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Â Â Â UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 20549 Â FORM 10-Q Â â˜' QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the quarterly period ended December 31, 2024 or â˜ 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 Â Cabot Corporation (Exact name of registrant as specified in its charter) Â Â Delaware 04-2271897 (State or other jurisdiction ofincorporation or organization) (I.R.S. EmployerIdentification No.) Â Two Seaport Lane, Suite 1400Boston, Massachusetts 02210-2019 (Address of principal executive offices) (Zip Code) Registrantâ€™s telephone number, including area code: (617) 345-0100 Â 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 â˜' No â˜ 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 (Â§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 â˜' No â˜ 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 â€œlarge accelerated filer,â€ â€œaccelerated filer,â€ â€œsmaller reporting company,â€ and â€œemerging growth companyâ€ in Rule 12b-2 of the Exchange Act. Â Large accelerated filer â˜' Accelerated filer â˜ Â Â Â Â Non-accelerated filer â˜ Smaller reporting company â˜ Â Â Â Â Emerging growth company â˜ Â Â 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. â˜ Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes â˜ No â˜' The Company had 54,221,492 shares of common stock, $1.00 par value per share, outstanding as of February 3, 2025. Â Â Â INDEX Â   Â   Â Part I. Financial Information Item 1. Financial Statements CABOT CORPORATION CONSOLIDATED STATEMENTS OF OPERATIONS UNAUDITED Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions, except per share amounts) Â Net sales and other operating revenues Â $ 955 Â Â $ 958 Â Cost of sales Â Â 720 Â Â Â 740 Â Gross profit Â Â 235 Â Â Â 218 Â Selling and administrative expenses Â Â 66 Â Â Â 67 Â Research and technical expenses Â Â 14 Â Â Â 15 Â Income (loss) from operations Â Â 155 Â Â Â 136 Â Interest and dividend income Â Â 6 Â Â Â 9 Â Interest expense Â Â (18) Â Â (22) Other income (expense) Â Â 1 Â Â Â (29) Income (loss) from operations before income taxes Â Â Â and equity in earnings of affiliated companies Â Â 144 Â Â Â 94 Â (Provision) benefit for income taxes Â Â (41) Â Â (34) Equity in earnings of affiliated companies, net of tax Â Â 1 Â Â Â 1 Â Net income (loss) Â Â 104 Â Â Â 61 Â Net income (loss) attributable to noncontrolling interests, net Â Â Â of tax Â Â 11 Â Â Â 11 Â Net income (loss) attributable to Cabot Corporation Â $ 93 Â Â $ 50 Â Â Â Â Â Â Â Weighted-average common shares outstanding: Â Â Â Â Â Â Basic Â Â 54.3 Â Â Â 55.3 Â Diluted Â Â 55.0 Â Â Â 55.8 Â Â Â Â Â Â Â Â Earnings (loss) per common share: Â Â Â Â Â Â Basic Â $ 1.69 Â Â $ 0.88 Â Diluted Â $ 1.67 Â Â $ 0.88 Â Â The accompanying notes are an integral part of these consolidated financial statements. Â CABOT CORPORATION CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) UNAUDITED Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Net income (loss) Â $ 104 Â Â $ 61 Â Other comprehensive income (loss), net of tax Â Â Â Â Â Â Foreign currency translation adjustment, net of tax Â Â (104) Â Â 62 Â Derivatives: net investment hedges Â Â Â Â Â Â (Gains) losses reclassified to interest expense, net of tax Â Â (1) Â Â (1) (Gains) losses excluded from effectiveness testing and amortized to interest expense, net of tax Â Â 1 Â Â Â â€” Â Other comprehensive income (loss), net of tax (provision) benefit of $(4), $1 Â Â (104) Â Â 61 Â Comprehensive income (loss) Â Â â€” Â Â Â 122 Â Net income (loss) attributable to noncontrolling interests, net Â Â Â of tax Â Â 11 Â Â Â 11 Â Foreign currency translation adjustment attributable to Â Â Â noncontrolling interests, net of tax Â Â (7) Â Â 4 Â Comprehensive income (loss) attributable to noncontrolling interests Â Â 4 Â Â Â 15 Â Comprehensive income (loss) attributable to Cabot Corporation Â $ (4) Â $ 107 Â Â The accompanying notes are an integral part of these consolidated financial statements. 4 Â CABOT CORPORATION CONSOLIDATED BALANCE SHEETS ASSETS UNAUDITED Â Â Â December 31, 2024 Â Â September 30, 2024 Â Â Â (In millions) Â Current assets: Â Â Â Â Â Â Cash and cash equivalents Â $ 183 Â Â $ 223 Â Accounts and notes receivable, net of reserve for doubtfulÂ Â Â accounts of $5Â and $5 Â Â 677 Â Â Â 733 Â Inventories: Â Â Â Â Â Â Â Â Â Â Â Raw materials Â Â 139 Â Â Â 150 Â Â Â Â Â Â Finished goods Â Â 331 Â Â Â 333 Â Â Â Â Â Â Other Â Â 66 Â Â Â 69 Â Total inventories Â Â 536 Â Â Â 552 Â Prepaid expenses and other current assets Â Â 100 Â Â Â 97 Â Total current assets Â Â 1,496 Â Â Â 1,605 Â Property, plant and equipment Â Â 4,049 Â Â Â 4,082 Â Accumulated depreciation Â Â (2,493) Â Â (2,548) Net property, plant and equipment Â Â 1,556 Â Â Â 1,534 Â Goodwill Â Â 127 Â Â Â 133 Â Equity affiliates Â Â 13 Â Â Â 23 Â Intangible assets, net Â Â 57 Â Â Â 53 Â Deferred income taxes Â Â 211 Â Â Â 216 Â Other assets Â Â 182 Â Â Â 172 Â Total assets Â $ 3,642 Â Â $ 3,736 Â Â The accompanying notes are an integral part of these consolidated financial statements. 5 Â CABOT CORPORATION CONSOLIDATED BALANCE SHEETS LIABILITIES AND STOCKHOLDERSâ€™ EQUITY UNAUDITED Â Â Â December 31, 2024 Â Â September 30, 2024 Â Â Â (In millions, except share Â Â Â and per share amounts) Â Current liabilities: Â Â Â Â Â Â Short-term borrowings Â $ 100 Â Â $ 45 Â Accounts payable and accrued liabilities Â Â 599 Â Â Â 676 Â Income taxes payable Â Â 39 Â Â Â 43 Â Current portion of long-term debt Â Â 9 Â Â Â 8 Â Total current liabilities Â Â 747 Â Â Â 772 Â Long-term debt Â Â 1,089 Â Â Â 1,087 Â Deferred income taxes Â Â 39 Â Â Â 42 Â Other liabilities Â Â 252 Â Â Â 245 Â ContingenciesÂ (Note F) Â Â Â Â Â Â Stockholders' equity: Â Â Â Â Â Â Preferred stock: Â Â Â Â Â Â Authorized: 2,000,000Â shares of $1Â par value, Issued and Outstanding: NoneÂ and none Â Â â€” Â Â Â â€” Â Common stock: Â Â Â Â Â Â Authorized: 200,000,000Â shares of $1Â par value, Issued: 54,348,447Â and 54,430,316Â shares, Outstanding: 54,215,426Â and 54,297,251Â shares Â Â 54 Â Â Â 54 Â Less cost of 133,021Â and 133,065Â shares of common treasury stock Â Â (3) Â Â (3) Additional paid-in capital Â Â â€” Â Â Â â€” Â Retained earnings Â Â 1,772 Â Â Â 1,734 Â Accumulated other comprehensive income (loss) Â Â (457) Â Â (360) Total Cabot Corporation stockholders' equity Â Â 1,366 Â Â Â 1,425 Â Noncontrolling interests Â Â 149 Â Â Â 165 Â Total stockholders' equity Â Â 1,515 Â Â Â 1,590 Â Total liabilities and stockholders' equity Â $ 3,642 Â Â $ 3,736 Â Â The accompanying notes are an integral part of these consolidated financial statements. 