid expenses and other current assets and Other Assets on the Consolidated Balance sheets. At both March 31, 2025 and September 30, 2024, the fair value of the forward currency contracts was a net asset of less than \$1 million and was included in Prepaid expenses and other current assets and Accounts payable and accrued liabilities on the Consolidated Balance Sheets. These derivatives are classified as Level 2 instruments within the fair value hierarchy as the fair value determination was based on observable inputs.

At both March 31, 2025 and September 30, 2024, the fair value of guaranteed investment contracts included in Other assets on the Consolidated Balance Sheets was \$8 million. Guaranteed investment contracts were classified as Level 2 instruments within the fair value hierarchy as the fair value determination was based on observable inputs.

The carrying value and fair value of the long-term fixed rate debt were \$1.08 billion and \$1.07 billion, respectively, as of March 31, 2025, and \$1.08 billion and \$1.08 billion, respectively, as of September 30, 2024. The fair values of Cabot's fixed rate long-term debt are estimated based on comparable quoted market prices at the respective period ends. The carrying amounts of Cabot's floating rate long-term debt and finance and operating lease obligations approximate their fair values. All such measurements are based on observable inputs and are classified as Level 2 within the fair value hierarchy. The valuation technique used is the discounted cash flow model.

J. Supplier Financing Programs

The Company maintains supply chain finance agreements with third-party financial institutions. These agreements allow the Company's participating suppliers to sell their receivables to such third-party financial institutions to receive payment earlier than the negotiated commercial terms between the supplier and the Company. Such sales are at the sole discretion of the supplier, and on terms and conditions that are negotiated between the supplier and the respective financial institution. The terms and conditions of the supplier invoice, including payment terms and amounts due, are not impacted by a supplier's participation in the program. Pursuant to the supply chain finance agreements, the Company has agreed to pay financial institutions on the original due date of the applicable invoice. There are no guarantees associated with these programs. The Company's outstanding payment obligations to financial institutions related to supplier financing programs were \$13 million and \$16 million as of March 31, 2025 and September 30, 2024, respectively, and are included within Accounts payable and accrued liabilities on the Consolidated Balance Sheets.

K. Financial Information by Segment

The Company identifies a product line as an operating segment if: i) it engages in business activities from which it may earn revenues and incur expenses; ii) its operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM"), who is Cabot's President and Chief Executive Officer, to make decisions about resources to be allocated to the segment and assess its performance; and iii) it has available discrete financial information. The CODM reviews financial information at the operating segment level to allocate resources and to assess the operating results and financial performance for each operating segment. Operating segments are aggregated into a reportable segment if the operating segments are determined to have similar economic characteristics and if the operating segments are similar in the following areas: i) nature of products and services; ii) nature of production processes; iii) type or class of customer for their products and services; iv) methods used to distribute the products or provide services; and v) if applicable, the nature of the regulatory environment.

The Company has two reportable segments: Reinforcement Materials and Performance Chemicals. The Reinforcement Materials segment combines the reinforcing carbons and engineered elastomer composites product lines. The Performance Chemicals segment aggregates the specialty carbons, specialty compounds, fumed metal oxides, battery materials, inkjet colorants and aerogel product lines.

Income (loss) before income taxes ("Segment EBIT") is presented for each reportable segment in the table below. Segment EBIT excludes Interest expense, General unallocated income (expense), Unallocated corporate costs and Certain items, meaning items management does not consider representative of on-going operating segment results. In addition, Segment EBIT includes Equity in earnings of affiliated companies, net of tax, Net income attributable to noncontrolling interests, net of tax, and discounting charges for certain Notes receivable.

Financial information by reportable segment is as follows:

	Reinforcement Materials	Performance Chemicals	Segment Total (In millions)	Unallocated and Other ⁽¹⁾	Consolidated Total
Three Months Ended March 31, 2025					
Revenues from external customers ⁽²⁾	\$ 594	\$ 311	\$ 905	\$ 31	\$ 936
Income (loss) before income taxes ⁽³⁾	\$ 131	\$ 50	\$ 181	\$ (30)	\$ 151
Three Months Ended March 31, 2024					
Revenues from external customers ⁽²⁾	\$ 676	\$ 311	\$ 987	\$ 32	\$ 1,019
Income (loss) before income taxes ⁽³⁾	\$ 149	\$ 31	\$ 180	\$ (38)	\$ 142
Six Months Ended March 31, 2025					
Revenues from external customers ⁽²⁾	\$ 1,205	\$ 622	\$ 1,827	\$ 64	\$ 1,891
Income (loss) before income taxes ⁽³⁾	\$ 261	\$ 95	\$ 356	\$ (61)	\$ 295
Six Months Ended March 31, 2024					
Revenues from external customers ⁽²⁾	\$ 1,317	\$ 596	\$ 1,913	\$ 64	\$ 1,977
Income (loss) before income taxes ⁽³⁾	\$ 278	\$ 65	\$ 343	\$ (107)	\$ 236

(1) Unallocated and Other includes certain items and eliminations necessary to reflect management's reporting of operating segment results. These items are reflective of the segment reporting presented to the CODM.

(2) Consolidated Total Revenues from external customers reconciles to Net sales and other operating revenues on the Consolidated Statements of Operations. Revenues from external customers that are categorized as Unallocated and Other reflect external shipping and handling fees, the impact of unearned revenue, and discounting charges for certain Notes receivable. Details are provided in the table below:

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Shipping and handling fees	\$ 29	\$ 32	\$ 57	\$ 62
Other	2	-	7	2
Total	\$ 31	\$ 32	\$ 64	\$ 64

(3) Consolidated Total Income (loss) before income taxes reconciles to Income (loss) before income taxes and equity in earnings of affiliated companies on the Consolidated Statements of Operations. Income (loss) before income taxes that are categorized as Unallocated and Other includes:

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Interest expense	\$ (19)	\$ (21)	\$ (37)	\$ (43)
Certain items ^(a)				
Legal and environmental matters and reserves	(1)	(1)	(6)	(1)
Global restructuring activities	(3)	(3)	(3)	(12)
Argentina controlled currency devaluation and other losses (Note B)	—	(8)	—	(41)
Other certain items	—	—	(1)	—
Total certain items	(4)	(12)	(10)	(54)
Unallocated corporate costs ^(b)	(13)	(18)	(26)	(35)
General unallocated income (expense) ^(c)	9	15	16	28
Less: Equity in earnings of affiliated companies, net of tax ^(d)	3	2	4	3
Total	\$ (30)	\$ (38)	\$ (61)	\$ (107)

- (a) Certain items are items of expense and income that management does not consider representative of the Company's fundamental on-going segment results and they are, therefore, excluded from Segment EBIT.
- (b) Unallocated corporate costs are costs that are not controlled by the segments and primarily benefit corporate interests.
- (c) General unallocated income (expense) consists of gains (losses) arising from foreign currency transactions, net of other foreign currency risk management activities, Interest and dividend income, the profit or loss related to the corporate adjustment for unearned revenue and unrealized holding gains (losses) for investments. This does not include items of income or expense that are separately treated as Certain items.
- (d) Equity in earnings of affiliated companies, net of tax, is included in Segment EBIT and is removed in Unallocated and other to reconcile to Income (loss) from operations before income taxes and equity in earnings from affiliated companies.

The Company's segments operate globally. In addition to presenting Revenue from external customers by reportable segment, the following tables further disaggregate Revenues from external customers by geographic region.

	Three Months Ended March 31, 2025		
	Reinforcement Materials	Performance Chemicals	Consolidated Total
		(In millions)	
Americas	\$ 240	\$ 95	\$ 335
Asia Pacific	213	124	337
Europe, Middle East and Africa	141	92	233
Segment revenues from external customers	594	311	905
Unallocated and other			31
Net sales and other operating revenues			\$ 936

	Three Months Ended March 31, 2024		
	Reinforcement Materials	Performance Chemicals	Consolidated Total
		(In millions)	
Americas	\$ 274	\$ 93	\$ 367
Asia Pacific	255	120	375
Europe, Middle East and Africa	147	98	245
Segment revenues from external customers	676	311	987
Unallocated and other			32
Net sales and other operating revenues			\$ 1,019

	Six Months Ended March 31, 2025		
	Reinforcement Materials	Performance Chemicals	Consolidated Total
		(In millions)	
Americas	\$ 484	\$ 185	\$ 669
Asia Pacific	460	268	728
Europe, Middle East and Africa	261	169	430
Segment revenues from external customers	1,205	622	1,827
Unallocated and other			64
Net sales and other operating revenues			\$ 1,891

	Six Months Ended March 31, 2024		
	Reinforcement Materials	Performance Chemicals	Consolidated Total
		(In millions)	
Americas	\$ 528	\$ 181	\$ 709
Asia Pacific	515	240	755
Europe, Middle East and Africa	274	175	449
Segment revenues from external customers	1,317	596	1,913
Unallocated and other			64
Net sales and other operating revenues			<u>\$ 1,977</u>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Recently Issued Accounting Pronouncements

Refer to the discussion under the heading "Recent Accounting Pronouncements" in Note B of our Notes to the Consolidated Financial Statements.

Results of Operations

The Company has two reportable segments: Reinforcement Materials and Performance Chemicals. Cabot is also organized for operational purposes into three geographic regions: the Americas; Europe, Middle East and Africa ("EMEA"); and Asia Pacific. The discussion of our results of operations for the periods presented reflects these structures.

Our analysis of our financial condition and operating results should be read with our consolidated financial statements and accompanying notes.

Definition of Terms and Non-GAAP Financial Measures

When discussing our results of operations, we use several terms as described below.

The term "product mix" refers to the mix of types and grades of products sold or the mix of geographic regions where products are sold, and the positive or negative impact this has on the revenue or profitability of the business and/or segment.

Our discussion under the heading "(Provision) Benefit for Income Taxes and Reconciliation of Effective Tax Rate to Operating Tax Rate" includes a discussion and reconciliation of our "effective tax rate" and our "operating tax rate" for the periods presented, as well as management's projection of our operating tax rate range for the full fiscal year. Our operating tax rate is a non-GAAP financial measure and should not be considered as an alternative to our effective tax rate, the most comparable GAAP financial measure. The operating tax rate is calculated based upon management's forecast of the annual operating tax rate for the fiscal year applied to adjusted pre-tax earnings. The operating tax rate excludes income tax (expense) benefit on certain items, discrete tax items, and, on a quarterly basis, the timing of losses in certain jurisdictions. The income tax (expense) benefit on certain items is determined using the applicable rates in the taxing jurisdictions in which the certain items occurred and includes both current and deferred income tax (expense) benefit based on the nature of the certain items. Discrete tax items include, but are not limited to, changes in valuation allowance, uncertain tax positions, and other tax items, such as the tax impact of legislative changes and tax accruals on historic earnings due to changes in indefinite reinvestment assertions. Our definition of the operating tax rate may not be comparable to the definition used by other companies. Management believes that this non-GAAP financial measure is useful supplemental information because it helps our investors compare our tax rate year to year on a consistent basis and to understand what our tax rate on current operations would be without the impact of these items.

