



GLOBAL REPORTING INITIATIVE

2014

Report on 2013 Activities





Statement GRI Application Level Check

GRI hereby states that Albemarle Corporation has presented its report “GRI 2014 - Report on 2013 activities” to GRI’s Report Services which have concluded that the report fulfills the requirement of Application Level A.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 7 August 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir
Director Services
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 30 July 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

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CEO LETTER

1.1 STATEMENT FROM MOST SENIOR DECISION MAKER OF THE ORGANIZATION

Dear Stakeholder,

Since our inception in 1994, Albemarle has sought to be one of the most sustainable chemical companies in the world by meeting the needs of our stakeholders today in a way that will allow us to meet the ever increasing demands of our stakeholders in the future. We view our key stakeholders as our customers, employees, suppliers and partners, the communities in which we operate and lastly, but certainly not least, our shareholders. Operating safely, reducing our environmental footprint, enhancing our communities and delivering solid returns to our shareholders have been and will always be the foundation of our strategy.

Our environmental performance is our license to operate in communities around the world, and while we currently operate well within our permit limits, we are committed to reducing our emissions and our use of resources. Examples of our commitment can be seen across our company, including:

Amsterdam, The Netherlands: We improved the performance of key pollution control devices at the site which resulted in an 80% reduction in nitrogen-containing emissions. Our FCC catalysts made improvements to their yield, resulting in an 85% decrease in solid emissions. Our HPC catalysts reduced their sulfur emissions to zero.

Magnolia, Arkansas: We began a recycling program that collects cardboard and plastic bottles and recycles them to benefit local nonprofit agencies. In 2011, approximately 517,000 lbs. of brominated flame retardants and their byproducts from our Magnolia site were disposed of in landfills and another 1.3 million lbs. were incinerated externally. The BRU, or bromine recovery unit, eliminates the need to dispose of these chemicals in landfills or incinerate them off-site. Instead, we now are able to recover the valuable bromine and recycle it into new products.

Safi, Jordan and Amsterdam, The Netherlands: We implemented projects aimed at reducing energy consumption, thus realizing measurable reductions in GHG emissions of 44%.

We were honored that our sustainability efforts led us to be named as one of *Corporate Responsibility Magazine's* Top 100 Best Corporate Citizens for the third consecutive year, and

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this year, we also earned a top 10 spot on *Corporate Responsibility Magazine's* "Industry Sector Best Corporate Citizens" list in the Materials category. We were also recognized for our commitment to diversity for the second year by the 2020 Women on Boards organization, which awarded Albemarle the *W Company* award for having at least 20% women on our board of directors.

As we look to the future, our nearly 4,000 employees around the world are continually evaluating the markets, technologies and needs of our customers. Their ingenuity and commitment to collaboration and innovation earned Albemarle 173 new patents during 2013. In addition, over 31% of our 2013 revenues were derived from sales of new products — evidence that innovation is key to the future of our business and that we have the right team doing the right things to deliver solutions for the future while balancing the needs of today.

We continue to seek ways to have a positive impact on the communities where we live, work and raise our families. The commitment of our employees is evidenced by the more than \$3 million and over 7,000 hours of time they generously gave through the employee-run Albemarle Foundation in 2013. Their efforts to build, maintain and preserve wildlife habitats also achieved national recognition at the 25th Annual Wildlife Habitat Council (WHC) Symposium in 2014, with our manufacturing sites in Orangeburg, South Carolina; Tyrone, Pennsylvania; and Magnolia, Arkansas receiving *Corporate Lands for Learning* recertification from the WHC for their efforts in wildlife habitat conservation. The Wildlife Habitat Enhancement Project at Albemarle's Process Development Center (PDC) in Baton Rouge, Louisiana achieved *Wildlife at Work* certification for the first time, making it the fourth Albemarle location to attain this designation.

As we begin the next chapter in our history, our focused strategy will guide our decision-making, build our competitive advantage and prepare us for the future. What matters most and what will determine our success is how we execute our strategy. We must do it in a way that meets the needs of our stakeholders today and in the future, and I am confident that we have the "right people on the Albemarle bus" to do just that.

Sincerely,

Luke Kissam
President and Chief Executive Officer



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1.2 DESCRIPTION OF KEY IMPACTS, RISKS AND OPPORTUNITIES

Below are the highlighted excerpts from the 10-K Annual Report. The 10-K Annual Report can be found via www.albemarle.com/investors under Financials - Annual Reports.

Adverse conditions in the global economy and volatility and disruption of financial markets can negatively impact our customers and suppliers and therefore have a material adverse effect on our results of operation.

A global economic downturn may reduce customer demand or inhibit our ability to produce our products, negatively impacting our operating results. Our business and operating results have been and will continue to be sensitive to global economic downturns (including credit market tightness, which can impact our liquidity as well as our customers and suppliers), declining consumer and business confidence, fluctuating commodity prices, volatile exchange rates and other challenges that can affect the global economy. Our customers may experience deterioration of their businesses, cash flow shortages and difficulty obtaining financing. As a result, existing or potential customers can delay or cancel plans to purchase products and may not be able to fulfill their obligations in a timely fashion. Further, suppliers may be experiencing similar conditions, which could impact their ability to fulfill their obligations to us. If the current weakness in much of the global economy continues for an extended period or deepens significantly, our results of operations, financial condition and cash flows could be materially adversely affected.