6 Â CABOT CORPORATION CONSOLIDATED STATEMENTS OF CASH FLOWS UNAUDITED Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Cash Flows from Operating Activities: Â Â Â Â Â Â Net income (loss) Â $ 104 Â Â $ 61 Â Adjustments to reconcile net income (loss) to cash provided by operating activities: Â Â Â Â Â Â Depreciation and amortization Â Â 37 Â Â Â 41 Â Deferred tax provision (benefit) Â Â â€” Â Â Â 7 Â Equity in earnings of affiliated companies Â Â (1) Â Â (1) Share-based compensation Â Â 8 Â Â Â 6 Â Other non-cash (income) expense Â Â â€” Â Â Â 37 Â Cash dividends received from equity affiliates Â Â 12 Â Â Â 1 Â Changes in assets and liabilities: Â Â Â Â Â Â Accounts and notes receivable Â Â 18 Â Â Â (7) Inventories Â Â (8) Â Â (19) Prepaid expenses and other assets Â Â (6) Â Â (2) Accounts payable and accrued liabilities Â Â (48) Â Â (20) Income taxes payable Â Â (2) Â Â (10) Other liabilities Â Â 10 Â Â Â 11 Â Cash provided by (used in) operating activities Â Â 124 Â Â Â 105 Â Cash Flows from Investing Activities: Â Â Â Â Â Â Additions to property, plant and equipment Â Â (77) Â Â (54) Cash paid for asset acquisition Â Â (27) Â Â â€” Â Cash provided by (used in) investing activities Â Â (104) Â Â (54) Cash Flows from Financing Activities: Â Â Â Â Â Â Proceeds from issuance (repayments) of commercial paper, net Â Â 55 Â Â Â 32 Â Proceeds from long-term debt Â Â 6 Â Â Â â€” Â Repayments of long-term debt Â Â (1) Â Â (1) Purchases of common stock Â Â (42) Â Â (33) Proceeds from sales of common stock Â Â 2 Â Â Â 7 Â Cash dividends paid to noncontrolling interests Â Â (20) Â Â (12) Cash dividends paid to common stockholders Â Â (24) Â Â (22) Cash provided by (used in) financing activities Â Â (24) Â Â (29) Effects of exchange rate changes on cash Â Â (36) Â Â (16) Increase (decrease) in cash and cash equivalents Â Â (40) Â Â 6 Â Cash and cash equivalents at beginning of period Â Â 223 Â Â Â 238 Â Cash and cash equivalents at end of period Â $ 183 Â Â $ 244 Â Â The accompanying notes are an integral part of these consolidated financial statements. 7 Â CABOT CORPORATION CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERSâ€™ EQUITY UNAUDITED Â Â Â Common Stock, Net of Treasury Stock Â Â AdditionalPaid-in Â Â Retained Â Â Accumulated Other Comprehensive Â Â Total Cabot Corporation Stockholdersâ€™ Â Â Noncontrolling Â Â Total Stockholdersâ€™ Â Â Â Shares Â Â Cost Â Â Capital Â Â Earnings Â Â Income (Loss) Â Â Equity Â Â Interests Â Â Equity Â Â Â (In millions, except share amounts) Â Balance at September 30, 2024 Â Â 54,297 Â Â $ 51 Â Â $ â€” Â Â $ 1,734 Â Â $ (360) Â $ 1,425 Â Â $ 165 Â Â $ 1,590 Â Net income (loss) Â Â Â Â Â Â Â Â Â Â Â 93 Â Â Â Â Â Â 93 Â Â 11 Â Â Â 104 Â Total other comprehensive income (loss) Â Â Â Â Â Â Â Â Â Â Â Â Â Â (97) Â Â (97) Â Â (7) Â Â (104) Cash dividends paid: Â Common stock, $0.43Â per share Â Â Â Â Â Â Â Â Â Â Â (24) Â Â Â Â Â (24) Â Â Â Â (24) Cash dividends declared to noncontrolling interests Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â â€” Â Â Â (20) Â Â (20) Issuance of stock under equity compensation plans Â Â 308 Â Â Â â€” Â Â Â 2 Â Â Â Â Â Â Â Â Â 2 Â Â Â Â Â Â Â 2 Â Share-based compensation Â Â Â Â Â Â Â Â Â 8 Â Â Â Â Â Â Â Â Â Â Â 8 Â Â Â Â Â Â Â 8 Â Purchase and retirement of common stock Â Â (390) Â Â â€” Â Â Â (10) Â Â (31) Â Â Â Â Â (41) Â Â Â Â (41) Balance at December 31, 2024 Â Â 54,215 Â Â $ 51 Â Â $ â€” Â Â $ 1,772 Â Â $ (457) Â $ 1,366 Â Â $ 149 Â Â $ 1,515 Â Â The accompanying notes are an integral part of these consolidated financial statements. 8 Â CABOT CORPORATION CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERSâ€™ EQUITY UNAUDITED Â Â Â Common Stock, Net of Treasury Stock Â Â AdditionalPaid-in Â Â Retained Â Â Accumulated Other Comprehensive Â Â Total Cabot Corporation Stockholdersâ€™ Â Â Noncontrolling Â Â Total Stockholdersâ€™ Â Â Â Shares Â Â Cost Â Â Capital Â Â Earnings Â Â Income (Loss) Â Â Equity Â Â Interests Â Â Equity Â Â Â (In millions, except share amounts) Â Balance at September 30, 2023 Â Â 55,244 Â Â $ 52 Â Â $ â€” Â Â $ 1,574 Â Â $ (362) Â $ 1,264 Â Â $ 143 Â Â $ 1,407 Â Net income (loss) Â Â Â Â Â Â Â Â Â Â Â Â Â Â 50 Â Â Â Â Â Â 50 Â Â Â 11 Â Â Â 61 Â Total other comprehensive income (loss) Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â 57 Â Â Â 57 Â Â Â 4 Â Â Â 61 Â Cash dividends paid: Â Common stock, $0.40Â per share Â Â Â Â Â Â Â Â Â Â Â (22) Â Â Â Â Â (22) Â Â Â Â (22) Cash dividends declared to noncontrolling interests Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â â€” Â Â Â (12) Â Â (12) Issuance of stock under equity compensation plans Â Â 441 Â Â Â â€” Â Â Â 7 Â Â Â Â Â Â Â Â Â 7 Â Â Â Â Â Â 7 Â Share-based compensation Â Â Â Â Â Â Â Â 6 Â Â Â Â Â Â Â Â Â 6 Â Â Â Â Â Â 6 Â Purchase and retirement of common stock Â Â (260) Â Â â€” Â Â Â (13) Â Â (20) Â Â Â Â Â (33) Â Â Â Â Â (33) Balance at December 31, 2023 Â Â 55,425 Â Â $ 52 Â Â $ â€” Â Â $ 1,582 Â Â $ (305) Â $ 1,329 Â Â $ 146 Â Â $ 1,475 Â Â The accompanying notes are an integral part of these consolidated financial statements. 9 Â CABOT CORPORATION NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS December 31, 2024 UNAUDITED A. Basis of PresentationThe consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States (â€œU.S.â€) (â€œGAAPâ€) and include the accounts of Cabot Corporation (â€œCabotâ€ or the â€œCompanyâ€) 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 Cabotâ€™s Annual Report on Form 10-K for its fiscal year ended September 30, 2024 (the â€œ2024 10-Kâ€). 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 December 31, 2024 and 2023. 