Our discussion under the heading "Second Quarter of Fiscal 2025 versus Second Quarter of Fiscal 2024—By Business Segment" includes a discussion of Total segment EBIT, which is a non-GAAP financial measure defined as Income (loss) from operations before income taxes and equity in earnings from affiliated companies less certain items and other unallocated items. Our Chief Operating Decision Maker, who is our President and Chief Executive Officer, uses segment EBIT to evaluate the operating results of each segment and to allocate resources to the segments. We believe Total segment EBIT, which reflects the sum of EBIT from our reportable segments, provides useful supplemental information for our investors as it is an important indicator of our operational strength and performance, allows investors to see our results through the eyes of management, and provides context for our discussion of individual business segment performance. Total segment EBIT should not be considered an alternative for Income (loss) from operations before income taxes and equity in earnings of affiliated companies, which is the most directly comparable U.S. GAAP financial measure. A reconciliation of Total segment EBIT to Income (loss) from operations before income taxes and equity in earnings of affiliated companies is provided under the heading "Second quarter of Fiscal 2025 versus Second quarter of Fiscal 2024—By Business Segment". Investors should consider the limitations associated with this non-GAAP measure, including the potential lack of comparability of this measure from one company to another.

In calculating Total segment EBIT, we exclude from our Income (loss) from operations before income taxes and equity in earnings of affiliated companies (i) items of expense and income that management does not consider representative of our fundamental on-going segment results, which we refer to as "certain items", and (ii) items that, because they are not controlled by the business segments and primarily benefit corporate objectives, are not allocated to our business segments, such as interest expense and other corporate costs, which include unallocated corporate overhead expenses such as certain corporate salaries and headquarter expenses, plus costs related to special projects and initiatives, which we refer to as "other unallocated items". Management believes excluding the items identified as certain items facilitates operating performance comparisons from period to period by eliminating differences that would not otherwise be apparent on a GAAP basis and also facilitates an evaluation of our operating performance without the impact of these costs or benefits. The items of income and expense that we have excluded from

Total segment EBIT, as applicable, but that are included in our GAAP Income (loss) from operations before income taxes and equity in earnings of affiliated companies, as applicable, are described below.

- Argentina controlled currency devaluation loss related to the foreign exchange loss from government-controlled currency devaluations on our net monetary assets denominated in the Argentine peso and investment losses related to the utilization of government bond programs established for the settlement of certain foreign payables.
- Global restructuring activities, which include costs or benefits associated with cost reduction initiatives or plant closures and are primarily related to (i) employee termination costs, (ii) asset impairment charges associated with restructuring actions, (iii) costs to close facilities, including environmental costs and contract termination penalties, and (iv) gains realized on the sale of land or equipment associated with restructured plants or locations.
- Legal and environmental matters and reserves, which consist of costs or benefits for matters typically related to former businesses or that are otherwise incurred outside of the ordinary course of business.
- Acquisition and integration-related charges, which include transaction costs, redundant costs incurred during the period of integration, and costs associated with transitioning certain management and business processes to Cabot's processes.
- Asset impairment charges, which primarily include charges associated with an impairment of goodwill, other long-lived assets or assets held for sale.
- Gains (losses) on sale of a business.
- Employee benefit plan settlements, which consist of either charges or benefits associated with the termination of a pension plan or the transfer of a pension plan to a multi-employer plan.

Overview

During the second quarter of fiscal 2025, Income (loss) before income taxes and equity in earnings of affiliated companies increased as compared to the second quarter of fiscal 2024. The increase was primarily due to lower Argentina controlled currency devaluation and other losses and higher Segment EBIT in Performance Chemicals.

Second quarter of Fiscal 2025 versus Second quarter of Fiscal 2024—Consolidated

Net Sales and Other Operating Revenues and Gross Profit

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Net sales and other operating revenues	\$ 936	\$ 1,019	\$ 1,891	\$ 1,977
Gross profit	\$ 241	\$ 246	\$ 476	\$ 464

For the three and six months ended March 31, 2025, Net sales and other operating revenue decreased by \$83 million and \$86 million, respectively, compared to the same periods of fiscal 2024.

The decrease in Net sales and other operating revenues in the second quarter of fiscal 2025 compared to the second quarter of fiscal 2024 was driven by lower volumes in Reinforcement Materials (\$48 million), less favorable pricing and product mix in both Reinforcement Materials and Performance Chemicals (\$24 million combined), and the unfavorable impact from foreign currency translations in both Reinforcement Materials and Performance Chemicals (\$28 million combined), all of which were partially offset by higher volumes in Performance Chemicals (\$16 million). The lower volumes in Reinforcement Materials were primarily due to lower tire demand. The less favorable pricing and product mix in both Reinforcement Materials and Performance Chemicals was driven by lower raw material costs which, in certain instances, are passed through to our customers through formulas and other market-based adjustments. The higher volumes in Performance Chemicals were primarily in our Fumed Metal Oxides product line as volumes related to construction and semiconductor applications reconnected to underlying demand drivers in key end markets.

The decrease in Net sales and other operating revenues in the first six months of fiscal 2025 compared to the first six months of fiscal 2024 was driven by less favorable pricing and product mix in both Reinforcement Materials and Performance Chemicals (\$64 million combined), lower volumes in Reinforcement Materials (\$44 million), the unfavorable impact from foreign currency translations in both Reinforcement Materials and Performance Chemicals (\$27 million combined), partially offset by higher volumes in Performance Chemicals (\$50 million). The less favorable pricing and product mix was driven by lower raw material costs which, in certain instances, are passed through to our customers through formulas and other market-based adjustments. The lower volumes in Reinforcement Materials were primarily due to lower tire demand. The higher volumes in Performance Chemicals were across all product lines as volumes have reconnected to underlying demand drivers in key end markets.

For the three and six months ended March 31, 2025, gross profit decreased by \$5 million and increased by \$12 million, respectively, compared to the same periods of fiscal 2024.

The decrease in Gross profit in the second quarter of fiscal 2025 as compared to the second quarter of fiscal 2024 was driven primarily by lower volumes in Reinforcement Materials (\$20 million) which were partially offset by higher volumes in Performance Chemicals (\$9 million) and higher gross profit per ton in Performance Chemicals (\$9 million). The lower volumes in Reinforcement Materials were primarily due to lower tire demand. The higher volumes in Performance Chemicals were primarily in our Fumed Metal Oxides product line as volumes related to construction and semiconductor applications reconnected to underlying demand drivers in key end markets. The higher gross profit per ton in our Performance Chemicals segment was primarily from targeted price increases, cost savings and optimization measures across the segment.

The increase in Gross profit in the first six months of fiscal 2025 as compared to the same period in the prior year was primarily driven by higher volumes in Performance Chemicals (\$29 million) which were partially offset by lower volumes in Reinforcement Materials (\$18 million). The higher volumes in Performance Chemicals were driven by higher volumes across all product lines as volumes have reconnected to underlying demand drivers in key end markets. The lower volumes in Reinforcement Materials were primarily due to lower tire demand.

Selling and Administrative Expenses

	<u>Three Months Ended March 31</u>		<u>Six Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(In millions)			
Selling and administrative expenses	\$ 64	\$ 75	\$ 130	\$ 142

Selling and administrative expenses decreased by \$11 million and \$12 million for the three and six months ended March 31, 2025, respectively, compared to the same periods of fiscal 2024 primarily from overall cost management efforts and expenses related to our board of directors.

Research and Technical Expenses

	<u>Three Months Ended March 31</u>		<u>Six Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(In millions)			
Research and technical expenses	\$ 15	\$ 15	\$ 29	\$ 30

Research and technical expenses remained flat in the second quarter of fiscal 2025 and decreased by \$1 million for the six months ended March 31, 2025, respectively, compared to the same periods of fiscal 2024.

Interest and Dividend Income, Interest Expense and Other Income (Expense)

	<u>Three Months Ended March 31</u>		<u>Six Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(In millions)			
Interest and dividend income	\$ 7	\$ 8	\$ 13	\$ 17
Interest expense	\$ (19)	\$ (21)	\$ (37)	\$ (43)
Other income (expense)	\$ 1	\$ (1)	\$ 2	\$ (30)

Interest and dividend income decreased by \$1 million and \$4 million in the three and six months ended March 31, 2025, respectively, compared to the same periods of fiscal 2024, primarily due to lower average interest rates, partially offset by higher average cash balances.

Interest expense decreased by \$2 million and \$6 million in the three and six months ended March 31, 2025, respectively, compared to the same periods of fiscal 2024, due to lower average interest rates on short term borrowings.

Other income (expense) increased by \$2 million in the second quarter of fiscal 2025 compared to the same period of fiscal 2024, primarily due to lower foreign exchange losses primarily in Argentina. Other income (expense) increased by \$32 million for the six months ended March 31, 2025, as compared to the same period of fiscal 2024, primarily due to lower foreign exchange losses primarily in Argentina.

(Provision) Benefit for Income Taxes and Reconciliation of Effective Tax Rate to Operating Tax Rate

	Three Months Ended March 31			
	2025		2024	
	(Provision) / Benefit for Income Taxes	Rate	(Provision) / Benefit for Income Taxes	Rate
Dollars in millions				
Effective tax rate	\$ (49)	32%	\$ (47)	33%
Less: Non-GAAP tax adjustments ⁽¹⁾	(7)		(4)	
Operating tax rate	\$ (42)	27%	\$ (43)	28%

	Six Months Ended March 31			
	2025		2024	
	(Provision) / Benefit for Income Taxes	Rate	(Provision) / Benefit for Income Taxes	Rate
Dollars in millions				
Effective tax rate	\$ (90)	30%	\$ (81)	34%
Less: Non-GAAP tax adjustments ⁽¹⁾	(6)		-	
Operating tax rate	\$ (84)	28%	\$ (81)	28%

⁽¹⁾ Non-GAAP tax adjustments made to arrive at the operating tax provision include the income tax (expense) benefit on certain items, discrete tax items, and, on a quarterly basis, the timing of losses in certain jurisdictions, as further described above under the heading "Definition of Terms and Non-GAAP Financial Measures".