Downturns in the businesses that use our specialty chemicals will adversely affect our sales. Many of our customers are in industries, including the electronics, building and construction and automotive industries, that are cyclical in nature and sensitive to changes in general economic conditions. Historically, downturns in general economic conditions have resulted in diminished product demand, excess manufacturing capacity and lower average selling prices, and we may experience similar problems in the future. A decline in economic conditions in our customers' cyclical industries may have a material adverse effect on our sales and profitability.

Our results are subject to fluctuation because of irregularities in the demand for our HPC catalysts and certain of our agrichemicals.

Our HPC catalysts are used by petroleum refiners in their processing units to reduce the quantity of sulfur and other impurities in petroleum products. The effectiveness of HPC catalysts diminishes with use, requiring the HPC catalysts to be replaced, on average, once every one to

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three years. The sales of our HPC catalysts, therefore, are largely dependent on the useful life cycle of the HPC catalysts in the processing units and may vary materially by quarter. In addition, the timing and profitability of HPC catalysts sales can have a significant impact on revenue and profit in any one quarter. Sales of our agrichemicals are also subject to fluctuation, as demand varies depending on climate and other environmental conditions, which may prevent or reduce farming for extended periods. In addition, crop pricing and timing of when farms alternate from one crop to another crop in a particular year can also alter sales of agrichemicals.

Changes in our customers' products can reduce the demand for our specialty chemicals.

Our customers use our specialty chemicals for a broad range of applications. Changes in our customers' products or processes may enable our customers to reduce consumption of the specialty chemicals that we produce or make our specialty chemicals unnecessary. Customers may also find alternative materials or processes that no longer require our products. For example, many of our flame retardants are incorporated into resin systems to enhance the flame retardancy of a particular polymer. Should a customer decide to use a different polymer due to price, performance or other considerations, we may not be able to supply a product that meets the customer's new requirements. Consequently, it is important that we develop new products to replace the sales of products that mature and decline in use. Our business, results of operations, cash flows and margins could be materially adversely affected if we are unable to manage successfully the maturation of our existing products and the introduction of new products.

The specialty chemicals industry is subject to periodic technological change and ongoing product improvements. In order to maintain our margins and remain competitive, we must successfully develop, manufacture and market new or improved products. As a result, we must commit substantial resources each year to research and development. Ongoing investments in research and development for future products could result in higher costs without a proportional increase in revenues. Additionally, for any new product program, there is a risk of technical or market failure in which case we may not be able to develop the new commercial products needed to maintain our competitive position or we may need to commit additional resources to new product development programs. Moreover, new products may have lower margins than the products they replace.

We also expect competition to increase as our competitors develop and introduce new and enhanced products. For example, we are experiencing increased competition from large-scale

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producers of pharmaceuticals, particularly from Asian producers, and our petroleum refinery customers are processing crude oil feedstocks of declining quality while at the same time operating under increasingly stringent regulations requiring the gasoline, diesel and other fuels they produce to contain fewer impurities, including sulfur. As a result, our petroleum refining customers are demanding more effective and more cost-effective catalysts products. As new products enter the market, our products may become obsolete or competitors' products may be marketed more effectively than our products. If we fail to develop new products, maintain or improve our margins with our new products or keep pace with technological developments, our business, financial condition, results of operations and cash flows will suffer.

We conduct a substantial portion of our business outside of the U.S. We and our joint ventures currently have 34 facilities located outside the U.S., including facilities and offices located in Austria, Australia, Belgium, Brazil, France, Germany, Hungary, India, Italy, Japan, Jordan, Korea, the Netherlands, the People's Republic of China, Russia, Saudi Arabia, Singapore, United Arab Emirates and the United Kingdom. We expect sales from international markets to continue to represent a significant portion of our net sales and the net sales of our joint ventures. Accordingly, our business is subject to risks related to the differing legal, political, social and regulatory requirements and economic conditions of many jurisdictions. Risks inherent in international operations include the following:

- fluctuations in foreign currency exchange rates may affect product demand and may adversely affect the profitability in U.S. Dollars of products and services we provide in international markets where payment for our products and services is made in the local currency;
- transportation and other shipping costs may increase;
- intellectual property rights may be more difficult to enforce;
- changes in foreign laws and tax rates or U.S. laws and tax rates with respect to foreign income may unexpectedly increase the rate at which our income is taxed, impose new and additional taxes or cause the loss of previously recorded tax benefits;
- foreign countries may adopt other restrictions on foreign trade or investment, including currency exchange controls;
- trade sanctions could result in losing access to customers and suppliers in those countries;

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- unexpected adverse changes in foreign laws or regulatory requirements may occur;
- agreements may be difficult to enforce and receivables difficult to collect;
- compliance with a variety of foreign laws and regulations may be burdensome;
- compliance with anti-bribery and anti-corruption laws may be costly;
- unexpected adverse changes in export duties, quotas and tariffs and difficulties in obtaining export licenses;
- general economic conditions in the countries in which we operate could have an adverse effect on our earnings from operations in those countries;
- foreign operations may experience staffing difficulties and labor disputes;
- foreign governments may nationalize private enterprises; and
- our business and profitability in a particular country could be affected by political or economic repercussions from terrorist activities and the response to such activities.