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 Companyâ€™s significant accounting policies may be obtained by referring to Note A in the 2024 10-K.Argentinian Government ActionsThe Companyâ€™s wholly-owned Argentinian subsidiary operates in a highly inflationary economy and, as a result, the functional currency of the subsidiary is Cabotâ€™s reporting currency, the U.S. dollar. During the three months ended December 31, 2024 and 2023, the Company recorded foreign exchange losses of $2 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 first quarter of fiscal 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 less than $1 million and $12 million, respectively, for the three months ended December 31, 2024 and 2023. The foreign exchange losses and investment gains are recorded in Other income (expense) in the Consolidated Statement of Operations.Recent Accounting PronouncementsIn 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 Companyâ€™s Consolidated Financial Statements.In March 2024, the Securities and Exchange Commission (â€œSECâ€) issued its final rule, The Enhancement and Standardization of Climate-Related Disclosures for Investors that requires the Company to provide certain climate-related information. The rule provides a phased-in compliance period and is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. In April 2024, the SEC voluntarily stayed its rule pending completion of judicial review by the U.S. Court of Appeals for the Eighth Circuit and, therefore, the timing of the effectiveness of these disclosure requirements is uncertain. The Company is currently monitoring the timing of adoption and evaluating the impact of the potential adoption of this standard on the Companyâ€™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 Companyâ€™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 Companyâ€™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 Companyâ€™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 Companyâ€™s Consolidated Financial Statements. Â 10 Â Â C. AcquisitionsIn 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 three months ended December 31, 2024 are as follows:Â Â Â ReinforcementMaterials Â Â PerformanceChemicals Â Â Total Â Â Â (In millions) Â Balance at September 30, 2024 Â $ 48 Â Â $ 85 Â Â $ 133 Â Foreign currency impact Â Â (2) Â Â (4) Â Â (6) Balance at December 31, 2024 Â $ 46 Â Â $ 81 Â Â $ 127 Â Â The following table provides information regarding the Companyâ€™s intangible assets:Â Â Â December 31, 2024 Â Â September 30, 2024 Â Â Â GrossCarryingValue Â Â AccumulatedAmortization Â Â NetIntangibleAssets Â Â GrossCarryingValue Â Â AccumulatedAmortization Â Â NetIntangibleAssets Â Â Â (In millions) Â Intangible assets with finite lives Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Developed technologies(1) Â $ 40 Â Â $ (12) Â $ 28 Â Â $ 34 Â Â $ (12) Â $ 22 Â Trademarks Â Â 2 Â Â Â (1) Â Â 1 Â Â Â 2 Â Â Â (1) Â Â 1 Â Customer relationships Â Â 58 Â Â Â (30) Â Â 28 Â Â Â 60 Â Â Â (30) Â Â 30 Â Total intangible assets Â $ 100 Â Â $ (43) Â $ 57 Â Â $ 96 Â Â $ (43) Â $ 53 Â (1)Included within Developed technologies as of December 31, 2024 is $8 million of intangible assets acquired during the first quarter of fiscal 2025 as discussed in Note C above.Â 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 and $1 million, respectively, for the three months ended December 31, 2024 and 2023. 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) (â€œAOCIâ€)Comprehensive income combines net income (loss) and other comprehensive income items, which are reported as components of stockholdersâ€™ equity in the accompanying Consolidated Balance Sheets.Changes in each component of AOCI, net of tax, were as follows:Â Â Â CurrencyTranslationAdjustment Â Â Pension and OtherPost-retirementBenefit LiabilityAdjustments Â Â Total Â Â Â (In millions) Â Balance at September 30, 2024, attributable to Cabot Corporation Â $ (342) Â $ (18) Â $ (360) Other comprehensive income (loss) before reclassifications Â Â

(104) Â Â â€” Â Â Â (104) Amounts reclassified from AOCI Â Â â€” Â Â Â â€” Â Â Â â€” Â Less: Other comprehensive income (loss) attributable toÂ Â Â noncontrolling interests Â Â (7) Â Â â€” Â Â Â (7) Balance at December 31, 2024, attributable to Cabot Corporation Â $ (439) Â $ (18) Â $ (457) Â 11 Â Â Â CurrencyTranslationAdjustment Â Â Pension and OtherPost-retirementBenefit LiabilityAdjustments Â Â Total Â Â Â (In millions) Â Balance at September 30, 2023, attributable to Cabot Corporation Â $ (353) Â $ (9) Â $ (362) Other comprehensive income (loss) before reclassifications Â Â 62 Â Â Â â€” Â Â Â 62 Â Amounts reclassified from AOCI Â Â (1) Â Â â€” Â Â Â (1) Less: Other comprehensive income (loss) attributable toÂ Â Â noncontrolling interests Â Â 4 Â Â Â â€” Â Â Â 4 Â Balance at December 31, 2023, attributable to Cabot Corporation Â $ (296) Â $ (9) Â $ (305) Â For both three months ended December 31, 2024 and 2023, the Company reclassified $1 million of gain associated with net investment hedges and $1 million and nil, respectively, of losses excluded from net investment hedges effectiveness testing out of AOCI and into interest expense on the Consolidated Statements of Operations. Â F. ContingenciesRespirator LiabilitiesCabot has exposure in connection with a safety respiratory products business that a subsidiary acquired from American Optical Corporation (â€œAOâ€) 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 AOâ€™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 subsidiaryâ€™s assumption of certain of AOâ€™s respirator liabilities, AO agreed to provide to the subsidiary the benefits of: (i) AOâ€™s insurance coverage for the period prior to the 1990 acquisition and (ii) a former ownerâ€™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 workerâ€™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 Cabotâ€™s subsidiary, other parties are responsible for significant portions of the costs of these respirator liabilities (as defined in the 2024 10-K, the â€œPayor Groupâ€).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 December 31, 2024 and September 30, 2024, respectively.The Companyâ€™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 Companyâ€™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 Cabotâ€™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 Cabotâ€™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 MattersThe 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. Â 12 Â G. Income TaxEffective Tax RateÂ Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (Dollars in millions) Â (Provision) benefit for income taxes Â $ (41) Â $ (34) Effective tax rate Â Â 28 % Â Â 36 % Â For the three months ended December 31, 2024 and 2023, the provision for income taxes included a net discrete tax expense of $2 million and $7 million, respectively. Â Income tax in Interim PeriodsThe 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 nondeductible expenses and the Companyâ€™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.UncertaintiesCabot 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 month periods ended December 31, 2024 and 2023, Cabot released uncertain tax positions of $2 million and $1 million, respectively, due to the expiration of statutes of limitations in various jurisdictions. Â 13 Â H. Earnings Per ShareThe following tables summarize the components of the basic and diluted earnings (loss) per