For the three months ended March 31, 2025, the (Provision) benefit for income taxes was a provision of \$49 million compared to a provision of \$47 million for the same period in fiscal 2024, with the change primarily due to higher earnings in the current period. Our income taxes are affected by the mix of earnings in the tax jurisdictions in which we operate, and by the presence of valuation allowances in certain tax jurisdictions.

For the six months ended March 31, 2025, the (Provision) benefit for income taxes was a provision of \$90 million compared to a \$81 million provision for the same period in fiscal 2024, primarily due to higher earnings in the current period.

For fiscal 2025, we expect the Operating tax rate to be in the range of 27% to 29%. We are not providing a forward-looking reconciliation of the operating tax rate range with an effective tax rate range because, without unreasonable effort, we are unable to predict with reasonable certainty the matters we would allocate to "certain items," including unusual gains and losses, costs associated with future restructurings, acquisition-related expenses and litigation outcomes. These items are uncertain, depend on various factors, and could have a material impact on the effective tax rate in future periods.

Net Income (Loss) Attributable to Noncontrolling Interests

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Equity in earnings of affiliated companies, net of tax	\$ 3	\$ 2	\$ 4	\$ 3
Net income (loss) attributable to noncontrolling interests, net of tax	\$ 11	\$ 13	\$ 22	\$ 24

Equity in earnings of affiliated companies, net of tax, increased by \$1 million in each of the three and six months ended March 31, 2025, compared to the same period of fiscal 2024 primarily due to higher profitability of our equity affiliate in Venezuela.

Net income (loss) attributable to noncontrolling interests, net of tax, decreased by \$2 million in the second quarter of fiscal 2025 compared to the same period of fiscal 2024 primarily due to lower earnings of our joint ventures in China and the Czech Republic. Net income (loss) attributable to noncontrolling interests, net of tax, decreased by \$2 million in the first six months of fiscal 2025 compared to the same period of fiscal 2024 primarily due to lower earnings of our joint venture in the Czech Republic.

Net Income Attributable to Cabot Corporation

In the second quarter of fiscal 2025 and fiscal 2024, we reported Net income (loss) attributable to Cabot Corporation of \$94 million (\$1.69 per diluted common share) and \$84 million (\$1.49 per dilution common share), respectively. The higher Net income in the second quarter of fiscal 2025 compared with the same period in fiscal 2024 was primarily due to higher Segment EBIT in Performance Chemicals (\$19 million) and lower Argentina controlled currency devaluation and other losses (\$8 million), partially offset with lower Segment EBIT in Reinforcement Materials (\$18 million).

In the first six months of fiscal 2025 and fiscal 2024, we reported Net income (loss) attributable to Cabot Corporation of \$187 million (\$3.36 per diluted common share) and \$134 million (\$2.37 per dilution common share), respectively. The higher Net income in the first six months of fiscal 2025 compared with the same period in fiscal 2024 was primarily due to lower Argentina controlled currency devaluation and other losses (\$41 million) and higher Segment EBIT (\$13 million).

Second quarter of Fiscal 2025 versus Second quarter of Fiscal 2024—By Business Segment

Income (loss) before income taxes and equity in earnings of affiliated companies, Certain items, Other unallocated items and Total segment EBIT for the three and six months ended March 31, 2025 and 2024 are included in the following table, and details of each item is set forth in the sections below.

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Income (loss) before income taxes and equity in earnings of affiliated companies	\$ 151	\$ 142	\$ 295	\$ 236
Less: Certain items	(4)	(12)	(10)	(54)
Less: Other unallocated items	(26)	(26)	(51)	(53)
Total segment EBIT	<u>\$ 181</u>	<u>\$ 180</u>	<u>\$ 356</u>	<u>\$ 343</u>

Certain Items

Details of the certain items for the three and six months ended March 31, 2025 and 2024 are as follows:

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Legal and environmental matters and reserve	\$ (1)	\$ (1)	\$ (6)	\$ (1)
Global restructuring activities	(3)	(3)	(3)	(12)
Argentina controlled currency devaluation and other losses (Note B)	—	(8)	—	(41)
Other certain items	—	—	(1)	—
Total certain items	<u>\$ (4)</u>	<u>\$ (12)</u>	<u>\$ (10)</u>	<u>\$ (54)</u>

Other Unallocated Items

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Interest expense	\$ (19)	\$ (21)	\$ (37)	\$ (43)
Unallocated corporate costs	(13)	(18)	(26)	(35)
General unallocated income (expense)	9	15	16	28
Less: Equity in earnings of affiliated companies, net of tax	3	2	4	3
Total other unallocated items	<u>\$ (26)</u>	<u>\$ (26)</u>	<u>\$ (51)</u>	<u>\$ (53)</u>

Total other unallocated items remained flat and decreased by \$2 million for each of the three and six months ended March 31, 2025, respectively, when compared to the same periods in fiscal 2024.

A discussion of items that we refer to as “other unallocated items” can be found under the heading “Definition of Terms and Non-GAAP Financial Measures”. The balances of unallocated corporate costs are primarily comprised of expenditures related to managing a public company that are not allocated to the segments and corporate business development costs related to ongoing corporate projects. The balances of General unallocated income (expense) consist of gains (losses) arising from foreign currency transactions, net of other foreign currency risk management activities, interest and dividend income, the profit or loss related to the corporate adjustment for unearned revenue and unrealized holding gains (losses) for investments. This does not include items of income or expense from the items that are separately treated as Certain items.

Reinforcement Materials

Sales and EBIT for Reinforcement Materials for the second quarter of fiscal 2025 and 2024 were as follows:

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Reinforcement Materials Sales	\$ 594	\$ 676	\$ 1,205	\$ 1,317
Reinforcement Materials EBIT	\$ 131	\$ 149	\$ 261	\$ 278

Sales in Reinforcement Materials decreased by \$82 million in the second quarter of fiscal 2025 compared to the same period of fiscal 2024 primarily due to lower volumes (\$48 million), the less favorable impact of foreign currency translation (\$22 million) and less favorable pricing and product mix (\$12 million). The lower volumes were primarily due to lower tire demand and contract outcomes in South America. The less favorable pricing and product mix was primarily due to lower raw materials costs that are generally passed through to our customers.

In the first six months of fiscal 2025, sales in Reinforcement Materials decreased by \$112 million as compared to the first six months of fiscal 2024 primarily due to lower volumes (\$44 million), less favorable pricing and product mix (\$39 million) and the less favorable impact from foreign currency translation (\$24 million). The lower volumes were primarily due to lower tire demand. The less favorable pricing and product mix was primarily due to lower raw materials costs that are generally passed through to our customers.

EBIT in Reinforcement Materials in the second quarter of fiscal 2025 decreased by \$18 million compared to the same period of fiscal 2024. The decrease in EBIT was primarily driven by lower volumes from lower tire demand and contract outcomes in South America (\$20 million).

In the first six months of fiscal 2025, EBIT in Reinforcement Materials decreased by \$17 million compared to the same period of fiscal 2024. The decrease was primarily driven by lower volumes from lower tire demand (\$18 million).

As we look to the third quarter of the fiscal year, we expect the Reinforcement Materials segment EBIT to decline modestly from the second quarter of fiscal 2025 as we anticipate lower volumes in reaction to the uncertain macroeconomic backdrop.

Performance Chemicals

Sales and EBIT for Performance Chemicals for the second quarter of fiscal 2025 and 2024 were as follows:

	Three Months Ended March 31		Six Months Ended March 31	
	2025	2024	2025	2024
	(In millions)			
Performance Chemicals Sales	\$ 311	\$ 311	\$ 622	\$ 596
Performance Chemicals EBIT	\$ 50	\$ 31	\$ 95	\$ 65

Sales in Performance Chemicals remained flat in the second quarter of fiscal 2025 as compared to the same period of fiscal 2024 as higher volumes (\$16 million) were offset by less favorable pricing and product mix (\$12 million) and the unfavorable impact from foreign currency translation (\$6 million). The higher volumes were primarily in our Fumed Metal Oxides product line as volumes related to construction and semiconductor applications reconnected to underlying demand drivers. The less favorable pricing and product mix was primarily from lower raw material costs which, in certain instances, are passed through to our customers through formulas and other market-based adjustments.

In the first six months of fiscal 2025, sales in Performance Chemicals increased by \$26 million as compared to the first six months of fiscal 2024 primarily due to higher volumes (\$50 million), partially offset by less favorable pricing and product mix (\$25 million). The higher volumes were primarily due to higher demand in all product lines as volumes have reconnected to underlying demand drivers in key end markets. The less favorable pricing and product mix was primarily due to lower raw material costs which, in certain instances, are passed through to our customers through formulas and other market-based adjustments.

EBIT in Performance Chemicals increased by \$19 million in the second quarter of fiscal 2025 as compared to the same period of fiscal 2024 primarily due to higher gross profit per ton (\$9 million), and higher volumes (\$9 million). The higher gross profit per

ton was primarily from targeted price increases, cost savings and optimization measures across the segment. The higher volumes were primarily in our Fumed Metal Oxides product line as volumes related to construction and semiconductor applications reconnected to underlying demand drivers.

In the first six months of fiscal 2025, EBIT in Performance Chemicals increased by \$30 million as compared to the same period of fiscal 2024. The increase was driven primarily by higher volumes (\$29 million). The higher volumes were driven by higher demand in all product lines as volumes have reconnected to underlying demand drivers in key end markets.

As we look to the third quarter of the fiscal year, we expect the Performance Chemicals segment EBIT to be flat sequentially to the second quarter of fiscal 2025 as expected seasonal volume increases are expected to be offset by customer destocking in China.

Tariffs

Given the dynamic nature of the tariff announcements, related delays and ongoing negotiations between countries, we are assessing the potential impact. In most cases, Cabot manufactures products in the countries or regions in which they are sold which reduces our direct exposure to tariffs. There are small amounts of cross-border sales, where we are directly exposed to tariff increases, but we expect in those cases to be able to pass on changes in pricing through contractual formulas and increases in spot pricing that will limit the impact. The varying levels of implemented, proposed and paused tariffs around the world are causing some of our customers to be cautious in the short-term as they reduce inventory levels until the tariff guidelines are clear.