In addition, certain of our joint ventures operate, and we have ongoing capital projects in, high-risk regions of the world such as the Middle East and South America. Unanticipated events such as geopolitical changes could result in a write-down of our investment in the affected joint venture or a delay or cancellation of those capital projects, which could negatively impact our future growth and profitability. Our success as a global business will depend, in part, upon our ability to succeed in differing legal, regulatory, economic, social and political conditions by developing, implementing and maintaining policies and strategies that are effective in each location where we and our joint ventures do business.

In the jurisdictions in which we operate, we are subject to numerous federal, state and local environmental, health and safety laws and regulations, including those governing the discharge of pollutants into the air and water, the management and disposal of hazardous substances and wastes and the cleanup of contaminated properties. Ongoing compliance with such laws and regulations is an important consideration for us and we incur substantial capital and operating costs in our compliance efforts. Environmental laws have become increasingly strict in recent years. We expect this trend to continue and anticipate that compliance will continue to require increased capital expenditures and operating costs.

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Violations of environmental, health and safety laws and regulations may subject us to fines, penalties and other liabilities and may require us to change certain business practices or curtail production.

We use, and in the past have used, hazardous substances at many of our facilities, and we have in the past, and may in the future, be subject to claims relating to exposure to hazardous materials and the associated liabilities may be material. We also have generated, and continue to generate, hazardous wastes at a number of our facilities. Some of our facilities also have lengthy histories of manufacturing or other activities that have resulted in site contamination. We have also given contractual indemnities for environmental conditions relating to facilities we no longer own or operate. The nature of our business, including historical operations at our current and former facilities, exposes us to risks of liability under these laws and regulations due to the production, storage, use, transportation and sale of materials that can cause contamination or personal injury if released into the environment. Additional information may arise in the future concerning the nature or extent of our liability with respect to identified sites, and additional sites may be identified for which we are alleged to be liable, that could cause us to materially increase our environmental accrual or the upper range of the costs we believe we could reasonably incur for such matters.

Growing concerns about climate change may result in the imposition of additional regulations or restrictions to which we may become subject. Climate changes include changes in rainfall and in storm patterns and intensities, water shortages, significantly changing sea levels and increasing atmospheric and water temperatures, among others. For example, there has been increasing concern regarding the declining water level of the Dead Sea, from which our joint venture, JBC, produces bromine. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to climate change. For example, some of our operations are within jurisdictions that have, or are developing, regulatory regimes governing greenhouse gas emissions. Potentially, additional U.S. federal regulation will be forthcoming with respect to greenhouse gas emissions (including carbon dioxide (CO₂)) and/or “cap and trade” legislation that could have impacts on our operations. In addition, we have operations in the European Union, Brazil, China, Japan, Jordan, Saudi Arabia, Singapore and the United Arab Emirates, which have implemented measures to achieve objectives under the Kyoto Protocol, an international agreement linked to the United Nations Framework Convention on Climate

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Change (UNFCCC), which set binding targets for reducing greenhouse gas emissions. The first commitment period under the Kyoto Protocol expired in 2012. An amendment was passed by the UNFCCC during the December 2012 Doha climate change talks that would implement a second commitment period through 2020, but the amendment has not entered into legal force pending acceptance by participating countries. The outcome of new legislation or regulation in the U.S. and other jurisdictions in which we operate may result in new or additional requirements, additional charges to fund energy efficiency activities, fees or restrictions on certain activities. While certain climate change initiatives may result in new business opportunities for us in the area of alternative fuel technologies and emissions control, compliance with these initiatives may also result in additional costs to us, including, among other things, increased production costs, additional taxes, reduced emission allowances or additional restrictions on production or operations. Any adopted future climate change regulations could also negatively impact our ability to compete with companies situated in areas not subject to such limitations. Even without such regulation, increased public awareness and adverse publicity about potential impacts on climate change emanating from us or our industry could harm us. We may not be able to recover the cost of compliance with new or more stringent laws and regulations, which could adversely affect our business and negatively impact our growth. Furthermore, the potential impacts of climate change and related regulation on our customers are highly uncertain and may adversely affect us.

Our products provide important performance attributes to our customers' products. If a product fails to perform in a manner consistent with quality specifications or has a shorter useful life than guaranteed, a customer could seek replacement of the product or damages for costs incurred as a result of the product failing to perform as guaranteed. These risks apply to our refinery catalysts in particular because, in certain instances, we sell our refinery catalysts under agreements that contain limited performance and life cycle guarantees. A successful claim or series of claims against us could have a material adverse effect on our financial condition and results of operations and could result in a loss of one or more customers.