common share (â€œEPSâ€) computations:Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions, except per share amounts) Â Basic EPS: Â Â Â Â Â Â Net income (loss) attributable to Cabot Â Â Â Corporation Â $ 93 Â Â $ 50 Â Less: Dividends and dividend equivalents Â Â Â to participating securities Â Â â€” Â Â Â â€” Â Less: Undistributed earnings allocated toÂ Â Â participating securities(1) Â Â 1 Â Â Â 1 Â Earnings (loss) allocated to commonÂ Â Â stockholders (numerator) Â $ 92 Â Â $ 49 Â Â Â Â Â Â Â Â Weighted average common shares andÂ Â Â participating securities outstanding Â Â 55.2 Â Â Â 56.4 Â Less: Participating securities(1) Â Â 0.9 Â Â Â 1.1 Â Adjusted weighted average common Â Â Â shares (denominator) Â Â 54.3 Â Â Â 55.3 Â Â Â Â Â Â Â Â Earnings (loss) per common share - basic: Â $ 1.69 Â Â $ 0.88 Â Â Â Â Â Â Â Â Diluted EPS: Â Â Â Â Â Â Earnings (loss) allocated to common Â Â Â stockholders Â $ 92 Â Â $ 49 Â Plus: Earnings allocated to Â Â Â participating securities Â Â 1 Â Â Â 1 Â Less: Adjusted earnings allocated to Â Â Â participating securities(2) Â Â 1 Â Â Â 1 Â Earnings (loss) allocated to commonÂ Â Â stockholders (numerator) Â $ 92 Â Â $ 49 Â Â Â Â Â Â Â Â Adjusted weighted average common Â Â Â shares outstanding Â Â 54.3 Â Â Â 55.3 Â Effect of dilutive securities: Â Â Â Â Â Â Common shares issuable(3) Â Â 0.7 Â Â Â 0.5 Â Adjusted weighted average common Â Â Â shares (denominator) Â Â 55.0 Â Â Â 55.8 Â Â Â Â Â Â Â Â Earnings (loss) per common share - diluted: Â $ 1.67 Â Â $ 0.88 Â Â (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 Companyâ€™s Deferred Compensation and Supplemental Retirement Plan, and stock units and phantom stock units accounted for under the Companyâ€™s Non-Employee Directorsâ€™ 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. 14 Â 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:Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Calculation of undistributed earnings (loss): Â Â Â Â Â Â Net income (loss) attributable to Cabot Corporation Â $ 93 Â Â $ 50 Â Less: Dividends declared on common stock Â Â 24 Â Â Â 22 Â Less: Dividends declared on participatingÂ Â Â securities Â Â â€” Â Â Â â€” Â Undistributed earnings (loss) Â $ 69 Â Â $ 28 Â Â Â Â Â Â Â Â Allocation of undistributed earnings (loss): Â Â Â Â Â Â Undistributed earnings (loss) allocated to Â Â Â common stockholders Â $ 68 Â Â $ 27 Â Undistributed earnings allocated to Â Â Â participating stockholders Â Â 1 Â Â Â 1 Â Undistributed earnings (loss) Â $ 69 Â Â $ 28 Â Â (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 Cabotâ€™s equity incentive plans. For the three months ended December 31, 2024 and 2023, 63,807 and 330,331 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. Â I. Financial Instruments and Fair Value MeasurementsThe 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:Â Level 1 Â â€” Â Quoted market prices in active markets for identical assets or liabilities Â Â Â Â Â Level 2 Â â€” Â 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) Â Â Â Â Â Level 3 Â â€” Â Significant unobservable inputs Â 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 three months of either fiscal 2025 or 2024.At December 31, 2024 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 December 31, 2024 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 December 31, 2024 and September 30, 2024, the fair value of the net investment hedge was an asset of $17 million and $1 million, respectively, and was included in Prepaid expenses and other current assets and Other Assets on the Consolidated Balance sheets. At December 31, 2024 and September 30, 2024, the fair value of the forward currency contracts was a net asset of less than $1 million and an asset of less than $1 million, respectively, 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 December 31, 2024 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 other observable inputs. 15 Â The carrying value and fair value of the long-term fixed rate debt were $1.08 billion and $1.06 billion, respectively, as of December 31, 2024, and $1.08 billion and $1.08 billion, respectively, as of September 30, 2024. The fair values of Cabotâ€™s fixed rate long-term debt are estimated based on comparable quoted market prices at the respective period ends. The carrying amounts of Cabotâ€™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 ProgramsThe Company maintains supply chain finance agreements with third-party financial institutions. These agreements allow the Companyâ€™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 supplierâ€™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 $14 million and $16 million as of December 31, 2024 and September 30, 2024, respectively, and are included within Accounts payable and accrued liabilities on the Consolidated Balance Sheets. K. Financial Information by SegmentThe 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 (â€œCODMâ€), who is Cabotâ€™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 (â€œSegment EBITâ€) 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:Â Â Â ReinforcementMaterials Â Â PerformanceChemicals Â Â SegmentTotal Â Â Unallocatedand Other(1) Â Â ConsolidatedTotal Â Â Â (In millions) Â Three Months Ended December 31, 2024 Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Revenues from external customers(2) Â $ 611 Â Â $ 311 Â Â $ 922 Â Â $ 33 Â Â $ 955 Â Income (loss) before income taxes(3) Â $ 130 Â Â $ 45 Â Â $ 175 Â Â $ (31) Â $ 144 Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Three Months Ended December 31, 2023 Â Â Â Â Â Â Â Â Â Â Â Â Â Â Revenues from external customers(2) Â $ 641 Â Â $ 285 Â Â $ 926 Â Â $ 32 Â Â $ 958 Â Income (loss) before income taxes(3) Â $ 129 Â Â $ 34 Â Â $ 163 Â Â $ (69) Â $ 94 Â Â (1)Unallocated and Other includes certain items and eliminations necessary to reflect managementâ€™s reporting of operating segment results. These items are reflective of the segment reporting presented to the CODM. 16 Â (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 reflects external shipping and handling fees, the impact of unearned revenue, and discounting charges for certain Notes receivable. Details are provided in the table below:Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Shipping and handling fees Â $ 28 Â Â $ 30 Â Other Â Â 5 Â Â Â 2 Â Total Â $ 33 Â Â $ 32 Â Â (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:Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Interest expense Â $ (18) Â $ (22) Certain items(a) Â Â Â Â Â Â Legal and environmental matters and reserves Â Â (5) Â Â â€” Â Argentina controlled currency devaluation and other losses (Note B) Â Â â€” Â Â Â (33) Global restructuring activities Â Â â€” Â Â Â (9) Other certain items Â Â (1) Â Â â€” Â Total certain items Â Â (6) Â Â (42) Unallocated corporate costs(b) Â Â (13) Â Â (17) General unallocated income (expense)(c) Â Â 7 Â Â Â 13 Â Less: Equity in earnings of affiliated companies, netÂ Â Â of tax(d) Â Â 1 Â Â Â 1 Â Total Â $ (31) Â $ (69) Â (a)Certain items are items of expense and income that management does not consider representative of the Companyâ€™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 Companyâ€™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.