Charting Our COURSE

2020 Sustainability Report Update

June 2021
Forward-Looking Statements

Some of the information presented in this presentation, the conference call and discussions that follow, including, without limitation, statements with respect to product development, market trends, price, expected growth and earnings, demand for our products, capital projects, tax rates, stock repurchases, dividends, cash flow generation, economic trends, outlook, guidance, and all other information relating to matters that are not historical facts may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the views expressed.

Factors that could cause actual results to differ materially from the outlook expressed or implied in any forward-looking statement include, without limitation: changes in economic and business conditions; changes in financial and operating performance of our major customers and industries and markets served by us; the timing of orders received from customers; the gain or loss of significant customers; competition from other manufacturers; changes in the demand for our products or the end-user markets in which our products are sold; limitations or prohibitions on the manufacture and sale of our products; availability of raw materials; increases in the cost of raw materials and energy, and our ability to pass through such increases to our customers; changes in our markets in general; fluctuations in foreign currencies; changes in laws and government regulation impacting our operations or our products; the occurrence of regulatory actions, proceedings, claims or litigation; the occurrence of cyber-security breaches, terrorist attacks, industrial accidents, natural disasters or climate change; hazards associated with chemicals manufacturing; the inability to maintain current levels of product or premises liability insurance or the denial of such coverage; political unrest affecting the global economy, including adverse effects from terrorism or hostilities; political instability affecting our manufacturing operations or joint ventures; changes in accounting standards; the inability to achieve results from our global manufacturing cost reduction initiatives as well as our ongoing continuous improvement and rationalization programs; changes in the jurisdictional mix of our earnings and changes in tax laws and rates; changes in monetary policies, inflation or interest rates that may impact our ability to raise capital or increase our cost of funds, impact the performance of our pension fund investments and increase our pension expense and funding obligations; volatility and uncertainties in the debt and equity markets; technology or intellectual property infringement, including cyber-security breaches, and other innovation risks; decisions we may make in the future; the ability to successfully execute, operate and integrate acquisitions and divestitures; uncertainties as to the duration and impact of the coronavirus (COVID-19) pandemic; and the other factors detailed from time to time in the reports we file with the SEC, including those described under “Risk Factors” in our most recent Annual Report on Form 10-K and any subsequently filed Quarterly Reports on Form 10-Q. These forward-looking statements speak only as of the date of this presentation. We assume no obligation to provide any revisions to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws.
Non-GAAP Financial Measures

It should be noted that adjusted net income attributable to Albemarle Corporation ("adjusted earnings"), adjusted diluted earnings per share attributable to Albemarle Corporation, adjusted effective income tax rates, segment operating profit, segment income, pro-forma net sales, net sales excluding the impact of foreign exchange translation ("ex FX"), EBITDA, adjusted EBITDA, adjusted EBITDA by operating segment, EBITDA margin, adjusted EBITDA margin, pro-forma adjusted EBITDA, pro-forma adjusted EBITDA margin, adjusted EBITDA ex FX, adjusted EBITDA margin ex FX, net debt to adjusted EBITDA, and gross debt to adjusted EBITDA are financial measures that are not required by, or presented in accordance with, accounting principles generally accepted in the United States, or GAAP. These measures are presented here to provide additional useful measurements to review our operations, provide transparency to investors and enable period-to-period comparability of financial performance. The Company's chief operating decision makers use these measures to assess the ongoing performance of the Company and its segments, as well as for business and enterprise planning purposes.

A description of these and other non-GAAP financial measures that we use to evaluate our operations and financial performance, and reconciliation of these non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP, can be found in the Appendix to this presentation. The Company does not provide a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP, as the Company is unable to estimate significant non-recurring or unusual items without unreasonable effort. The amounts and timing of these items are uncertain and could be material to the Company's results calculated in accordance with GAAP.
What’s New

- Setting sustainability targets for GHG emissions and freshwater use
- Launching climate strategy that aligns with our customers’ sustainability goals
- Aligning with global standards – recently signed UN Global Compact
- Continuing our sustainability journey – next steps

WE ARE DEDICATED TO GROWING RESPONSIBLY AS WE CLOSELY PARTNER WITH OUR CUSTOMERS TO MAKE THE WORLD SAFER, MORE SUSTAINABLE, AND ENVIRONMENTALLY SOUND.