Our business is subject to hazards common to chemical businesses, any of which could interrupt our production and adversely affect our results of operations.

Our business is subject to hazards common to chemical manufacturing, storage, handling and transportation, including explosions, fires, inclement weather, natural disasters, mechanical failure, unscheduled downtime, transportation interruptions, remediation, chemical spills,

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discharges or releases of toxic or hazardous substances or gases and other risks. These hazards can cause personal injury and loss of life, severe damage to, or destruction of, property and equipment and environmental contamination. In addition, the occurrence of material operating problems at our facilities due to any of these hazards may diminish our ability to meet our output goals. Accordingly, these hazards and their consequences could have a material adverse effect on our operations as a whole, including our results of operations and cash flows, both during and after the period of operational difficulties.

We continually assess our manufacturing operations in order to manufacture and distribute our products in the most efficient manner. Based on our assessments, we may make capital improvements to modernize certain units, move manufacturing or distribution capabilities from one plant or facility to another plant or facility, discontinue manufacturing or distributing certain products or close or divest all or part of a manufacturing plant or facility. We also have shared services agreements at several of our plants and if such agreements are terminated or revised, we would assess and potentially adjust our manufacturing operations. The closure or divestiture of all or part of a manufacturing plant or facility could result in future charges that could be significant.

If we are unable to retain key personnel or attract new skilled personnel, it could have an adverse effect on our business.

The unanticipated departure of any key member of our management team could have an adverse effect on our business. In addition, because of the specialized and technical nature of our business, our future performance is dependent on the continued service of, and on our ability to attract and retain, qualified management, scientific, technical, marketing and support personnel. Competition for such personnel is intense, and we may be unable to continue to attract or retain such personnel.

Some of our employees are unionized, represented by workers' councils or are employed subject to local laws that are less favorable to employers than the laws of the U.S.

As of December 31, 2013, we had 4,231 employees. Approximately 14% of our 2,148 U.S. employees are unionized. Our collective bargaining agreements expire in 2014, 2015 and 2016. In addition, a large number of our employees are employed in countries in which employment laws provide greater bargaining or other rights to employees than the laws of the U.S. Such employment rights require us to work collaboratively with the legal representatives of the

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employees to effect any changes to labor arrangements. For example, most of our employees in Europe are represented by workers' councils that must approve any changes in conditions of employment, including salaries and benefits and staff changes, and may impede efforts to restructure our workforce. Although we believe that we have a good working relationship with our employees, a strike, work stoppage, slowdown or significant dispute with our employees could result in a significant disruption of our operations or higher ongoing labor costs.

We currently participate in a number of joint ventures and may enter into additional joint ventures in the future. The nature of a joint venture requires us to share control with unaffiliated third parties. If our joint venture partners do not fulfill their obligations, the affected joint venture may not be able to operate according to its business plan. In that case, our results of operations may be adversely affected and we may be required to increase the level of our commitment to the joint venture. Also, differences in views among joint venture participants may result in delayed decisions or failures to agree on major issues. If these differences cause the joint ventures to deviate from their business plans, our results of operations could be adversely affected.

The occurrence or threat of extraordinary events, including domestic and international terrorist attacks, may disrupt our operations and decrease demand for our products.

Chemical-related assets may be at greater risk of future terrorist attacks than other possible targets in the U.S. and throughout the world. As a result, we are subject to existing federal rules and regulations (and may be subject to additional legislation or regulations in the future) that impose site security requirements on chemical manufacturing facilities, which increase our overhead expenses.

We are also subject to federal regulations that have heightened security requirements for the transportation of hazardous chemicals in the U.S. We believe we have met these requirements but additional federal and local regulations that limit the distribution of hazardous materials are being considered. We ship and receive materials that are classified as hazardous. Bans on movement of hazardous materials through cities, like Washington, D.C., could affect the efficiency of our logistical operations. Broader restrictions on hazardous material movements could lead to additional investment to produce hazardous raw materials and change where and what products we manufacture.

The occurrence of extraordinary events, including future terrorist attacks and the outbreak or escalation of hostilities, cannot be predicted, and their occurrence can be expected to continue

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to negatively affect the economy in general and specifically the markets for our products. The resulting damage from a direct attack on our assets, or assets used by us, could include loss of life and property damage.

