



Koppers Announces Plans to Enter the Copper Naphthenate Market

February 27, 2020

Further Vertical Integration Business Model; Consistent with Wood-Preservation Strategy

PITTSBURGH, Feb. 27, 2020 /PRNewswire/ -- Koppers Holdings Inc. (NYSE: KOP), an integrated global provider of treated wood products, wood treatment chemicals and carbon compounds, today announced plans to enter the copper naphthenate wood preservative market. This approach is consistent with its strategy to grow its presence in wood preservation markets. Koppers is actively evaluating opportunities to develop in-house manufacturing capabilities of copper naphthenate to further its vertical integration business model. In addition, the company may also consider entering into supply arrangements with one or more source(s), as appropriate.



This move partially fills an industry gap left by Cabot Microelectronics' (Cabot) previously announced decision to exit the production of pentachlorophenol (penta). Penta is estimated at a market size of approximately \$40 million and is one of three major treatment alternatives (chromated copper arsenate and creosote being the other two) currently used in the treatment of utility poles in North America. Koppers does not manufacture penta and after a careful analysis has decided against doing so due to the likelihood of increased regulatory pressure. Koppers does treat with penta and will continue to support its customers while assisting them in making the transition to a preservative choice that best fits their needs. The future of penta was significantly jeopardized when it was named as a Persistent Organic Pollutant (POP) by the Stockholm Convention's POP Review Committee in 2015 and targeted for elimination or restriction by the Convention's 183 member countries. With Cabot's exit announcement in November 2019, it is anticipated that the supply will cease or decline significantly by the end of 2021.

President and Chief Executive Officer Leroy Ball commented, "We take seriously our responsibility as stewards in the industries we serve, given that our products play a significant role in the global infrastructure. The transition from penta to other preservative systems represents an important decision point for the utility industry, and we plan to assist in every way we can to help customers understand the pros and cons of each system so that they are in a position to make an informed choice."

About Koppers

Koppers, with corporate headquarters in Pittsburgh, Pennsylvania, is an integrated global provider of treated wood products, wood treatment chemicals and carbon compounds. Our products and services are used in a variety of niche applications in a diverse range of end-markets, including the railroad, specialty chemical, utility, residential lumber, agriculture, aluminum, steel, rubber, and construction industries. Including our joint ventures, we serve our customers through a comprehensive global manufacturing and distribution network, with facilities located in North America, South America, Australasia, China and Europe. The stock of Koppers Holdings Inc. is publicly traded on the New York Stock Exchange under the symbol "KOP." For more information, visit us on the Web: www.koppers.com. Questions concerning investor relations should be directed to Michael Zugay at 412 227 2231 or Quynh McGuire at 412 227 2049.

Safe Harbor Statement

Certain statements in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and may include, but are not limited to, statements about sales levels, acquisitions, restructuring, declines in the value of Koppers assets and the effect of any resulting impairment charges, profitability and anticipated expenses and cash outflows. All forward-looking statements involve risks and uncertainties. All statements contained herein that are not clearly historical in nature are forward-looking, and words such as "outlook," "guidance," "forecast," "believe," "anticipate," "expect," "estimate," "may," "will," "should," "continue," "plan," "potential," "intend," "likely," or other similar words or phrases are generally intended to identify forward-looking statements. Any forward-looking statement contained herein, in other press releases, written statements or other documents filed with the Securities and Exchange Commission, or in Koppers communications and discussions with investors and analysts in the normal course of business through meetings, phone calls and conference calls, regarding expectations with respect to sales, earnings, cash flows, operating efficiencies, restructurings, the benefits of acquisitions, divestitures, joint ventures or other matters as well as financings and debt reduction, are subject to known and unknown risks, uncertainties and contingencies.

Many of these risks, uncertainties and contingencies are beyond our control, and may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Factors that might affect such forward-looking statements include, among other things, the impact of changes in commodity prices, such as oil and copper, on product margins; general economic and business conditions; potential difficulties in protecting our intellectual property; the ratings on our debt and our ability to repay or refinance our outstanding indebtedness as it matures; our ability to operate within the limitations of our debt covenants; potential impairment of our goodwill and/or long-lived assets; demand for Koppers goods and services; competitive conditions; interest rate and foreign currency rate fluctuations; availability and costs of key raw materials;

unfavorable resolution of claims against us, as well as those discussed more fully elsewhere in this release and in documents filed with the Securities and Exchange Commission by Koppers, particularly our latest annual report on Form 10-K and quarterly report on Form 10-Q. Any forward-looking statements in this release speak only as of the date of this release, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after that date or to reflect the occurrence of unanticipated events.

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