Liquidity and Capital Resources

Overview

Our liquidity position, as measured by cash and cash equivalents plus borrowing availability, decreased by \$168 million during the first six months of fiscal 2025, which was largely due to a higher outstanding commercial paper balance at the end of the period. As of March 31, 2025, we had cash and cash equivalents of \$213 million and borrowing availability under our revolving credit agreements of \$1.0 billion. We have access to borrowings under the following two credit agreements:

- \$1 billion unsecured revolving credit agreement (the "U.S. Credit Agreement") with JPMorgan Chase Bank, N.A., as Administrative Agent, Citibank, N.A., as Syndication Agent, and the other lenders party thereto, which matures in August 2027. The U.S. Credit Agreement supports our issuance of commercial paper, and borrowings under it may be used for working capital, letters of credit and other general corporate purposes.
- €300 million unsecured revolving credit agreement (the "Euro Credit Agreement", and together with the U.S. Credit Agreement, the "Credit Agreements"), with PNC Bank, National Association, as Administrative Agent, and the other lenders party thereto, which matures in August 2027. Borrowings under the Euro Credit Agreement may be used for the repatriation of earnings of our foreign subsidiaries to the United States, the repayment of indebtedness of our foreign subsidiaries owing to us or any of our subsidiaries and for working capital and general corporate purposes.

As of March 31, 2025, we were in compliance with the debt covenants under the Credit Agreements, which, with limited exceptions, require us to comply on a quarterly basis with a leverage test requiring the ratio of consolidated net debt to consolidated EBITDA not to exceed 3.50 to 1.00. Consolidated net debt is defined as consolidated debt offset by the lesser of (i) unrestricted cash and cash equivalents and (ii) \$150 million.

A significant portion of our business occurs outside the U.S. and our cash generation does not always align geographically with our cash needs. The vast majority of our cash and cash equivalent holdings tend to be held outside the U.S. We generally use a combination of U.S. earnings, repatriation of certain foreign earnings, commercial paper issuances and borrowings under our U.S. Credit Agreement to meet our U.S. cash needs. With the exception of Argentina, which has some currency controls that prevent the distribution of cash, we are generally able to move cash throughout the Company through our cash pooling structures, intercompany accounts and/or distributions, as needed. Although we repatriate certain foreign earnings, cash held by foreign subsidiaries is generally considered permanently reinvested and is used to finance the subsidiaries' operational activities and future investments. We usually reduce our commercial paper balance and, if applicable, borrowings under our Credit Agreements, at quarter-end using cash derived from customer collections, including the utilization of customer supply chain financing programs, settlement of intercompany balances and short-term intercompany loans. If additional funds are needed in the U.S., we expect to be able to repatriate cash, including cash from China, while paying any withholding or other taxes. Changes in regulations and tax laws in the U.S. or foreign countries could restrict our ability to transfer funds or impose material costs on such transfers.

As of each of March 31, 2025 and September 30, 2024, we had \$114 million and \$113 million, respectively, of borrowings under the Euro Credit Agreement and no outstanding borrowings under the U.S. Credit Agreement at either date. There was \$190 million and \$45 million of commercial paper outstanding as of March 31, 2025 and September 30, 2024, respectively.

We anticipate sufficient liquidity from (i) cash on hand; (ii) cash flows from operating activities; and (iii) cash available from the Credit Agreements and our commercial paper program to meet our operational and capital investment needs and financial obligations for both the next twelve months and the foreseeable future. The liquidity we derive from cash flows from operations is, to a large degree, predicated on our ability to collect our receivables in a timely manner, the cost of our raw materials, and our ability to manage inventory levels.

The following discussion of the changes in our cash balance refers to the various sections of our Consolidated Statements of Cash Flows.

Cash Flows from Operating Activities

Cash provided by operating activities, which consists of net income adjusted for the various non-cash items included in income, changes in working capital and changes in certain other balance sheet accounts, totaled \$197 million in the first six months of fiscal 2025 compared to \$281 million of cash provided by operating activities during the same period of fiscal 2024.

Cash provided by operating activities in the first six months of fiscal 2025 was driven by business earnings excluding the non-cash impacts of depreciation and amortization of \$75 million and cash dividends received from one of our equity investments of \$12 million, which was offset by an increase in net working capital of \$114 million. The increase in net working capital was largely driven by a decrease in Accounts Payable and accrued liabilities, and an increase in Accounts and notes receivable.

Cash provided by operating activities in the first six months of fiscal 2024 was driven by business earnings excluding the non-cash impacts of depreciation and amortization of \$78 million and foreign exchange losses of \$36 million, primarily related to devaluation of the Argentine peso, which was partially offset by an increase in net working capital of \$25 million. The increase in net working capital was largely driven by a decrease in Accounts payable and accrued expenses and an increase in Inventories and Accounts and notes receivable.

Cash Flows from Investing Activities

Investing activities consumed \$174 million of cash in the first six months of fiscal 2025 compared to \$95 million of cash consumed in the first six months of fiscal 2024.

In the first six months of fiscal 2025 and 2024, investing activities included \$149 million and \$97 million, respectively, of capital expenditures for sustaining and compliance capital projects at our operating facilities as well as growth-related capital. In addition, in the first six months of fiscal 2025, investing activities included \$27 million for cash paid for the asset acquisition described in Note C of our Notes to the Consolidated Financial Statements.

Capital expenditures for fiscal 2025 are expected to be between \$250 million and \$275 million. Our planned capital spending program for fiscal 2025 is for sustaining, compliance and improvement capital projects at our operating facilities as well as capacity expansion capital expenditures.

Cash Flows from Financing Activities

Financing activities consumed \$7 million of cash in the first six months of fiscal 2025 compared to \$195 million of cash consumed during the same period of fiscal 2024.

In the first six months of fiscal 2025, financing activities primarily consisted of share repurchases of \$89 million, dividend payments to stockholders of \$47 million, and cash dividends paid to noncontrolling interests of \$20 million. There were also net proceeds from the issuance of commercial paper of \$145 million.

In the first six months of fiscal 2024, financing activities primarily consisted of net repayment of commercial paper of \$85 million, share repurchases of \$57 million, dividend payments to stockholders of \$45 million, cash dividends paid to noncontrolling interests of \$12 million, and repayments of long-term debt of \$9 million. These payments were partially offset by proceeds from sales of common stock of \$13 million from stock option exercises.

Forward-Looking Information

This report on Form 10-Q contains “forward-looking statements” under the Federal securities laws. These forward-looking statements address expectations or projections about the future, including our expectations regarding our future business performance and overall prospects, including for earnings, EBIT and volumes in our Reinforcement Materials segment in the third quarter of fiscal 2025, and for EBIT and volumes in our Performance Chemicals segment in the third quarter of fiscal 2025, and the principal assumptions underlying these expectations, including with respect to the impact from tariffs on demand for our products and our ability to pass on increased costs from tariffs to our customers through pricing; the possible direct and indirect impact of trade tariffs on our operations, and demand for our products, the sufficiency of our cash on hand, cash provided from operations and cash available under our credit and commercial paper facilities to fund our cash requirements in both the next twelve months and the foreseeable future; anticipated capital spending; regulatory developments, including regulatory compliance costs and potential impact on our operations; cash requirements and uses of available cash, including future cash outlays associated with respirator liabilities and the timing of such outlays; amortization expenses; our operating tax rate; and the possible outcome of legal and environmental proceedings. From time to time, we also provide forward-looking statements in other materials we release to the public and in oral statements made by authorized officers.

Forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, potentially inaccurate assumptions, and other factors, some of which are beyond our control or difficult to predict. If known or unknown risks materialize, our actual results could differ materially from those expressed in the forward-looking statements.

In addition to factors described elsewhere in this report, the following are some of the factors that could cause our actual results to differ materially from those expressed in our forward-looking statements: industry capacity utilization and competition from other specialty chemical companies; safety, health and environmental requirements and related constraints imposed on our business; regulatory and financial risks related to climate change developments; volatility in the price and availability of energy and raw materials, including with respect to the Russian invasion of Ukraine and the U.S.-China trade relationship; a significant adverse change in a customer or joint venture relationship or the failure of a customer or joint venture partner to perform its obligations under agreements with us; failure to achieve growth expectations from new products, applications and technology developments; failure to realize benefits from acquisitions, alliances, or joint ventures or achieve our portfolio management objectives; negative or uncertain worldwide or regional economic conditions and market opportunities, including from trade relations, global health matters or geo-political conflicts; litigation or legal proceedings; interest rates, tax rates, tariffs, currency exchange controls, and fluctuations in foreign currency; our inability to complete capacity expansions or other development projects; and the accuracy of the assumptions we used in establishing reserves for our share of liability for respirator claims. These other factors and risks are discussed more fully in our 2024 10-K and in our subsequent SEC filings.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information about market risks for the period ended March 31, 2025 does not differ materially from that discussed under Item 7A of our 2024 10-K.

Item 4. Controls and Procedures

As of March 31, 2025, we carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and our principal financial officer, of the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended. Based upon that evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of that date.

There were no changes in our internal controls over financial reporting that occurred during our fiscal quarter ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. Other Information

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The table below sets forth information regarding Cabot's purchases of its equity securities during the quarter ended March 31, 2025:

Period	Total Number of Shares Purchased ⁽¹⁾⁽²⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾
January 1, 2025 - January 31, 2025	—			11,016,471
February 1, 2025 - February 30, 2025	462,379	\$ 86.51	462,379	10,554,092
March 1, 2025 - March 31, 2025	65,000	\$ 82.05	65,000	10,489,092
Total	<u>527,379</u>		<u>527,379</u>	

⁽¹⁾ On July 13, 2018, Cabot publicly announced that the Board of Directors authorized the Company to repurchase up to an additional ten million shares of its common stock on the open market or in privately negotiated transactions, increasing the balance of shares then available for repurchase at that time to approximately eleven million shares. More recently, on December 3, 2024, Cabot publicly announced that the Board of Directors authorized the Company to repurchase up to an additional ten million shares of its common stock on the open market or in privately negotiated transactions, increasing the balance of shares available for repurchase as of December 31, 2024 to approximately eleven million shares. Neither of these authorizations has a set expiration date.

⁽²⁾ Total number of shares purchased does not include 4,145 shares withheld to pay taxes on the vesting of equity awards made under the Company's equity incentive plans or to pay the exercise price of options exercised during the period.