Â Â Â Three Months Ended December 31, 2024 Â Â Â ReinforcementMaterials Â Â PerformanceChemicals Â Â Consolidated Total Â Â Â (In millions) Â Americas Â $ 244 Â Â $ 90 Â Â $ 334 Â Asia Pacific Â Â 247 Â Â Â 144 Â Â Â 391 Â Europe, Middle East and Africa Â Â 120 Â Â Â 77 Â Â Â 197 Â Segment revenues from external customers Â Â 611 Â Â Â 311 Â Â Â 922 Â Unallocated and other Â Â Â Â Â Â Â Â 33 Â Net sales and other operating revenues Â Â Â Â Â Â Â $ 955 Â Â 17 Â Â Â Three Months Ended December 31, 2023 Â Â Â ReinforcementMaterials Â Â PerformanceChemicals Â Â Consolidated Total Â Â Â (In millions) Â Americas Â $ 254 Â Â $ 88 Â Â $ 342 Â Asia Pacific Â Â 260 Â Â Â 120 Â Â Â 380 Â Europe, Middle East and Africa Â Â 127 Â Â Â 77 Â Â Â 204 Â Segment revenues from external customers Â Â 641 Â Â Â 285 Â Â Â 926 Â Unallocated and other Â Â Â Â Â Â Â Â 32 Â Net sales and other operating revenues Â Â Â Â Â Â Â $ 958 Â Â Â 18 Â Item 2. Managementâ€™s Discussion and Analysis of Financial Condition and Results of Operations Recently Issued Accounting Pronouncements Refer to the discussion under the heading â€œRecent Accounting Pronouncementsâ€ 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 (â€œEMEAâ€); 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 â€œproduct mixâ€ 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 â€œ(Provision) Benefit for Income Taxes and Reconciliation of Effective Tax Rate to Operating Tax Rateâ€ includes a discussion and reconciliation of our â€œeffective tax rateâ€ and our â€œoperating tax rateâ€ for the periods presented, as well as managementâ€™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 â€œFirst Quarter of Fiscal 2025 versus First Quarter of Fiscal 2024â€”By Business Segmentâ€ 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 â€œFirst quarter of Fiscal 2025 versus First quarter of Fiscal 2024â€”By Business Segmentâ€. 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 â€œcertain itemsâ€, 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 â€œother unallocated itemsâ€. 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 19 Â 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. â€¢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. â€¢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. â€¢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. â€¢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 Cabotâ€™s processes. â€¢Asset impairment charges, which primarily include charges associated with an impairment of goodwill, other long-lived assets or assets held for sale. â€¢Gains (losses) on sale of a business. â€¢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 first quarter of fiscal 2025, Income (loss) before income taxes and equity in earnings of affiliated companies increased compared to the first quarter of fiscal 2024. The increase was driven by lower foreign currency exchange losses primarily in Argentina and higher earnings in both our Reinforcement Materials and Performance Chemicals segments. First quarter of Fiscal 2025 versus First quarter of Fiscal 2024â€”Consolidated Net Sales and Other Operating Revenues and Gross Profit Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Net sales and other operating revenues Â $ 955 Â Â $ 958 Â Gross profit Â $ 235 Â Â $ 218 Â Â The $3 million decrease in Net sales and other operating revenues in the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024 was driven by less favorable pricing and product mix in both our Reinforcement Materials and Performance Chemicals segments ($40 million combined), partially offset by higher volumes in both our Reinforcement Materials and Performance Chemical segments ($39 million combined). The less favorable pricing and product mix in both our Reinforcement Materials and Performance Chemical segments was primarily due to lower raw material costs that are generally passed through to our customers. The higher volumes was due to higher volumes in Asia Pacific and EMEA in Reinforcement Materials and higher volumes in Performance Chemicals as volumes reconnected to underlying demand drivers in key end markets. For the three months ended December 31, 2024, gross profit increased by $17 million compared to the same period of fiscal 2024. The increase in Gross profit in the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024 was driven primarily by higher volumes in both our Reinforcement Materials and Performance Chemicals segments ($22 million combined). The higher volumes in the Reinforcement Materials segment was primarily in Asia Pacific and EMEA and the higher volumes in the Performance Chemicals segment was primarily due to volumes reconnecting to underlying demand drivers in key end markets. Selling and Administrative Expenses Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Selling and administrative expenses Â $ 66 Â Â $ 67 Â Â Selling and administrative expenses decreased by $1 million in the first quarter of fiscal 2025 compared to the same period of fiscal 2024. 20 Â Research and Technical Expenses Â Â Â Three Months Ended