- Kent Masters, Chairman and CEO
Diversified Portfolio with Healthy Margins

Key Stats

- Founded: 1887 (134 years)
- Global Employees: ~5,900
- Countries: ~75

Financial Highlights

- Net Sales: $3.2B
- Net Income: $364M
- Adj. EBITDA: $852M
- Adj. EBITDA Margin: 26%

Lithium

- 37% of Net Sales
- 35% Adj. EBITDA Margin
- ~20% Industry Growth

Catalysts

- 25% of Net Sales
- 13% Adj. EBITDA Margin

Bromine

- 31% of Net Sales
- 33% Adj. EBITDA Margin

Revenue by Geography

- 26% North America
- 24% EMEA
- 48% Asia (14% in China)
- 2% RoW

1 As of December 31, 2020, including JBC. 2 For the 12 months ended March 31, 2021. Adj. numbers are non-GAAP financial measures. See Appendix for definition and non-GAAP reconciliations of historical measures. 3 Total net sales includes Lithium, Catalysts, Bromine Specialties and Other (FCS) 4 Attributable to Albemarle Corporation. 5 2020-2025E Lithium demand projections from Roskill, CRU Group, Benchmark. 6 Based on management estimates.
As defined by the Sustainability Accounting Standards Board (SASB) standard RT-CH-410a.1, net sales from products designed for use-phase resource efficiency. Includes 2020 Lithium energy storage net sales and refining catalysts net sales.

Based on approximate average of 2019 and 2020 net sales splits.

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### Businesses Driven by Increased Sustainability Measures

<table>
<thead>
<tr>
<th>Applications²</th>
<th>Primary End-Market(s)</th>
<th>Primary Driver(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LITHIUM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>~60% Energy Storage</td>
<td>Automotive, Grid Storage, Electronics</td>
<td>Electrification, EV Sales</td>
</tr>
<tr>
<td>~20% Industrial</td>
<td>Specialty Glass, Lubricants, Health</td>
<td>Consumer Spending Industrial Production</td>
</tr>
<tr>
<td>~20% Specialties</td>
<td>Tires, Pharma, Agriculture</td>
<td>Consumer Spending Industrial Production</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CATALYSTS</th>
<th>Refinery Fluid Cracking Catalysts</th>
<th>Refinery Clean Fuel Technology</th>
<th>Organometallics, Curatives</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>~50% FCC</td>
<td></td>
<td></td>
<td></td>
<td>Miles Driven, Transportation Fuel Consumption, Chemicals Output</td>
</tr>
<tr>
<td>~30% CFT (HPC)</td>
<td></td>
<td></td>
<td></td>
<td>Environmental Sulfur Regulations, Miles Driven, Transportation Fuel Consumption</td>
</tr>
<tr>
<td>~20% PCS</td>
<td></td>
<td></td>
<td></td>
<td>Consumer Spending Industrial Production</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BROMINE</th>
<th>Appliances, Automotive, Buildings, Telecom/5G</th>
<th>PET, Completion Fluid, Ag/Pharma/Other</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>~60% Fire Safety Solutions</td>
<td>Electronics, Auto, Internet of Things (“IoT”)</td>
<td>PET Plastics, Chemical Synthesis, Auto, Offshore Drilling</td>
<td></td>
</tr>
<tr>
<td>~40% Other</td>
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</table>

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~50% of net sales from products that enable reduced GHG-emissions / increased resource efficiency

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¹ As defined by the Sustainability Accounting Standards Board (SASB) standard RT-CH-410a.1, net sales from products designed for use-phase resource efficiency. Includes 2020 Lithium energy storage net sales and refining catalysts net sales.