Item 5. Other Information

During our fiscal quarter ended March 31, 2025, none of our directors or officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended, entered into, modified (as to amount, price or timing of trades) or terminated (i) contracts, instructions or written plans for the purchase or sale of our securities that are intended to satisfy the conditions specified in Rule 10b5-1(c) under the Exchange Act for an affirmative defense against liability for trading in securities on the basis of material nonpublic information or (ii) non-Rule 10b5-1 trading arrangements (as defined in Item 408(c) of Regulation S-K).

Item 6. Exhibits

Exhibit No.	Description
Exhibit 3.1	Restated Certificate of Incorporation of Cabot Corporation effective January 9, 2009 (incorporated herein by reference to Exhibit 3.1 of Cabot's Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2008, file reference 1-5667, filed with the SEC on February 9, 2009).
Exhibit 3.2	The By-laws of Cabot Corporation as amended May 11, 2023 (incorporated herein by reference to Exhibit 3.1 of Cabot Corporation's Current Report on Form 8-K, file reference 1-5667, filed with the SEC on May 15, 2023).
Exhibit 10.1+	Exhibit 10.1 Cabot Corporation 2025 Long-Term Incentive Plan (incorporated herein by reference to Appendix A of Cabot's Proxy Statement on Schedule 14A relating to the 2025 Annual Meeting of Stockholders, file reference 1-5667, filed with the SEC on January 24, 2025).
Exhibit 10.2*+	Exhibit 10.2 Form of Performance-Based Restricted Stock Unit Award Certificate under the Cabot Corporation 2025 Long-Term Incentive Plan.
Exhibit 10.3*+	Exhibit 10.3 Form of Time-Based Restricted Stock Unit Award Certificate under the Cabot Corporation 2025 Long-Term Incentive Plan.
Exhibit 10.4*+	Exhibit 10.4 Form of Stock Option Award Certificate under the Cabot Corporation 2025 Long-Term Incentive Plan.
Exhibit 31.1*	Certification of Principal Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
Exhibit 31.2*	Certification of Principal Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
Exhibit 32**	Certifications of the Principal Executive Officer and the Principal Financial Officer pursuant to 18 U.S.C. Section 1350.
Exhibit 101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
Exhibit 101.SCH*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Document.
Exhibit 104*	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in Inline XBRL (included in Exhibit 101).

* Filed herewith.

** Furnished herewith.

+ Management contract or compensatory plan or arrangement.

EXHIBIT 10.2

PSU Award Agmt (ee in Severance plan) 3.13.25

Cabot Corporation
2025 Long-Term Incentive Plan

Performance-Based Restricted Stock Unit Award Certificate

[Participant Name]

This Certificate evidences the grant to you by Cabot Corporation (the “Company”), subject to the terms provided herein and in the 2025 Long-Term Incentive Plan (as amended from time to time, the “2025 Plan”), of the number of performance-based Restricted Stock Units set forth in the table below (such units referred to as the “PSUs” or your “Award”). The principal terms of your Award are described below. Except as otherwise expressly provided, all capitalized terms used that are not defined herein shall have the same meaning as in the 2025 Plan.

PSUs	[Number of Shares Granted]
Date of Grant	[Grant Date]

General terms of your Award. The PSUs give you the conditional right to receive, without payment, upon the Compensation Committee determining the Company’s achievement of the performance metrics outlined in Appendix A attached to this Certificate and subject to the vesting and other conditions set forth in this Certificate and in the 2025 Plan, (i) shares of Stock representing from 0% to 200% of the number of PSUs granted, with the actual number of shares to be delivered determined in accordance with the provisions of Appendix A and rounded to the nearest whole number, it being understood that the Compensation Committee has discretion to adjust the performance metrics outlined in Appendix A to account for, or to take into account in determining whether any performance metric set forth in Appendix A has been achieved, the occurrence of unanticipated events and circumstances during the performance period of this Award as the Compensation Committee deems necessary or advisable, and (ii) following the certification by the Compensation Committee of the performance on which shares will be delivered for a performance period of this Award in accordance with the provisions of Appendix A, dividend equivalents payable in cash, to the extent dividends are paid on the outstanding shares of Stock, and equal in value to the dividends that would have been paid in respect of the Stock deliverable for such performance period had such Stock been issued to you on the date of the Compensation Committee’s certification. Dividend equivalents will only be paid to you with respect to Shares underlying PSUs with respect to which the Compensation Committee has certified performance and that have not vested as of the applicable Stock dividend record date. Any dividend equivalents payable to you will be paid through the Company’s payroll system on or as soon as administratively possible after the applicable Stock dividend payment date (but in no event more than sixty (60) days thereafter), subject to your continued Employment through the date that such dividend equivalents are paid. For purposes of this Certificate, “Employment” means only your employment relationship with the Company and its Affiliates and shall not include any other service relationship with the Company and its Affiliates.

Vesting of your Award. Except as otherwise provided in the Plan or in this Certificate, and subject to the achievement of the performance metrics outlined in Appendix A, your Award shall vest on the third anniversary of the date of grant (the “Scheduled Vesting Date”), unless it is earlier forfeited as provided

below, subject to your continued Employment on the Scheduled Vesting Date. Additional vesting provisions and the conditions under which your Award may be forfeited are explained below.

If your Employment ends, the following rules will apply:

- Except as set forth below, if your Employment ceases for any reason you will forfeit your Award immediately upon such cessation of Employment.
 - In the event of your death or Disability during your Employment (including, for the avoidance of doubt, in the event of your death or Disability occurring after you have given the Company notice of your intent to retire but prior to your actual cessation of Employment as a result of your Retirement), the following rules will apply:
 - any portion of your Award as to which at the time your Employment ceases the performance criteria have been satisfied (other than the passage of time necessary for vesting) will vest; and
 - any portion of your Award which is conditioned upon satisfaction of performance criteria with respect to a current or future performance period that have not been satisfied at the time your Employment ceases will terminate.
 - In the event that your Employment is terminated by Cabot or its successor or any of their respective subsidiaries other than for Cause or you resign for Good Reason, in each case, within two years following a Change in Control, the following rules will apply:
 - any portion of your Award as to which at the time your Employment ceases the performance criteria have been satisfied (other than the passage of time necessary for vesting) will vest; and
 - any portion of your Award which is conditioned upon satisfaction of performance criteria with respect to a current or future performance period that have not been satisfied at the time your Employment ceases will vest as if target performance had been achieved.
 - In the event that your Employment ceases as a result of your Retirement, the following rules will apply:
 - any portion of your Award as to which at the time of your Retirement the performance criteria have been satisfied (other than the passage of time necessary for vesting) will vest;
 - any portion of your Award which is conditioned upon satisfaction of performance criteria with respect to a current performance period that has not been satisfied at the time of your Retirement will vest based on the Company's actual achievement of the performance metrics, as determined by the Compensation Committee, associated with that portion of the Award and then prorated based on the number of full months during the one-year performance period that you have remained in Employment; and
 - any portion of your Award which is conditioned upon satisfaction of performance criteria with respect to a future performance period that has not commenced at the time of your Retirement will terminate.
-

- Notwithstanding anything to the contrary, if your Employment is terminated for Cause or is terminated under circumstances that in the sole discretion of the Administrator would have constituted grounds for your Employment to have been terminated for Cause, you will forfeit your Award immediately upon such termination of Employment.

For purposes of this Certificate, "Cause" means (i) your willful and continued failure to perform substantially your reasonably assigned duties with the Company or any successor entity or any of their respective Affiliates (other than any such failure resulting from your physical or mental incapacity or any such actual, alleged or anticipated failure after you issue a notice of termination for Good Reason) after a written demand for substantial performance is delivered to you by the Company which demand specifically identifies the manner in which the Company believes you have not substantially performed your duties; (ii) your willfully engaging in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; (iii) your commission of a felony or a crime involving moral turpitude; (iv) your commission of theft, fraud, embezzlement, material breach of trust or any material act of dishonesty involving the Company or any of its subsidiaries; (v) a significant violation by you of the code of conduct of the Company or its subsidiaries, of any material policy of the Company or its subsidiaries, or of any statutory or common law duty of loyalty to the Company or its subsidiaries; or (vi) a material breach by you of the terms of any agreement between the Company or its subsidiaries and you. For purposes of this definition (i) no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your actions or omission was in the best interest of the Company and (ii) your good faith errors in judgment shall not constitute Cause or be considered in any determination of whether Cause exists.

For purposes of this Certificate, "Good Reason" means the occurrence after a Change in Control, without your prior written consent, of any of the following events or conditions:

- (a) a change in your status, title, position or responsibilities (including reporting responsibilities) which represents a material adverse change from your status, title, position or responsibilities as in effect immediately prior thereto; the assignment to you of any duties or responsibilities which are materially inconsistent with your status, title, position or responsibilities; or your removal from or the failure to reappoint or reelect you to any of such offices or positions, except in connection with the termination of your Employment for Disability, Cause, as a result of your death or by you other than for Good Reason;
 - (b) a reduction in the rate of your annual base salary or target annual cash bonus, or a material reduction in your total compensation;
 - (c) the relocation of the offices at which you are principally employed to a location more than twenty-five (25) miles from the location of such office immediately prior to the Change in Control, or the Company's requiring you to be based at a location more than twenty-five (25) miles from such office, except to the extent you were not previously assigned to a principal location and except for required travel on the Company's business to an extent substantially consistent with your business travel obligations at the time of the Change in Control;
-

- (d) the failure by the Company to pay to you any portion of your then current base salary or annual cash bonus or any other compensation, or to pay to you any portion of an installment of deferred compensation under any deferred compensation program of the Company in which you participated, in each case, within fourteen (14) days of the date such compensation is due and payable in accordance with the terms of the applicable agreement or plan or applicable law; or
- (e) any material reduction in the retirement or welfare benefits or other material benefit or compensation plan made available to you or any materially adverse change in the terms on which those benefits are made available.

In order for a termination for Good Reason to be effective, you must (a) provide notice to the Company specifying in reasonable detail the condition giving rise to the Good Reason no later than the one-hundred and eightieth (180th) day following the occurrence of that condition; (b) provide the Company a period of thirty (30) days to remedy the condition; and (c) terminate your Employment for Good Reason within sixty (60) days following the expiration of the Company's period to remedy if the Company fails to remedy the condition.

For purposes of this Certificate, "Disability" means that you meet one of the following requirements: (1) you are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months or (2) you are, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under a disability plan of the Company.

For purposes of this Certificate, "Retirement" means your attainment of age sixty (60) and completion of ten (10) years of continuous Employment with the Company, provided that you have also given the Company six (6) months' advance notice of your intent to retire.