December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Research and technical expenses Â $ 14 Â Â $ 15 Â Research and technical expenses decreased by $1 million in the first quarter of fiscal 2025, compared to the same period of fiscal 2024. Interest and Dividend Income, Interest Expense and Other Income (Expense) Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Interest and dividend income Â $ 6 Â Â $ 9 Â Interest expense Â $ (18) Â $ (22) Other income (expense) Â $ 1 Â Â $ (29) Â Interest and dividend income decreased by $3 million in the first quarter of fiscal 2025 compared to the same period of fiscal 2024, primarily due to lower interest rates and lower average cash balances. Interest expense decreased by $4 million in the first quarter of fiscal 2025 compared to the same period of fiscal 2024, due to lower average short-term borrowings and lower interest rates. Other income increased by $30 million in the first quarter of fiscal 2025 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 Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (Provision) / Benefit for Income Taxes Â Â Rate Â Â (Provision) / Benefit for Income Taxes Â Â Rate Â Dollars in millions Â Â Â Â Â Â Â Â Â Â Â Â Effective tax rate Â $ (41) Â Â 28 % Â $ (34) Â Â 36 % Less: Non-GAAP tax adjustments(1) Â Â 1 Â Â Â Â Â Â 4 Â Â Â Â Operating tax rate Â $ (42) Â Â 28 % Â $ (38) Â Â 28 % Â (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 â€œDefinition of Terms and Non-GAAP Financial Measuresâ€. For the three months ended December 31, 2024, the (Provision) benefit for income taxes was a provision of $41 million compared to a $34 million provision 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 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 â€œcertain items,â€ 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 Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Equity in earnings of affiliated companies,Â Â Â net of tax Â $ 1 Â Â $ 1 Â Net income (loss) attributable to Â Â Â noncontrolling interests, net of tax Â $ 11 Â Â $ 11 Â Â 21 Â Equity in earnings of affiliated companies, net of tax, remained flat in the first quarter of fiscal 2025, compared to the same period of fiscal 2024. Net income (loss) attributable to noncontrolling interests, net of tax, remained flat in the first quarter of fiscal 2025, compared to the same period of fiscal 2024. Net Income Attributable to Cabot Corporation In the first quarter of fiscal 2025 and fiscal 2024, we reported Net income (loss) attributable to Cabot Corporation of $93 million ($1.67 per diluted common share) and $50 million ($0.88 per dilution common share), respectively. The higher net income in the first quarter of fiscal 2025 compared with the same period in fiscal 2024 is primarily due to lower Argentina controlled currency devaluation and other losses ($33 million) and higher Total segment EBIT ($12 million). First quarter of Fiscal 2025 versus First quarter of Fiscal 2024â€"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 months ended December 31, 2024 and 2023 are included in the following table, and details of each item is set forth in the sections below. Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Income (loss) before income taxes andÂ Â Â equity in earnings of affiliated companies Â $ 144 Â Â $ 94 Â Less: Certain items Â Â (6) Â Â (42) Less: Other unallocated items Â Â (25) Â Â (27) Total segment EBIT Â $ 175 Â Â $ 163 Â Â Certain Items Details of the certain items for the three months ended December 31, 2024 and 2023 are as follows: Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Legal and environmental matters and reserve Â $ (5) Â $ â€" Â Argentina controlled currency devaluation and other losses (Note B) Â Â â€" Â Â Â (33) Global restructuring activities Â Â â€" Â Â Â (9) Other certain items Â Â (1) Â Â â€" Â Total certain items Â $ (6) Â $ (42) Â Other Unallocated Items Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Interest expense Â $ (18) Â $ (22) Unallocated corporate costs Â Â (13) Â Â (17) General unallocated income (expense) Â Â 7 Â Â Â 13 Â Less: Equity in earnings of affiliated Â Â Â companies, net of tax Â Â 1 Â Â Â 1 Â Total other unallocated items Â $ (25) Â $ (27) Â Total other unallocated items decreased by $2 million for the three months ended December 31, 2024, when compared to the same periods in fiscal 2024, primarily due to lower Interest expense and lower Unallocated Corporate costs, partially offset by lower General unallocated income. 22 Â A discussion of items that we refer to as â€œother unallocated itemsâ€ can be found under the heading â€œDefinition of Terms and Non-GAAP Financial Measuresâ€. 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 first quarter of fiscal 2025 and 2024 were as follows: Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Reinforcement Materials Sales Â $ 611 Â Â $ 641 Â Reinforcement Materials EBIT Â $ 130 Â Â $ 129 Â Sales in Reinforcement Materials decreased by $30 million in the first quarter of fiscal 2025 compared to the same period of fiscal 2024, primarily due to less favorable pricing and product mix ($28 million) and lower energy center revenue ($5 million), partially offset by higher volumes primarily in Asia Pacific and EMEA ($5 million). The less favorable pricing and product mix was primarily due to lower raw material costs that are generally passed through to our customers, partially offset by higher pricing in our calendar year 2024 customer agreements. EBIT in Reinforcement Materials in the first quarter of fiscal 2025 increased by $1 million compared to the same period of fiscal 2024. The increase in EBIT was driven by volume growth of approximately 1% primarily in Asia Pacific and EMEA ($2 million), partially offset by lower gross profit per ton ($1 million). The lower gross profit per ton was primarily due to lower energy center revenue and a less favorable geographic mix, partially offset with favorable pricing and product mix in our 2024 calendar year customer agreements. Â As we look to the second quarter of the fiscal year, we expect the Reinforcement Materials segment EBIT to modestly improve sequentially from the first quarter of fiscal 2025 due to an anticipated favorable geographic mix. We anticipate relatively flat volumes sequentially with seasonal improvement and calendar year 2025 customer agreement gains in EMEA, partially offset with lower volumes in Asia Pacific due to the Lunar New Year holiday. Performance Chemicals Sales and EBIT for Performance Chemicals for the first quarter of fiscal 2025 and 2024 were as follows: Â Â Â Three Months Ended December 31 Â Â Â 2024 Â Â 2023 Â Â Â (In millions) Â Performance Chemicals Sales Â $ 311 Â Â $ 285 Â Performance Chemicals EBIT Â $ 45 Â Â $ 34 Â Â Sales in Performance Chemicals increased by $26 million in the first quarter of fiscal 2025 compared to the same period of fiscal 2024, primarily due to higher volumes ($34 million) and the favorable impact from foreign currency translation ($3 million), partially offset by less favorable pricing and product mix ($12 million). The higher volumes were primarily due to volumes reconnecting 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 $11 million in the first quarter of fiscal 2025 compared to the same period of fiscal 2024 primarily due to 8% higher volumes ($20 million), partially offset by lower gross profit per ton ($8 million). The higher volumes in the first quarter of fiscal 2025 was primarily due to volumes reconnecting to underlying demand drivers in key end markets. The lower gross profit per ton was primarily due to higher costs associated with maintenance spend and new assets. As we look to the second quarter of the fiscal year, we expect the Performance Chemicals segment EBIT to modestly improve sequentially from the first quarter of fiscal 2025 due to anticipated higher volumes, primarily from higher seasonal demand in North America and Europe. 