



"Drive to Zero" is a Cabot commitment based on a conviction that all safety and environmental incidents are preventable. Using Drive to Zero as our guide, we continue to meet ever more challenging goals to deliver long-term sustainability in safety, health and environmental performance. This in turn contributes to our overall business success.

The recent global economic crisis has forced many organizations to look closely at their business model and priorities. Cabot was no different. Over the last year, we made several important decisions that will strengthen our ability to serve our customers. However, throughout all of the challenges of 2009, Cabot's commitment to sustainability has not changed. We are proud of our performance in this area and are very pleased to update you on our progress.

We continue to strive for zero safety and environmental incidents and remain committed to minimizing the impact of our operations in communities where we live and work. Our intense focus on reducing the number of injuries in our plants maintains Cabot's long history of world class performance in safety. We completed our fiscal year 2009 with a global TRIR of .36. While we are proud of our performance, we stand firm in our belief that all injuries are preventable and we will continue to "Drive to 0".

We have also made solid progress with respect to our environmental footprint. We are pursuing excellence in this objective with the same vigilance and commitment we have demonstrated in safety. Our license to operate depends upon our ability to manufacture our products safely, consistent with regulatory requirements. We know the communities where we operate expect us to perform flawlessly in this area.

Direct financial support from our corporate giving program and our employee's volunteer service in community-based organizations has been critically important in these difficult economic times. Our employees are leaders in their communities, and we are pleased to highlight a few of the many efforts they are participating in around the globe.

To be successful over the long-term, it is vitally important to establish aggressive targets as we have done in the financial and sustainability areas. Financially, we aim to achieve \$3 earnings per share by 2012 and a 13 percent return on invested capital by 2014. Environmentally, we have publicly committed to reducing our greenhouse gas intensity 20 percent, off a 2005 baseline, by 2020. This is consistent with our historical focus of decreasing raw material and energy inputs and reducing emissions in our operations.

At Cabot, we are constantly pursuing opportunities that improve our overall business performance, including efforts aimed at ensuring the safety of our employees, contractors, the environment, and the communities in which we operate. We are proud of how far we have come on our journey to '0' and we will not be satisfied until we reach our goal. Because sustainability matters, we are committed to pursuing excellence with urgency for the continued long-term growth of Cabot.

Thank you for your interest in Cabot and we welcome your feedback.

Patrick Prevost, CEO and President