2.1 NAME OF ORGANIZATION

Albemarle Corporation

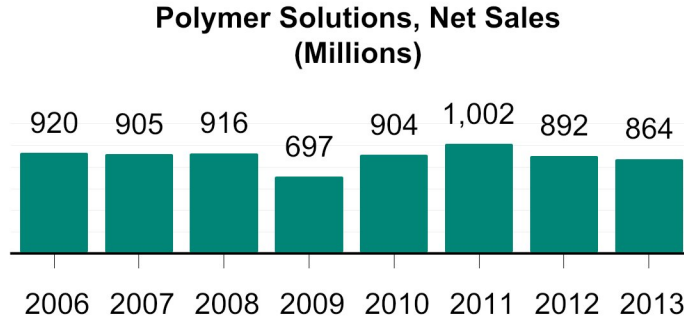
2.2 PRIMARY BRANDS, PRODUCTS AND/OR SERVICES

We are a leading global developer, manufacturer and marketer of highly engineered specialty chemicals that meet customer needs across an exceptionally diverse range of end markets, including the petroleum refining, consumer electronics, plastics/packaging, construction, automotive, lubricants, pharmaceuticals, crop protection, food safety and custom chemistry services markets. We are committed to global sustainability and are advancing responsible eco-practices and solutions. We believe that our commercial and geographic diversity, technical expertise, innovative capability, flexible and low-cost global manufacturing base, experienced management team and strategic focus on our core base technologies will enable us to maintain leading market positions in those areas of the specialty chemicals industry in which we operate.

We and our joint ventures currently operate 49 facilities, encompassing production, research & development facilities and administrative and sales offices in North and South America, Europe, the Middle East, Asia, Africa and Australia. We serve approximately 2,700 customers in approximately 100 countries.

Business Segments

Through 2013, our operations were managed and reported as three operating segments: Polymer Solutions, Catalysts and Fine Chemistry. As previously announced on September 23, 2013, we realigned our operating segments effective January 1, 2014. The Performance Chemicals segment includes Fire Safety Solutions, Specialty Chemicals and Fine Chemistry Services, consolidating our bromine, mineral and custom manufacturing assets under one business unit. The Catalyst Solutions segment includes Refinery Catalyst Solutions, Performance Catalyst Solutions and Antioxidants.



Polymer Solutions

Our Polymer Solutions segment consists of two product market categories: flame retardants, and stabilizers and curatives.

Flame Retardants. Our fire safety technology enables the use of plastics in high-performance, high-heat applications by enhancing the flame-resistant properties of these materials. Some of the end market products that benefit from our fire safety technology include plastic enclosures for consumer electronics, printed circuit boards, wire and cable, electrical connectors, textiles and foam insulation. We compete in two major fire safety chemistries: brominated and mineral. Our brominated flame retardants include products sold under the Saytex[®] brand and our mineral-based flame retardants include products such as Martinal[®] and Magnifin[®]. Our strategy is to have a broad range of chemistries applicable to each major flame retardant application.

Stabilizers and Curatives. We produce plastic additives as well as other additives, such as curatives, antioxidants and stabilizers, which are often specially developed and formulated for a customer's specific manufacturing requirements. Our additives products include curatives for polyurethane, polyurea and epoxy system polymerization. This business also produces antioxidants and stabilizers to improve the performance integrity of thermoplastic resins. We are well-positioned for global growth, notably with our leading antioxidant supplier position in the rapidly growing Chinese market.

Our Ethacure[®] curatives are used in cast elastomers, coatings, reaction injection molding (RIM) and specialty adhesives that are incorporated into products such as wheels, tires and rollers. Our line of Ethanox[®] antioxidants is used by manufacturers of polyolefins to maintain physical

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properties during the manufacturing process, including the color of the final product. These antioxidants are found in applications such as slit film, wire and cable, food packaging and pipes.

We also produce antioxidants used in fuels and lubricants. Our line of EthanoX[®] fuel and lubricant antioxidants is used by refiners and fuel marketers to extend fuel storage life and protect fuel systems, and by oil marketers and lubricant manufacturers to extend the useful life of lubricating oils, fluids and greases used in engines and various types of machinery.

Realignment. As previously announced on September 23, 2013, we realigned our operating segments effective January 1, 2014. As a result of this realignment, the Flame Retardants and Curatives product market categories are aligned under the Performance Chemicals segment and the Stabilizers product market category is aligned under the Catalyst Solutions segment.

Customers

Our Polymer Solutions segment offers more than 80 products to a variety of end markets. We sell our products mostly to chemical manufacturers and processors, such as polymer resin suppliers, lubricant manufacturers, refiners and other specialty chemical companies.

Sales of Polymer Solutions in Asia are expected to grow long-term due to the underlying growth in consumer demand and the shift of the production of consumer electronics from the United States (U.S.) and Europe to Asia. In response to this development, we have established a sales and marketing network in China, Japan, Korea and Singapore with products sourced from the U.S., Europe, China and the Middle East. We are now operating two production facilities in China to deliver Polymer Solutions products to this rapidly growing market.

A number of customers of our Polymer Solutions segment manufacture products for cyclical industries, including the consumer electronics, building and construction and automotive industries. As a result, demand from our customers in such industries is also cyclical.