23 Â Tariffs Our current outlook does not include any adverse impacts from tariffs announced in February 2025 between the United States and Mexico, Canada and China. Given the dynamic nature of the tariff announcements, related delays and ongoing negotiations between countries, we are assessing the potential impact. In China and Mexico, we expect minimal direct impact as our production is sold mainly within the country. In Canada, a large portion of the production at our Canadian plants is sold in Canada, but also there is production sold to customers in the US. For reinforcing carbons and specialty carbons products, sales from our Canadian operations to almost all of these customers are pursuant to agreements that allow Cabot to pass through taxes and similar charges, such as tariffs. We are also working with our customers on potential alternative supply sources within our large plant network to minimize any negative impact from tariffs, where it is feasible. However, in all cases, if these (or other) tariffs are implemented, there could be a downstream impact on our customer's businesses, and this could impact underlying demand levels for our products. Â Liquidity and Capital Resources Overview Our liquidity position, as measured by cash and cash equivalents plus borrowing availability, decreased by $118 million during the first three months of fiscal 2025, which was largely due to a higher outstanding commercial paper balance at the end of the period. As of December 31, 2024, we had cash and cash equivalents of $183 million and borrowing availability under our revolving credit agreements of $1.1 billion. We have access to borrowings under the following two credit agreements: â€¢$1 billion unsecured revolving credit agreement (the â€œU.S. Credit Agreementâ€) 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. â€¢â‚¬300 million unsecured revolving credit agreement (the â€œEuro Credit Agreementâ€, and together with the U.S. Credit Agreement, the â€œCredit Agreementsâ€), 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 December 31, 2024, 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 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 subsidiariesâ€™ 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 December 31, 2024 and September 30, 2024, we had $113 million of borrowings under the Euro Credit Agreement and no outstanding borrowings under the U.S. Credit Agreement. There was $100 million and $45 million of commercial paper outstanding as of December 31, 2024 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. 24 Â 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 $124 million in the first three months of fiscal 2025 compared to $105 million of cash provided by operating activities during the same period of fiscal 2024. Cash provided by operating activities in the first three months of fiscal 2025 was driven by business earnings excluding the non-cash impacts of depreciation and amortization of $37 million and cash dividends received from one of our equity investments of $12 million, which was partially offset by an increase in net working capital of $38 million. The increase in net working capital was largely driven by a decrease in Accounts Payable and accrued liabilities, and an increase in inventories, partially offset by a decrease in Accounts and notes receivable. Â Cash provided by operating activities in the first three months of fiscal 2024 was driven by business earnings excluding the non-cash impacts of depreciation and amortization of $41 million and foreign exchange losses of $34 million, primarily related to devaluation of the Argentine peso, which was partially offset by an increase in net working capital of $46 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 $104 million of cash in the first three months of fiscal 2025 compared to $54 million of cash consumed in the first three months of fiscal 2024. In the first three months of fiscal 2025 and 2024, investing activities included $77 million and $54 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 three 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 $300 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. Province of Ontario Regulation 419 Update As described in Part 1, Item 1 of the 2024 10-K under the heading â€œSafety, Health, Environment, and Sustainabilityâ€, under the Province of Ontario Ministry of Environment, Conservation and Parksâ€™ (â€œMECPâ€) Regulation 419, a new requirement for sulfur dioxide (â€œSO2â€) emissions went into effect on July 1, 2023 for our reinforcing carbons plant in Sarnia, Ontario. We are out of compliance with this new air standard. MECP has approved our proposed abatement plan, which requires us to install air pollution controls at the plant by July 1, 2028. As part of our abatement plan, we will continue to engage with MECP and other stakeholders. To date, our operations in Sarnia have not been restricted because of this matter. We anticipate that we will need to incur significant capital costs for the installation of these new SO2 emissions controls, particularly during the 24-month period prior to the date of installation. Cash Flows from Financing Activities Financing activities consumed $24 million of cash in the first three months of fiscal 2025 compared to $29 million of cash consumed during the same period of fiscal 2024. In the first three months of fiscal 2025, financing activities primarily consisted of share repurchases of $42 million, dividend payments to stockholders of $24 million, and cash dividends paid to noncontrolling interests of $20 million. These payments were partially offset by net proceeds from the issuance of commercial paper of $55 million and proceeds from long-term debt of $6 million under our Euro Credit Agreement. In the first three months of fiscal 2024, financing activities primarily consisted of share repurchases of $33 million, dividend payments to stockholders of $22 million, and cash dividends paid to noncontrolling interests of $12 million. These payments were partially offset by net proceeds from commercial paper of $32 million and proceeds from sales of common stock of $7 million from stock option exercises. 