Delivery of Shares.

- i. **General Rule.** Except as set forth in subsections (ii) through (iv) below, the Company shall, within sixty (60) days following the vesting of your Award (after giving effect to any accelerated vesting under "Vesting of your Award" above) deliver the Shares with respect to such vested Award to you (or, in the event of your death, to the person to whom this Award has passed by will or the laws of descent and distribution).
 - ii. **Retirement.** Notwithstanding subsection (i) above, to the extent that you have satisfied the conditions for Retirement, the Company shall deliver the Shares with respect to your vested Award as soon as practicable following the date that your Employment ceases as a result of your Retirement (or, if later, as it relates to any portion of the Award, the date that the Compensation Committee has determined the achievement of the performance metrics applicable to your Award (or portion thereof)).
 - iii. **Change in Control.** Notwithstanding subsections (i) or (ii) above, or anything in Section 7 of the Plan to the contrary, in the event that the Scheduled Vesting Date is accelerated in connection with a Change in Control and your Award is subject to Section 409A as a result of
-

you having satisfied the conditions for Retirement, the Company shall deliver the Shares with respect to your vested Award as soon as practicable following the earlier of your termination of Employment and the Scheduled Vesting Date.

- iv. **Required Delay.** Notwithstanding anything in subsections (i)-(iii) to the contrary, the settlement date with respect to any Award that is subject to Section 409A shall be subject to a delay of six months and one day (or until death if earlier) if such settlement is due to your separation from Employment and you are a "specified employee" as determined in accordance with Section 409A and Company policy.

No Shares will be issued pursuant to this Award unless and until all legal requirements applicable to the issuance or transfer of such Shares have been complied with to the satisfaction of the Administrator and you have made arrangements to pay to the Company any applicable withholding taxes due upon the vesting and/or settlement of your Award, as provided for below.

Rights as a Shareholder; Dividends. This Award shall not be interpreted to bestow upon you any equity interest or ownership in the Company or any Affiliate prior to the date on which the Company delivers Shares to you. You are not entitled to vote any Shares by reason of the granting of this Award. You shall have the rights of a shareholder only as to those Shares, if any, that are actually delivered under this Award at the time such Shares are delivered. You will be entitled to receive dividend equivalents to the extent provided for in this Certificate.

Certain Tax Matters. You are responsible for understanding the general tax consequences of this Award and for seeking advice from your own tax and financial advisors with respect to the tax consequences of this Award to the extent you require or desire such advice.

You must pay to the Company any applicable withholding taxes due upon the vesting and/or settlement of your Award (including, for the avoidance of doubt, any dividend equivalents payable to you in respect of this Award). To satisfy federal, state and local withholding requirements arising in connection with the vesting and/or settlement of this Award, the Company will automatically withhold from the Shares otherwise deliverable to you under this Award (other than any dividend equivalents) that number of whole Shares having an aggregate fair market value not exceeding the minimum withholding amount applicable to the Shares so vesting and/or being settled. If you wish to satisfy your withholding requirements with a cash payment, if such election is permitted under Section 409A, as determined by the Company in its discretion, you must make this election through the Administrator and deposit the appropriate funds into your account at least ten (10) calendar days before the date this Award is scheduled to vest. If you wish to increase your tax withholding with respect to such taxes due upon the vesting and/or settlement of this Award (including by having additional Shares withheld from your Award), you must contact the Corporate Compensation Department to determine whether such increase is then permitted or available to you.

Nontransferability. Neither this Award nor any rights with respect thereto may be sold, assigned, transferred (other than by will or the laws of descent and distribution), pledged or otherwise encumbered, except as the Administrator may otherwise determine.

Effect on Employment Rights. This Award shall not confer upon you any right to continue as an employee of the Company or any of its subsidiaries or Affiliates and shall not affect in any way the right of the Company or any subsidiary of the Company or Affiliate to terminate your Employment at any

time. Further, any benefits you receive from the grant or vesting of your Award shall not be considered a component of your salary for any purpose, including, without limitation, any salary-related calculations for holiday, sick pay, termination payments, overtime or similar payments.

Provisions of the 2025 Plan. The terms specified in this Certificate are governed by the terms of the 2025 Plan, a copy of which has been provided to you. Information about the 2025 Plan is also included in the Prospectus for the 2025 Plan, a copy of which has also been provided to you. The Administrator has the exclusive authority to interpret the 2025 Plan and this Award, including whether and to what extent the performance metrics outlined in Appendix A have been achieved. Any interpretation of this Award by the Administrator and any decision made by it with respect to this Award are final and binding on all persons. To the extent there is a conflict between the terms of this Certificate, the 2025 Plan or any employment agreement between you and the Company or any of its Affiliates, the 2025 Plan shall govern (except as it relates to terms expressly defined herein).

Recoupment Policy. This Award and the Shares issued to you upon settlement of this Award are subject to the terms of the Company's Policy for Recoupment of Incentive Compensation and Amended and Restated Policy for Recoupment of Compensation, in each case as applicable and as either may be amended from time to time, and any additional clawback policy subsequently adopted by the Company and, by accepting this Award, you agree to each such policy.

Amendments. No amendment of any provision of this Certificate (other than an adjustment in the performance metrics set forth in Appendix A made in accordance with the terms herein, which shall not be deemed an amendment of this Certificate) shall be valid unless the same shall be in writing.

Governing Law. Except as otherwise provided in the 2025 Plan, this Certificate shall be governed and construed by and determined in accordance with the laws of The Commonwealth of Massachusetts, without giving effect to any choice of law or conflict of law provision or rule (whether of The Commonwealth of Massachusetts or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than The Commonwealth of Massachusetts.

You hereby accept your Award subject to the terms set forth herein and in the 2025 Plan.

You and the Company hereby expressly agree that the use of electronic media to indicate confirmation, signature, acceptance, agreement, and delivery shall be legally valid and have the same legal force and effect as if you and the Company executed this Certificate in paper form. In addition, you understand that this Award is discretionary, and that eligibility for an Award under the 2025 Plan is established at the time Awards are made. Therefore, your receiving this Award does not mean that you are guaranteed an Award in the future.

Sean D. Keohane
President & Chief Executive Officer

[Signed Electronically]

[Acceptance Date]

Electronic Signature Acceptance Date

TSU Award Agmt (ee in Severance plan) 3.13.25

Cabot Corporation
2025 Long-Term Incentive Plan

Time-Based Restricted Stock Unit Award Certificate

[Participant Name]

This Certificate evidences the grant to you by Cabot Corporation (the “Company”), subject to the terms provided herein and in the 2025 Long-Term Incentive Plan (as amended from time to time, the “2025 Plan”), of the number of time-based Restricted Stock Units set forth in the table below (such units referred to as the “TSUs” or your “Award”). The principal terms of your Award are described below. Except as otherwise expressly provided, all capitalized terms used that are not defined herein shall have the same meaning as in the 2025 Plan.

TSUs	[Number of Shares Granted]
Date of Grant	[Grant Date]

General terms of your Award. The TSUs give you the conditional right to receive, without payment, subject to the vesting and other conditions set forth in this Certificate and in the 2025 Plan, (i) shares of Stock equal in number to the number of TSUs set forth in the table above (the “Shares”), and (ii) dividend equivalents, payable in cash, when and if dividends are declared and paid on outstanding shares of Stock, and equal in value to the dividends that would have been paid in respect of the Shares had such Shares been issued to you on the date of grant. Dividend equivalents will only be paid to you with respect to Shares underlying TSUs that have not vested as of the applicable Stock dividend record date. Any dividend equivalents payable to you will be paid through the Company’s payroll system on or as soon as administratively possible after the applicable Stock dividend payment date (but in no event more than sixty (60) days thereafter), subject to your continued Employment through the date that such dividend equivalents are paid. For purposes of this Certificate, “Employment” means only your employment relationship with the Company and its Affiliates and shall not include any other service relationship with the Company and its Affiliates.

Vesting of your Award. Except as otherwise provided in the Plan or in this Certificate, your Award shall vest on the third anniversary of the date of grant (the “Scheduled Vesting Date”), unless it is earlier forfeited as provided below, subject to your continued Employment on the Scheduled Vesting Date. Additional vesting provisions and the conditions under which your Award may be forfeited are explained below.

If your Employment ends, the following rules will apply:

- Except as set forth below, if your Employment ceases for any reason you will forfeit your Award immediately upon such cessation of Employment.
- In the event of your death or Disability during your Employment (including, for the avoidance of doubt, in the event of your death or Disability occurring after you have given the Company notice of your intent to retire but prior to your actual cessation of Employment as a result of your Retirement), your Award will vest in full.

- In the event that your Employment is terminated by Cabot or its successor or any of their respective subsidiaries other than for Cause or you resign for Good Reason, in each case, within two years following a Change in Control, your Award will vest in full.
In the event that your Employment ceases as a result of your Retirement, your Award will vest on a pro rata basis in an amount equal to the number of TSUs subject to your Award multiplied by a fraction, the numerator of which is the number of full months you have remained in Employment measured from October 1 of the year of grant and the denominator of which is thirty-six (36).
- Notwithstanding anything to the contrary, if your Employment is terminated for Cause or is terminated under circumstances that in the sole discretion of the Administrator would have constituted grounds for your Employment to have been terminated for Cause, you will forfeit your Award immediately upon such termination of Employment.

For purposes of this Certificate, "Cause" means (i) your willful and continued failure to perform substantially your reasonably assigned duties with the Company or any successor entity or any of their respective Affiliates (other than any such failure resulting from your physical or mental incapacity or any such actual, alleged or anticipated failure after you issue a notice of termination for Good Reason) after a written demand for substantial performance is delivered to you by the Company which demand specifically identifies the manner in which the Company believes you have not substantially performed your duties; (ii) your willfully engaging in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; (iii) your commission of a felony or a crime involving moral turpitude; (iv) your commission of theft, fraud, embezzlement, material breach of trust or any material act of dishonesty involving the Company or any of its subsidiaries; (v) a significant violation by you of the code of conduct of the Company or its subsidiaries, of any material policy of the Company or its subsidiaries, or of any statutory or common law duty of loyalty to the Company or its subsidiaries; or (vi) a material breach by you of the terms of any agreement between the Company or its subsidiaries and you. For purposes of this definition (i) no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your actions or omission was in the best interest of the Company and (ii) your good faith errors in judgment shall not constitute Cause or be considered in any determination of whether Cause exists.