² Based on approximate average of 2019 and 2020 net sales splits.
Sustainability Is Core to Our Long-term Strategy

**GROW PROFITABLY**

- Pursue profitable growth to align with customer demand
- Build capabilities to accelerate lower capital intensity, higher-return projects

**MAXIMIZE PRODUCTIVITY**

- Optimize earnings and cash flow generation across all our businesses
- Drive productivity through operational discipline

**INVEST WITH DISCIPLINE**

- Focus investment capital on highest-return opportunities
- Generate shareholder value through continual portfolio assessment: buy vs build
- Maintain Investment Grade credit rating and support our dividend

**ADVANCE SUSTAINABILITY**

- Enable our customers’ sustainability ambitions
- Continue to implement and improve ESG performance across all our businesses
Sustainability Framework Aligns with Strategy

Updated to include greater prominence of business resilience and value chain.
# Charting Our Course: Progress to Date

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<tr>
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<tbody>
<tr>
<td></td>
<td>• Developed Salar de Atacama hydrogeological model, yield Improvement technology</td>
<td>• Set baseline data: Energy, GHG, Freshwater</td>
<td>• Set baseline data: Air Quality, Waste</td>
</tr>
<tr>
<td></td>
<td>• Joined voluntary emission reduction (VECAP) to increase awareness of chemical handling processes throughout the value chain</td>
<td>• Invested in thermal evaporator (Chile), GHG reduction (Netherlands)</td>
<td>• Set targets: GHG, Freshwater</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Launched Climate Strategy</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Invested in Freshwater conservation and reclamation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Completed 1st IRMA self-assessment</td>
</tr>
<tr>
<td>People, Workplace &amp; Community</td>
<td>• Launched “Journey to Zero” safety campaign</td>
<td>• Achieved 1st quartile safety performance</td>
<td>• Set 1st decile safety performance target</td>
</tr>
<tr>
<td></td>
<td>• Initiated Employee Resource Groups (ERGs)</td>
<td>• Improved performance management, initiated “LAUNCH” talent program, employee culture survey</td>
<td>• Appointed DE&amp;I officer, launched sustainability strategy, signed CEO Action for Diversity &amp; Inclusion</td>
</tr>
<tr>
<td></td>
<td>• Created Albemarle Foundation</td>
<td>• Expanded Albemarle Foundation internationally</td>
<td>• Updated policies: Human Rights, Community Relations &amp; Indigenous People, Labor</td>
</tr>
<tr>
<td>Sustainable Shareholder Value</td>
<td>• Committed to maintain Investment Grade credit rating</td>
<td>• Implemented single ERP</td>
<td>• Proved business resilience: continued operations, maintained Investment Grade credit rating, positive cash flow through recession</td>
</tr>
<tr>
<td></td>
<td>• Launched NIST cybersecurity framework</td>
<td>• Launched successful sustainable cost reduction program</td>
<td>• Restructured global supply chain organization, rationalized vendors</td>
</tr>
<tr>
<td></td>
<td>• Reported under GRI since 2008</td>
<td>• Completed 3rd party materiality assessment</td>
<td>• Elected critical DOE lithium research partner</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Improved reporting: sustainability framework</td>
<td>• Refreshed Board of Directors oversight and cadence, established sustainability steering team and program office</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Launched eCode of Conduct and revised policies</td>
<td>• Aligned with leading standards: UN Global Compact, UN SDGs, SASB, S&amp;P 500 ESG</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Updated policies including: Responsible Sourcing, Antitrust, Business Partner Code of Conduct</td>
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### ACCELERATING SUSTAINABILITY ACTIVITIES TO GENERATE LONG-TERM VALUE
Setting Our Initial Environmental Targets

INITIAL TARGETS FOR GHG EMISSIONS AND FRESHWATER USE; ADDITIONAL METRICS TO FOLLOW

As defined by the World Resources Institute (WRI), includes our operations in Chile and Jordan.

1. The carbon-intensity of our Catalysts and Bromine businesses by a combined 35% by 2030, in line with science-based targets.
2. The intensity of freshwater usage by 25% by 2030 in areas of high and extremely high water-risk.
3. Our Lithium business in a carbon-intensity neutral manner through 2030.
Launching Our Climate Strategy

Three Overarching Focus Areas

- Enabling Our Customers’ Sustainability Ambitions
- Collaborating with All Our Stakeholders
- Measuring Progress and Improving Business Results

Our products enable GHG-reductions

**Lithium**
1 kg of CO$_2$ emitted in our lithium production = over 50 kg of CO$_2$ avoidance per year in the transportation use phase

**Catalysts**
Refining catalysts enable cleaner, more efficient transportation fuels and reduced GHG emissions by refiners

**Bromine**
Enables production of bromobutyl rubber to extend tire life, reduce fuel consumption, and minimize CO$_2$ emissions
Reducing carbon footprint is a multi-decade journey