Competition

Our Polymer Solutions segment serves the following geographic markets: the U.S., Asia, Europe and the Middle East, each of which is highly competitive. Product performance and quality, price and contract terms are the primary factors in determining which qualified supplier is awarded a

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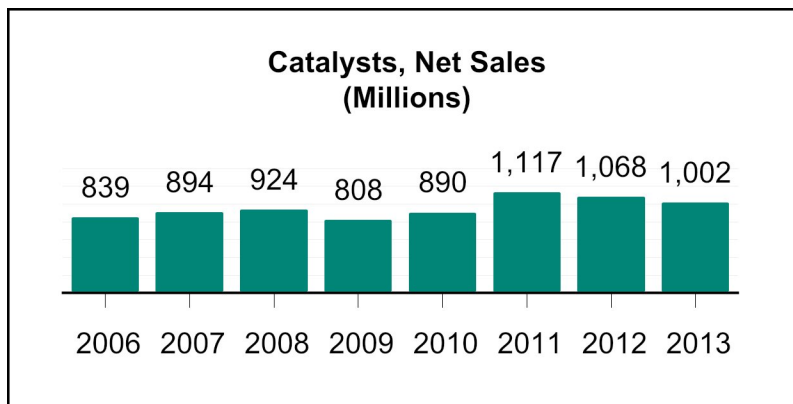
contract. Research and development, product and process improvements, specialized customer services, the ability to attract and retain skilled personnel and maintenance of a good safety record have also been important factors to compete effectively in the Polymer Solutions marketplace.

Raw Materials and Significant Supply Contracts

The major raw materials we use in our Polymer Solutions operations are bromine, bisphenol-A, phenol, benzene, caustic soda, alumina trihydrate, polystyrene and isobutylene, most of which are readily available from numerous independent suppliers and are purchased under contracts at prices we believe are competitive. The cost of raw materials is generally based on market prices although we may use contracts with price caps or other tools, as appropriate, to mitigate price volatility. Many of our customers operate under long-term supply contracts that provide for either the pass-through of raw material and energy cost changes or pricing based on short-term “tenders” in which changing market conditions are quickly reflected in the pricing of the finished product.

The bromine we use in our Polymer Solutions segment comes from two locations: Arkansas and the Dead Sea. Our brine reserves in Arkansas are supported by an active brine rights leasing program. We believe that we have in excess of 70 years of proven bromine reserves in Arkansas. In addition, through our 50% interest in Jordan Bromine Company Limited (JBC), a consolidated joint venture with operations in Safi, Jordan, we produce bromine from the Dead Sea, which has virtually inexhaustible reserves. In addition, we have a joint venture with Weifang Sinobrom Import and Export Company, Ltd., or Sinobrom, in China that allows us the option to source bromine directly from China’s Shandong Province brine fields.

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Catalysts

Our Catalysts segment includes our Refinery Catalysts Solutions and Performance Catalyst Solutions businesses.

Refinery Catalyst Solutions. Our two main refinery catalysts businesses are Clean Fuels Technologies (CFT), primarily composed of hydroprocessing catalysts (HPC), and Heavy Oil Upgrading (HOU), primarily composed of fluidized catalytic cracking (FCC) catalysts and additives. HPC products are widely applied throughout the refining industry. Their application enables the upgrading of oil fractions to clean fuels and other usable oil products by removing sulfur, nitrogen and other impurities from the feedstock. In addition, they improve product properties by adding hydrogen and in some cases improve the performance of downstream catalysts and processes. Albemarle continuously seeks to add more value to refinery operations by offering HPC products that meet our customers' requirements for profitability and performance in the very demanding refining market. FCC catalysts assist in the high yield cracking of less desired refinery petroleum streams into derivative, higher-value products such as transportation fuels and petrochemical feedstocks like propylene. Our FCC additives are used to reduce emissions of sulfur dioxide and nitrogen oxide in FCC units and to increase liquefied petroleum gas olefins yield, such as propylene, and to boost octane in gasoline. Albemarle offers unique refinery catalysts to crack and treat the lightest to the heaviest feedstocks while meeting refinery yield and product needs. We offer a wide range of HPC products and approximately 60 different FCC catalysts and additives products to our customers.

Performance Catalyst Solutions (PCS). We have three business units in our PCS division: polymer catalysts, chemical catalysts, and electronic materials. We manufacture organometallic co-catalysts (e.g., aluminum, magnesium and zinc alkyls) as well as metallocene components and co-catalysts (e.g., methylaluminumoxane, organoborons, metallocene compounds and finished polymerization catalysts comprising these products). We also offer finished single-site catalysts with or without our proprietary ActivCat[®] technology and a line of proprietary Ziegler-Natta catalysts under the Advantage[™] brand. Our co-catalysts and finished catalysts are used in our customers' production of polyolefin polymers. Such polymers are commodity (i.e., Ziegler-Natta polymerization technology-based) and specialty (i.e., Single Site polymerization technology-based) plastics serving a wide variety of end markets, including packaging, non-packaging, films and injection molding. Some of our organometallic products are also used in the manufacture of alpha-olefins (i.e., hexene, octene, decene). In electronic materials, we manufacture and sell high purity metal organic products into electronic applications such as the production of light emitting diodes (LEDs) for displays and general lighting, as well as other products used in the production of solar cells. Our chemical catalysts include a variety of catalysts used in the broad chemical industry, for example, catalysts used in the production of ethylene dichloride and methylamines, among others.