For purposes of this Certificate, "Good Reason" means the occurrence after a Change in Control, without your prior written consent, of any of the following events or conditions:

- a change in your status, title, position or responsibilities (including reporting responsibilities) which represents a material adverse change from your status, title, position or responsibilities as in effect immediately prior thereto; the assignment to you of any duties or responsibilities which are materially inconsistent with your status, title, position or responsibilities; or your removal from or the failure to reappoint or reelect you to any of such offices or positions, except in connection with the termination of your Employment for Disability, Cause, as a result of your death or by you other than for Good Reason;
 - a reduction in the rate of your annual base salary or target annual cash bonus, or a material reduction in your total compensation;
 - the relocation of the offices at which you are principally employed to a location more than twenty-five (25) miles from the location of such office immediately prior to the
-

Change in Control, or the Company's requiring you to be based at a location more than twenty-five (25) miles from such office, except to the extent you were not previously assigned to a principal location and except for required travel on the Company's business to an extent substantially consistent with your business travel obligations at the time of the Change in Control;

- (d) the failure by the Company to pay to you any portion of your then current base salary or annual cash bonus or any other compensation, or to pay to you any portion of an installment of deferred compensation under any deferred compensation program of the Company in which you participated, in each case, within fourteen (14) days of the date such compensation is due and payable in accordance with the terms of the applicable agreement or plan or applicable law; or
- (e) any material reduction in the retirement or welfare benefits or other material benefit or compensation plan made available to you or any materially adverse change in the terms on which those benefits are made available.

In order for a termination for Good Reason to be effective, you must (a) provide notice to the Company specifying in reasonable detail the condition giving rise to the Good Reason no later than the one-hundred and eightieth (180th) day following the occurrence of that condition; (b) provide the Company a period of thirty (30) days to remedy the condition; and (c) terminate your Employment for Good Reason within sixty (60) days following the expiration of the Company's period to remedy if the Company fails to remedy the condition.

For purposes of this Certificate, "Disability" means that you meet one of the following requirements: (1) you are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months or (2) you are, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three months under a disability plan of the Company.

For purposes of this Certificate, "Retirement" means your attainment of age sixty (60) and completion of ten (10) years of continuous Employment with the Company, provided that you have also given the Company six (6) months' advance notice of your intent to retire.

Delivery of Shares.

- i. General Rule. Except as set forth in subsections (ii) through (iv) below, the Company shall within sixty (60) days following the vesting of your Award (after giving effect to any accelerated vesting under "Vesting of your Award" above) deliver the Shares with respect to such vested Award to you (or, in the event of your death, to the person to whom this Award has passed by will or the laws of descent and distribution).
 - ii. Retirement. Notwithstanding subsection (i) above, to the extent that you have satisfied the conditions for Retirement, the Company shall deliver the Shares with respect to your vested Award as soon as practicable following the date that your Employment ceases as a result of your Retirement.
-

- iii. **Change in Control.** Notwithstanding subsections (i) or (ii) above, or anything in Section 7 of the Plan to the contrary, in the event that the Scheduled Vesting Date is accelerated in connection with a Change in Control and your Award is subject to Section 409A as a result of you having satisfied the conditions for Retirement, the Company shall deliver the Shares with respect to your vested Award as soon as practicable following the earlier of your termination of Employment and the Scheduled Vesting Date.
- iv. **Required Delay.** Notwithstanding anything in subsections (i)-(iii) to the contrary, the settlement date with respect to any Award that is subject to Section 409A shall be subject to a delay of six months and one day (or until death if earlier) if such settlement is due to your separation from Employment and you are a "specified employee" as determined in accordance with Section 409A and Company policy.

No Shares will be issued pursuant to this Award unless and until all legal requirements applicable to the issuance or transfer of such Shares have been complied with to the satisfaction of the Administrator and you have made arrangements to pay to the Company any applicable withholding taxes due upon the vesting and/or settlement of your Award, as provided for below.

Rights as a Shareholder; Dividends. This Award shall not be interpreted to bestow upon you any equity interest or ownership in the Company or any Affiliate prior to the date on which the Company delivers Shares to you. You are not entitled to vote any Shares by reason of the granting of this Award. You shall have the rights of a shareholder only as to those Shares, if any, that are actually delivered under this Award at the time such Shares are delivered. You will be entitled to receive dividend equivalents to the extent provided for in this Certificate.

Certain Tax Matters. You are responsible for understanding the general tax consequences of this Award and for seeking advice from your own tax and financial advisors with respect to the tax consequences of this Award to the extent you require or desire such advice.

You must pay to the Company any applicable withholding taxes due upon the vesting and/or settlement of your Award (including, for the avoidance of doubt, any dividend equivalents payable to you in respect of this Award). To satisfy federal, state and local withholding requirements arising in connection with the vesting and/or settlement of this Award, the Company will automatically withhold from the Shares otherwise deliverable to you under this Award (other than any dividend equivalents) that number of whole Shares having an aggregate fair market value not exceeding the minimum withholding amount applicable to the Shares so vesting and/or being settled. If you wish to satisfy your withholding requirements with a cash payment if such election is permitted under Section 409A, as determined by the Company in its discretion, you must make this election through the Administrator and deposit the appropriate funds into your account at least ten (10) calendar days before the date this Award is scheduled to vest. If you wish to increase your tax withholding with respect to such taxes due upon the vesting and/or settlement of this Award (including by having additional Shares withheld from your Award), you must contact the Corporate Compensation Department to determine whether such increase is then permitted or available to you.

Nontransferability. Neither this Award nor any rights with respect thereto may be sold, assigned, transferred (other than by will or the laws of descent and distribution), pledged or otherwise encumbered, except as the Administrator may otherwise determine.

Effect on Employment Rights. This Award shall not confer upon you any right to continue as an employee of the Company or any of its subsidiaries or Affiliates and shall not affect in any way the right of the Company or any subsidiary of the Company or Affiliate to terminate your Employment at any time. Further, any benefits you receive from the grant or vesting of your Award shall not be considered a component of your salary for any purpose, including, without limitation, any salary-related calculations for holiday, sick pay, termination payments, overtime or similar payments.

Provisions of the 2025 Plan. The terms specified in this Certificate are governed by the terms of the 2025 Plan, a copy of which has been provided to you. Information about the 2025 Plan is also included in the Prospectus for the 2025 Plan, a copy of which has also been provided to you. The Administrator has the exclusive authority to interpret the 2025 Plan and this Award. Any interpretation of this Award by the Administrator and any decision made by it with respect to this Award are final and binding on all persons. To the extent there is a conflict between the terms of this Certificate, the 2025 Plan or any employment agreement between you and the Company or any of its Affiliates, the 2025 Plan shall govern (except as it relates to terms expressly defined herein).

Recoupment Policy. This Award and the Shares issued to you upon settlement of this Award are subject to the terms of the Company's Policy for Recoupment of Incentive Compensation and Amended and Restated Policy for Recoupment of Compensation, in each case as applicable and as either may be amended from time to time, and any additional clawback policy subsequently adopted by the Company and, by accepting this Award, you agree to each such policy.

Governing Law. Except as otherwise provided in the 2025 Plan, this Certificate shall be governed and construed by and determined in accordance with the laws of The Commonwealth of Massachusetts, without giving effect to any choice of law or conflict of law provision or rule (whether of The Commonwealth of Massachusetts or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than The Commonwealth of Massachusetts.

You hereby accept your Award subject to the terms set forth herein and in the 2025 Plan.

You and the Company hereby expressly agree that the use of electronic media to indicate confirmation, signature, acceptance, agreement, and delivery shall be legally valid and have the same legal force and effect as if you and the Company executed this Certificate in paper form. In addition, you understand that this Award is discretionary, and that eligibility for an Award under the 2025 Plan is established at the time Awards are made. Therefore, your receiving this Award does not mean that you are guaranteed an Award in the future.

Sean D. Keohane
President & Chief Executive Officer

[Signed Electronically]

[Acceptance Date]

Electronic Signature Acceptance Date

**CABOT CORPORATION
2025 LONG-TERM INCENTIVE PLAN**

Form of Stock Option Award Certificate (see in severance plan)

[Participant Name]

This Certificate evidences the grant to you by Cabot Corporation (the “Company” or “Cabot”), subject to the terms provided herein and in the 2025 Long-Term Incentive Plan (as amended from time to time, the “2025 Plan”), of stock options to purchase the number of shares of common stock of Cabot set forth in the table below (such stock options referred to as your “Award”). The principal terms of your Award are described below. Except as otherwise expressly provided, all capitalized terms used that are not defined herein shall have the same meaning as in the 2025 Plan.

Non-Qualified Stock Option	[Number of Shares Granted]
Grant Date	[Grant Date]
Exercise Price (Per Share)	[Grant price]
Expiration Date	[Expiration date]

General Terms of your Stock Option. Your stock option gives you the right to purchase shares of Stock at the per share exercise price set forth in the table above, subject to the vesting provisions set forth below. This stock option is not intended to constitute an incentive stock option under Section 422 of the Code.