- Measure and calculate GHG emissions of our operations according to the GHG protocol
- Include sustainability criteria in the design phase of our plants and products
- Identify and implement projects to reduce GHG emissions and improve energy efficiency
- Evaluate the social and environmental cost of CO\textsubscript{2} to balance traditional financial parameters in investment decisions

Hierarchy of emission reduction measures starts with avoidance and reductions and ends with off-sets

- Local energy savings programs
- Insulation of process units
- Identify and eliminate fugitive emissions
- Efficiency and recycling projects
- Heat integration program (Netherlands)
- Smart design of new plants
- Coal to natural gas in China (e.g., Xinyu - 2017)
- Procure renewable electricity
- Gas to green electricity
- Evaluate emerging technologies (e.g., carbon capture and storage)
- Potential forestation projects

Reducing carbon footprint is a multi-decade journey
Enabling Our Customers’ Sustainability Ambitions

Partnering with our strategic customers to create a more sustainable supply chain

- **Large client base across broad range of end markets**
  - ~2,300 customers
  - Energy, electronics, automotive, chemicals, construction, life sciences

- **Working with customers to increase supply chain transparency**
  - Assessing Scope 3 emissions
  - Creating life cycle assessments (LCA)
  - Conducting site assessments in partnership with industry associations (e.g., IRMA)

**Committed to helping customers achieve their sustainability objectives**

Collaborative multi-stakeholder process
Aligning Carbon Strategy with Leading Standards and Frameworks

Engaging with our stakeholders to affect positive change and minimize disruption as we progress on our journey

2021: Reporting under CDP’s system

2022: Evaluate disclosure under TCFD

Ongoing: Identify opportunities to set SBTs

COOPERATING WITH DIVERSE STAKEHOLDERS TO ADDRESS CLIMATE CHANGE
Strengthening Our Commitment with Global Standards

Announced signing of UN Global Compact on April 22, 2021
Selected SDGs Align with Our Sustainable Approach

**Natural Resource Management**
We responsibly manage our use of resources and materials.

**People, Workplace & Community**
We are committed to building an inclusive and diverse workplace. We promote collaboration and engage in the communities where we work and live.

**Sustainable Shareholder Value**
We foster the conditions that create sustainable, long-term value for our shareholders and stakeholders.
Charting Our Course: Next Steps

H2/2021 & 2022+

**Natural Resource Management**
- Build infrastructure to assess, measure, and track progress on targets
- Identify, plan, and execute portfolio of projects to achieve targets
- Begin CDP reporting
- Evaluate Task Force on Climate-Related Financial Disclosures (TCFD)
- Assess Scope 3 GHG emissions
- Initiate Life Cycle Assessments (LCAs)
- Complete 1st third-party IRMA site assessment, additional self assessments

**People, Workplace & Community**
- Set baseline data for Talent, DE&I
- Set additional targets, including for DE&I
- Review policies: political contribution

**Sustainable Shareholder Value**
- Leverage ERP to improve supply chain sustainability
- Incorporate sustainability and climate risks into Enterprise Risk Management process
- Improve reporting and transparency: report assurance
- Revise policies: tax transparency

**ACCELERATING SUSTAINABILITY ACTIVITIES TO GENERATE LONG-TERM VALUE**
Charting Our Course to a More Sustainable Future

1. Industry-leading businesses that power a sustainable future

2. Opportunity to invest in clean energy and sustainable solutions through all three businesses

3. Best-in-class resource and diversified asset base, with identified projects to grow responsibly

4. Accelerating our sustainability initiatives to minimize risk and pursue stakeholder value

5. Strong financial performance delivering growth and capital discipline
Appendix
Non-GAAP Reconciliations
# Definitions of Non-GAAP Measures