Realignment. As previously announced on September 23, 2013, we realigned our operating segments effective January 1, 2014. As a result of this realignment, the Refinery Catalyst Solutions and PCS businesses are aligned under the Catalyst Solutions segment.

Customers

We estimate that there are currently approximately 500 FCC units being operated globally, each of which requires a constant supply of FCC catalysts. In addition, we estimate that there are approximately 3,000 HPC units being operated globally, each of which typically requires replacement HPC catalysts once every one to three years. There are approximately 1,000 polyolefin and elastomer units worldwide, each of which requires a constant supply of co-catalysts and finished catalysts.

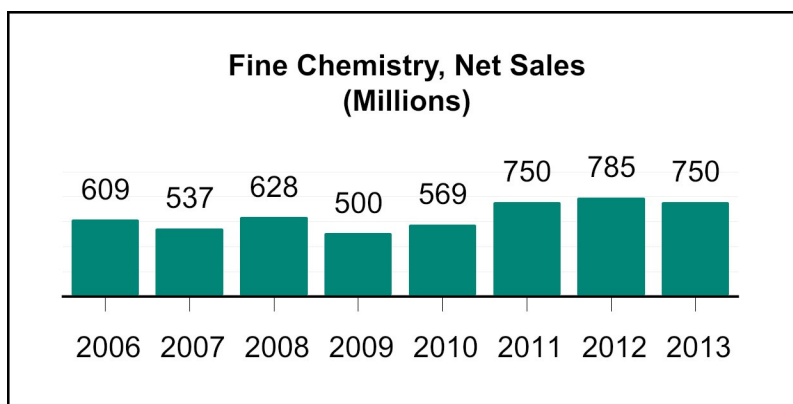
ORGANIZATION SCOPE AND REACH

Competition

Our Catalysts segment serves the global market including the Americas, Asia, Europe and the Middle East, each of which is highly competitive. Product performance and quality, price and contract terms are the primary factors in determining which qualified supplier is awarded a contract. Research and development, product and process improvements, specialized customer services, the ability to attract and retain skilled personnel and the maintenance of a good safety record have also been important factors to compete effectively in the Catalysts marketplace. Through our research and development programs, we strive to differentiate our business by developing value-added products and products based on proprietary technologies.

Raw Materials

The major raw materials we use in our Catalysts operations include aluminum, ethylene, alpha-olefins, sodium silicate, sodium aluminate, kaolin, rare earths, molybdenum, nickel and cobalt, most of which are readily available from numerous independent suppliers and are purchased or provided under contracts at prices we believe are competitive.



Fine Chemistry

Our Fine Chemistry segment consists of two categories: Performance Chemicals and Fine Chemistry Services and Intermediates.

Performance Chemicals

Performance Chemicals includes products such as elemental bromine, alkyl bromides, inorganic bromides, brominated powdered activated carbon and a number of bromine fine chemicals. Our

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products are used in chemical synthesis, oil and gas well drilling and completion fluids, mercury control, paper manufacturing, water purification, beef and poultry processing and various other industrial applications. Other performance chemicals that we produce include tertiary amines for surfactants, biocides, disinfectants and sanitizers and aluminum oxides used in a wide variety of refractory, ceramic and polishing applications.

Fine Chemistry Services and Intermediates

In addition to supplying the specific fine chemistry products and performance chemicals for the pharmaceutical and agricultural uses described below, our fine chemistry services business offers custom manufacturing, research and chemical scale-up services for companies. These services position us to support customers in developing their new products, such as new drugs, specialty materials and agrichemicals.

Our most significant pharmaceutical bulk active is ibuprofen. Ibuprofen is widely used to provide temporary pain relief and fever reduction. Bulk ibuprofen is formulated by pharmaceutical companies that sell in both the prescription and over-the-counter markets. This product competes against other painkillers, including aspirin and acetaminophen. We are one of the largest global producers of ibuprofen. We also produce a range of intermediates used in the manufacture of a variety of over-the-counter and prescription drugs.

Our agrichemicals are sold to agrichemical manufacturers and distributors that produce and distribute finished agricultural herbicides, insecticides, fungicides and soil fumigants. Our products include orthoalkylated anilines used in the acetanilide family of pre-emergent herbicides used with corn, soybeans and other crops and methyl bromide, which is used as a soil fumigant. We also manufacture and supply a variety of custom chemical intermediates for the agricultural industry.

Realignment

As previously announced on September 23, 2013, we realigned our operating segments effective January 1, 2014. As a result of this realignment, the Performance Chemicals and Fine Chemistry Services and Intermediates product market categories are aligned under the Performance Chemicals segment, effective January 1, 2014.

Customers

Our Fine Chemistry segment manufactures more than 100 products, which are used in a variety of end markets. Sales of products and services are mostly to chemical manufacturers and processors (including pharmaceutical and agricultural companies), drilling and oil service companies, beef and poultry processors, water treatment and photographic companies, energy producers and other specialty chemical companies.