Vesting and Exercisability of your Stock Options. No shares of Stock may be purchased under your Award and none of the stock options subject to your Award may be exercised until the stock options have vested as provided herein. Subject to your continuing Employment through each applicable vesting date, your Award shall vest as follows: 30% of the stock options subject to your Award will vest and become exercisable on the first anniversary of the grant date, 30% of the stock options subject to your Award will vest and become exercisable on the second anniversary of the grant date, and 40% of the stock options subject to your Award will vest and become exercisable on the third anniversary of the grant date. After your stock option vests, unless it is earlier terminated or forfeited as provided below, it is generally exercisable, in whole or in part, at any time prior to its expiration date. Your stock option has a ten-year term. The conditions under which your award may be terminated or forfeited are explained below. For purposes of this Certificate, “Employment” means only your employment relationship with the Company and its Affiliates and shall not include any other service relationship with the Company and its Affiliates. The exercise of your stock options may involve the sale of Stock, and accordingly, **there may be limitations on when you can exercise your stock options under Cabot’s Policy on Transactions in Securities, a copy of which is being provided to you with the Prospectus for the 2025 Plan.**

Circumstances that will lead to the termination or forfeiture of your stock options before the scheduled expiration date. If your Employment ends, the following rules will apply:

- Except as set forth below, all stock options subject to your Award that are unvested immediately prior to the cessation of your Employment for any reason will automatically be forfeited immediately upon the cessation of your Employment. Except as set forth below, all stock options subject to your Award that are vested and outstanding immediately prior to the cessation of your Employment will remain exercisable until the earlier of (i) three months after the date on which your Employment ends or (ii) the stated expiration date, and shall thereafter automatically terminate to the extent not exercised.
- If your Employment ceases because of your death or Disability (including, for the avoidance of doubt, in the event of your death or Disability occurring after you have given the Company notice of your intent to retire but prior to your actual cessation of Employment as a result of your Retirement), all stock options subject to your Award that are not vested and that are outstanding immediately prior to your cessation of Employment will become fully vested and exercisable and will remain exercisable until the earlier of (i) three years following the date on which your Employment ends, or (ii) the stated expiration date, and shall thereafter automatically terminate to the extent not exercised.
- In the event that your Employment is terminated by Cabot or its successor or any of their respective subsidiaries other than for Cause or you resign for Good Reason, in each case, within two years following a Change in Control, all stock options subject to your Award that are not vested and that are outstanding immediately prior to such termination of Employment will become fully vested and exercisable and will remain exercisable until the earlier of (i) three months following the date on which your Employment ends or (ii) the stated expiration date, and shall thereafter automatically terminate to the extent not exercised.
- In the event that your Employment ceases as a result of your Retirement, those stock options subject to your Award that are not vested and that would otherwise have vested at the end of the fiscal year in which your Retirement occurs shall vest on a pro rata basis based on the number of full months during such fiscal year that you have remained in Employment. In addition, all vested and unexercised stock options subject to your Award, including those stock options that vest in accordance with the terms of the immediately preceding sentence, shall remain exercisable until the earlier of (i) three years following the date on which your Employment ends as a result of your Retirement or (ii) the stated expiration date, and shall thereafter automatically terminate to the extent not exercised.
- Notwithstanding anything to the contrary, if your Employment is terminated for Cause or is terminated under circumstances that in the sole discretion of the Administrator would have constituted grounds for your Employment to have been terminated for Cause, all of the stock options subject to your Award (whether vested or unvested) will automatically be forfeited immediately upon such termination of Employment.

Exercising your Stock Options. You may exercise your Award by delivering to the Company's designated broker for stock option exercises (or to the Company in the event the Company does not have a designated broker for stock option exercises) a notice of exercise, in the form provided, with payment of the exercise price and any withholding taxes due upon exercise. The date the Company's designated broker (or the Company in the event the Company does not have a designated broker for stock option exercises) receives your notice of exercise will be the exercise date. You may also choose to exercise your stock options in a cashless exercise through the Company's designated broker. A cashless exercise involves a sale of Cabot stock in the market, with the proceeds applied to the stock option exercise price and any withholding taxes due. In a cashless exercise transaction, the exercise will be deemed to have occurred when the shares are sold by the broker.

Payment of the Exercise Price. You may pay for the shares you are purchasing upon the exercise of your stock option in the following ways:

- in cash, by depositing funds into your account at the Company's designated broker prior to the exercise (or to the Company by wire transfer, certified check or bank cashier's check payable to the Company in the event the Company does not have a designated broker for stock options exercises);
- by cashless exercise through the Company's designated broker for stock option exercises, which shall account for, and include, any required tax withholding;
- by withholding Stock from the total number of shares of Stock acquired upon exercise of your stock options having a fair market value, on the exercise date, equal to the aggregate exercise price of the stock options being exercised and any required tax withholding; or
- by any combination of the above permitted forms of payment.

For purposes of this Certificate, "Cause" means (i) your willful and continued failure to perform substantially your reasonably assigned duties with the Company or any successor entity or any of their respective Affiliates (other than any such failure resulting from your physical or mental incapacity or any such actual, alleged or anticipated failure after you issue a notice of termination for Good Reason) after a written demand for substantial performance is delivered to you by the Company which demand specifically identifies the manner in which the Company believes you have not substantially performed your duties; (ii) your willfully engaging in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise; (iii) your commission of a felony or a crime involving moral turpitude; (iv) your commission of theft, fraud, embezzlement, material breach of trust or any material act of dishonesty involving the Company or any of its subsidiaries; (v) a significant violation by you of the code of conduct of the Company or its subsidiaries, of any material policy of the Company or its subsidiaries, or of any statutory or common law duty of loyalty to the Company or its subsidiaries; or (vi) a material breach by you of the terms of any agreement between the Company or its subsidiaries and you. For purposes of this definition (i) no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your actions or omission was in the best interest of the Company and (ii) your good faith errors in judgment shall not constitute Cause or be considered in any determination of whether Cause exists.

For purposes of this Certificate, "Good Reason" means the occurrence after a Change in Control, without your prior written consent, of any of the following events or conditions:

- (a) a change in your status, title, position or responsibilities (including reporting responsibilities) which represents a material adverse change from your status, title, position or responsibilities as in effect immediately prior thereto; the assignment to you of any duties or responsibilities which are materially inconsistent with your status, title, position or responsibilities; or your removal from or the failure to reappoint or reelect you to any of such offices or positions, except in connection with the termination of your employment for Disability, Cause, as a result of your death or by you other than for Good Reason;
 - (b) a reduction in the rate of your annual base salary or target annual cash bonus, or a material reduction in your total compensation;
-

- (c) the relocation of the offices at which you are principally employed to a location more than twenty-five (25) miles from the location of such office immediately prior to the Change in Control, or the Company's requiring you to be based at a location more than twenty-five (25) miles from such office, except to the extent you were not previously assigned to a principal location and except for required travel on the Company's business to an extent substantially consistent with your business travel obligations at the time of the Change in Control;
- (d) the failure by the Company to pay to you any portion of your then current base salary or annual cash bonus or any other compensation, or to pay to you any portion of an installment of deferred compensation under any deferred compensation program of the Company in which you participated, in each case, within fourteen (14) days of the date such compensation is due and payable in accordance with the terms of the applicable agreement or plan or applicable law; or
- (e) any material reduction in the retirement or welfare benefits or other material benefit or compensation plan made available to you or any materially adverse change in the terms on which those benefits are made available.

In order for a termination for Good Reason to be effective, you must (a) provide notice to the Company specifying in reasonable detail the condition giving rise to the Good Reason no later than the one-hundred and eightieth (180th) day following the occurrence of that condition; (b) provide the Company a period of thirty (30) days to remedy the condition; and (c) terminate your employment for Good Reason within sixty (60) days following the expiration of the Company's period to remedy if the Company fails to remedy the condition.

For purposes of this Certificate, "Retirement" means your attainment of age sixty (60) and completion of ten (10) years of continuous Employment with the Company, provided that you have also given the Company six (6) months' advance notice of your intent to retire.

A cashless exercise involves the sale of Stock in the market, and, therefore, must be completed in accordance with Cabot's Policy on Transactions in Securities. Please review the restrictions on trading contained in the Policy before making arrangements for a cashless exercise. Please note that the trading restrictions in Cabot's Policy on Transactions in Securities do not apply to transactions with the Company, such as the exercise of a stock option with your own funds or the surrender of shares in payment of the exercise price or in satisfaction of any tax withholding obligations, provided you do not sell the shares acquired while in possession of material nonpublic information or, if applicable to you, during a corporate blackout period.

Tax consequences of your Stock Option. You are responsible for understanding the general tax consequences of your Award. Withholding taxes up to the required minimum statutory withholding will be deducted from the proceeds of your option exercise transaction unless other payment arrangements have been made.

Effect on Employment Rights; Rights as a Stockholder. This Award does not confer upon you any right to continue as an employee of the Company or any of its subsidiaries or affiliates and shall not affect in any way the right of the Company or any subsidiary or affiliate of the Company to terminate your Employment at any time. Further, you have no rights as a stockholder with respect to the shares of

Stock subject to this option until the proper exercise of the option and the issuance of the shares with respect to which the option has been exercised.

Provisions of the 2025 Plan. The terms specified in this Certificate are governed by the terms of the 2025 Plan, a copy of which has been provided to you. Information about the 2025 Plan is also included in the Prospectus for the 2025 Plan, a copy of which has also been provided to you. The Administrator has the exclusive authority to interpret the 2025 Plan and this Award. Any interpretation of the Award by the Administrator and any decision made by it with respect to the Award are final and binding on all persons. To the extent there is a conflict between the terms of this Certificate and the 2025 Plan or any employment agreement between you and Cabot or any of its subsidiaries, the 2025 Plan shall govern (except as it relates to terms expressly defined herein).

Recoupment Policy. This Award and the shares issued to you upon any exercise of the Award are subject to the terms of the Company's Policy for Recoupment of Incentive Compensation and Amended and Restated Policy for Recoupment of Compensation, in each case as applicable and as either may be amended from time to time, and any additional clawback policy subsequently adopted by the Company and, by accepting this Award, you agree to each such policy.

Governing Law. Except as otherwise provided in the 2025 Plan, this Certificate shall be governed and construed by and determined in accordance with the laws of The Commonwealth of Massachusetts, without giving effect to any choice of law or conflict of law provision or rule (whether of The Commonwealth of Massachusetts or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than The Commonwealth of Massachusetts.

You hereby accept your Award subject to the terms set forth herein and in the 2025 Plan.

You and the Company hereby expressly agree that the use of electronic media to indicate confirmation, signature, acceptance, agreement, and delivery shall be legally valid and have the same legal force and effect as if you and the Company executed this Certificate in paper form. In addition, you understand that this Award is discretionary, and that eligibility for an award under the 2025 Plan is established at the time awards are made. Therefore, your receiving this Award does not mean that you are guaranteed an award in the future.

Sean D. Keohane
President & Chief Executive Officer

[Signed Electronically]

[Acceptance Date]

Electronic Signature Acceptance Date

Principal Executive Officer Certification

I, Sean D. Keohane, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cabot Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2025

/s/ SEAN KEOHANE
Sean D. Keohane
President and
Chief Executive Officer

Principal Financial Officer Certification

I, Erica McLaughlin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cabot Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2025

/s/ ERICA McLAUGHLIN
Erica McLaughlin
Executive Vice President and
Chief Financial Officer

**Certifications Pursuant to 18 U.S.C. Section 1350,
as Adopted Pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002**

In connection with the filing of the Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 (the "Report") by Cabot Corporation (the "Company"), each of the undersigned hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

1. The Report fully complies with the requirements of section 13 (a) or 15 (d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2025

/s/ SEAN D. KEOHANE

Sean D. Keohane
President and Chief Executive Officer

Date: May 6, 2025

/s/ ERICA McLAUGHLIN

Erica McLaughlin
Executive Vice President and
Chief Financial Officer