<table>
<thead>
<tr>
<th>NON-GAAP MEASURE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Net Income</td>
<td>Net income attributable to Albemarle Corporation before non-recurring, other unusual and non-operating pension and OPEB.</td>
</tr>
<tr>
<td>Pro-forma Adjusted Net Income</td>
<td>Net income attributable to Albemarle Corporation before non-recurring, other unusual and non-operating pension and OPEB items, and the net impact of the divested business.</td>
</tr>
<tr>
<td>Adjusted Diluted EPS</td>
<td>Diluted EPS before non-recurring, other unusual and non-operating pension and OPEB.</td>
</tr>
<tr>
<td>Pro-forma Adjusted Diluted EPS</td>
<td>Diluted EPS before non-recurring, other unusual and non-operating pension and OPEB items, and the net impact of the divested business.</td>
</tr>
<tr>
<td>EBITDA</td>
<td>Net income attributable to Albemarle Corporation before interest and financing expenses, income taxes, and depreciation and amortization.</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>EBITDA before non-recurring, other unusual and non-operating pension and OPEB.</td>
</tr>
<tr>
<td>Pro-forma Adjusted EBITDA</td>
<td>Adjusted EBITDA before the net impact of EBITDA of the divested business.</td>
</tr>
<tr>
<td>Pro-forma Net Sales</td>
<td>Net Sales before the impact of Net Sales from the divested business.</td>
</tr>
<tr>
<td>Adjusted Effective Income Tax Rate</td>
<td>Reported effective income tax rate before the tax impact of non-recurring, other unusual and non-operating pension and OPEB items.</td>
</tr>
</tbody>
</table>
### Adjusted EBITDA *(twelve months ended)*

<table>
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</thead>
<tbody>
<tr>
<td>Net income attributable to Albemarle Corporation</td>
<td>$506,863</td>
<td>$438,289</td>
<td>$381,520</td>
<td>$375,764</td>
<td>$364,237</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>217,895</td>
<td>222,788</td>
<td>226,980</td>
<td>231,984</td>
<td>240,550</td>
</tr>
<tr>
<td>Non-recurring and other unusual items (excluding items associated with interest expense)</td>
<td>126,793</td>
<td>124,715</td>
<td>127,915</td>
<td>42,781</td>
<td>51,326</td>
</tr>
<tr>
<td>Interest and financing expenses</td>
<td>61,994</td>
<td>68,245</td>
<td>76,364</td>
<td>73,116</td>
<td>100,113</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>69,089</td>
<td>54,109</td>
<td>59,421</td>
<td>54,425</td>
<td>58,090</td>
</tr>
<tr>
<td>Non-operating pension and OPEB items</td>
<td>24,645</td>
<td>22,426</td>
<td>20,076</td>
<td>40,668</td>
<td>38,111</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$1,007,279</td>
<td>$930,572</td>
<td>$892,276</td>
<td>$818,738</td>
<td>$852,427</td>
</tr>
<tr>
<td>Net Sales</td>
<td>$3,496,208</td>
<td>$3,375,205</td>
<td>$3,242,326</td>
<td>$3,128,909</td>
<td>$3,219,355</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA Margin</strong></td>
<td>29%</td>
<td>28%</td>
<td>28%</td>
<td>26%</td>
<td>26%</td>
</tr>
</tbody>
</table>

See above for a reconciliation of adjusted EBITDA, the non-GAAP financial measures, to Net income attributable to Albemarle Corporation, the most directly comparable financial measure calculated and reported in accordance with GAAP.
### Adjusted EBITDA – by Segment *(twelve months ended)*

<table>
<thead>
<tr>
<th></th>
<th>Liithium</th>
<th>Bromine Specialties</th>
<th>Catalysts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>$301,837</td>
<td>$250,572</td>
<td>$217,538</td>
</tr>
<tr>
<td>attributable to</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Albemarle</td>
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<td></td>
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<tr>
<td>Corporation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and</td>
<td>102,729</td>
<td>106,862</td>
<td>110,337</td>
</tr>
<tr>
<td>amortization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-recurring</td>
<td>83,389</td>
<td>83,278</td>
<td>83,167</td>
</tr>
<tr>
<td>and other unusual items</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>487,955</td>
<td>440,712</td>
<td>411,042</td>
</tr>
<tr>
<td>Net Sales</td>
<td>1,303,102</td>
<td>1,262,066</td>
<td>1,197,326</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin</td>
<td>37 %</td>
<td>35 %</td>
<td>34 %</td>
</tr>
</tbody>
</table>

### Notes
- See above for a reconciliation of adjusted EBITDA on a segment basis, the non-GAAP financial measures, to Net income attributable to Albemarle Corporation ("earnings"), the most directly comparable financial measure calculated and reporting in accordance with GAAP.