25 Â Forward-Looking Information This report on Form 10-Q contains â€œforward-looking statementsâ€ 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, geographic mix and volumes in our Reinforcement Materials segment in the second quarter of fiscal 2025, and for earnings and volumes in our Performance Chemicals segment in the second quarter of fiscal 2025, and the principal assumptions underlying these expectations; the possible impact of recently announced trade tariffs between the United States and Mexico, Canada, and China on our operations, results of 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, currency exchange controls, and fluctuations in foreign currency, such as the recent currency movements in Argentina; 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 December 31, 2024 does not differ materially from that discussed under Item 7A of our 2024 10-K. Item 4. Controls and Procedures As of December 31, 2024, 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 December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. 26 Â 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 Cabotâ€™s purchases of its equity securities during the quarter ended December 31, 2024: Â Period Â Total Number ofSharesPurchased(1)(2) Â Â Average PricePaid per Share Â Â Total Number ofShares Purchasedas Part of PubliclyAnnounced Plans orPrograms(1) Â Â Maximum Number (orApproximate DollarValue) of Shares thatMay Yet Be PurchasedUnder the Plans orPrograms(1) Â October 1, 2024 - October 31, 2024 Â Â â€" Â Â Â Â Â Â â€" Â Â Â 1,300,971 Â November 1, 2024 - November 30, 2024 Â Â â€" Â Â Â Â Â Â â€" Â Â Â 1,300,971 Â December 1, 2024 - December 31, 2024 Â Â 284,500 Â Â $ 105.45 Â

Â Â 284,500 Â Â Â 11,016,471 Â Total Â Â 284,500 Â Â Â Â Â Â 284,500 Â Â Â Â (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 104,437 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. Â Item 5. Other Information During our fiscal quarter ended December 31, 2024, 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). Â Â Item 6. Exhibits Â Exhibit No. Â Description Â Â Â Exhibit 3.1 Â Restated Certificate of Incorporation of Cabot Corporation effective January 9, 2009 (incorporated herein by reference to Exhibit 3.1 of Cabotâ€™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). Â Â Â Exhibit 3.2 Â The By-laws of Cabot Corporation as amended May 11, 2023 (incorporated herein by reference to Exhibit 3.1 of Cabot Corporationâ€™s Current Report on Form 8-K, file reference 1-5667, filed with the SEC on May 15, 2023). Â Â Â Exhibit 31.1* Â Certification of Principal Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act. Â Â Â Exhibit 31.2* Â Certification of Principal Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act. Â Â Â Exhibit 32** Â Certifications of the Principal Executive Officer and the Principal Financial Officer pursuant to 18 U.S.C. Section 1350. Â Â Â Exhibit 101.INS* Â Inline XBRL Instance Document â€“ the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. Â Â Â Exhibit 101.SCH* Â Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Document. Â Â Â Exhibit 104* Â The cover page from the Companyâ€™s Quarterly Report on Form 10-Q for the quarter ended December 31, 2024, formatted in Inline XBRL (included in Exhibit 101). Â * Filed herewith. 27 Â ** Furnished herewith. 28 Â SIGNATURES Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized. Â Â Â CABOT CORPORATION Â Â Â Â Date: February 6, 2025 Â By: /s/ Erica McLaughlin Â Â Â Erica McLaughlin Â Â Â Executive Vice President and Chief Financial Officer Â Â Â (duly authorized officer) Â Â Â Â Â Â Â Â Date: February 6, 2025 Â By: /s/ Lisa m. Dumont Â Â Â Lisa M. Dumont Â Â Â Vice President, Chief Accounting Officer and Controller(chief accounting officer) Â 29 EX-31.1 Â Exhibit 31.1 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 registrantâ€™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 registrantâ€™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 registrantâ€™s internal control over financial reporting that occurred during the registrantâ€™s most recent fiscal quarter (the registrantâ€™s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrantâ€™s internal control over financial reporting; and 5.The registrantâ€™s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrantâ€™s auditors and the audit committee of the registrantâ€™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 registrantâ€™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 registrantâ€™s internal control over financial reporting. Â Date: February 6, 2025 /s/ SEAN KEOHANE Sean D. Keohane President andChief Executive Officer Â Â EX-31.2 Â Exhibit 31.2 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 registrantâ€™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 registrantâ€™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 registrantâ€™s internal control over financial reporting that occurred during the registrantâ€™s most recent fiscal quarter (the registrantâ€™s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrantâ€™s internal control over financial reporting; and 5.The registrantâ€™s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrantâ€™s auditors and the audit committee of the registrantâ€™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 registrantâ€™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 registrantâ€™s internal control over financial reporting. Â Date: February 6, 2025 /s/ Erica McLaughlin Erica McLaughlin Executive Vice President andChief Financial Officer Â Â EX-32 Â Exhibit 32 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 December 31, 2024 (the â€œReportâ€) by Cabot Corporation (the â€œCompanyâ€), 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. Â Date: February 6, 2025 Â /s/ Sean D. Keohane Â Â Sean D. Keohane Â Â President and Chief Executive Officer Â Â Â Date: February 6, 2025 Â /s/ Erica McLaughlin Â Â Erica McLaughlin Â Â Executive Vice President andChief Financial Officer Â Â