Pricing for many of our fine chemistry products and services is based upon negotiation with customers. The critical factors that affect prices are the level of technology differentiation we provide, the maturity of the product and the level of assistance required to bring a new product through a customer's developmental process.

Competition

Our Fine Chemistry segment serves the following geographic markets: the Americas, Asia, Europe and the Middle East, each of which is highly competitive. Product performance and quality, price and contract terms are the primary factors in determining which qualified supplier is awarded a contract. Research and development, product and process improvements, specialized customer services, the ability to attract and retain skilled personnel and the maintenance of a good safety record have also been important factors to compete effectively in the fine chemistry marketplace.

Raw Materials

The major raw materials we use in our Fine Chemistry operations include potassium chloride, chlorine, ammonia, aluminum chloride, alpha-olefins, methyl amines and propylene, most of which are readily available from numerous independent suppliers.

The bromine that we use in our Fine Chemistry segment comes from two locations: Arkansas and the Dead Sea. Our brine reserves in Arkansas are supported by an active brine rights leasing program. We believe that we have in excess of 70 years of proven bromine reserves in Arkansas. In addition, through our 50% interest in JBC, a consolidated joint venture with operations in Safi, Jordan, we produce bromine from the Dead Sea, which has virtually inexhaustible reserves. In

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In addition, we have our Sinobrom joint venture in China that allows us the option to source bromine directly from China's Shandong Province brine fields.

Sales, Marketing and Distribution

We have an international strategic account program that uses cross-functional teams to serve large global customers. This program emphasizes creative strategies to improve and strengthen strategic customer relationships with emphasis on creating value for customers and promoting post-sale service. Complementing this program are regional Albemarle sales personnel around the world who serve numerous additional customers within North America, Europe, the Middle East, India, Asia Pacific, Russia, Africa and Latin America. We also use approximately 85 commissioned sales representatives and specialists in specific market areas, some of which are subsidiaries of large chemical companies.

Research and Development

We believe that in order to generate revenue growth, maintain our margins and remain competitive, we must continually invest in research and development, product and process improvements and specialized customer services. Through research and development, we continue to seek increased margins by introducing value-added products and proprietary processes and innovative green chemistry technologies. Our green chemistry efforts focus on the development of products that benefit society in a manner that minimizes waste and the use of raw materials and energy, avoids the use of toxic reagents and solvents and is produced in safe, environmentally friendly manufacturing processes. Green chemistry is encouraged with our researchers through periodic focus group discussions and special rewards and recognition for outstanding new green developments.

Our research and development efforts support each of our two major business segments. Catalysts research is focused on the needs of our refinery catalysts customers, our performance catalysts customers and developing metal organics for LED and other electronic applications. Refinery catalysts research is focused primarily on the development of more effective catalysts and related additives to produce clean fuels and to maximize the production of the highest value refined products. In the performance catalysts area, we are focused primarily on catalysts, co-catalysts and finished catalysts systems for polymer producers to meet the market's demand for improved polyolefin polymers and elastomers as well as metal organics for electronic customers.

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In support of the Performance Chemicals business, the Bromine Task Force R&D team was formed at the beginning of 2013 to focus research efforts on developing and commercializing new products containing bromine. This research has focused on the mega-trend application areas of energy, health care, and environmental stewardship. Other areas of research on bromine-based products, which support existing business segments, are for new uses as biocides in industrial water treatment and food safety applications and as additives used to reduce mercury emissions from coal-fired power plants. Flame retardant research is focused primarily on developing new flame retardants which not only meet the higher performance requirements required by today's polymer producers, formulators and original equipment manufacturers but which also have superior toxicological and environmental profiles, such as our GreenArmor™ flame retardant product, that are greatly enhanced in both end product performance and environmental responsibility. Plastic and other additives research is focused primarily on developing improved capabilities to deliver commodity and value-added plastic and other additive blends to the polymer market. Curatives research is focused primarily on improving and extending our line of curing agents and formulations. The primary focus of our Fine Chemistry research program is the development of efficient processes for the manufacture of chemical intermediates and actives for the pharmaceutical and agrichemical industries. We have incurred research and development expenses of \$82.2 million, \$78.9 million, and \$77.1 million during 2013, 2012 and 2011, respectively.

2.3 OPERATIONAL STRUCTURE OF THE ORGANIZATION, INCLUDING MAIN DIVISIONS, OPERATING COMPANIES, SUBSIDIARIES AND JOINT VENTURES

The authority to manage the business is delegated to the CEO by the Board of Directors. The role of the board is to effectively govern the affairs of the organization for the benefit of its stakeholders.

Albemarle is organized into three major divisions: Polymer Solutions (flame retardants, stabilizers and curatives), Fine Chemistry (performance chemicals, pharmaceuticals, agrichemicals and Fine Chemistry Services and Intermediates) and Catalysts (refinery catalysts, performance catalyst solutions)

Realignment. As previously announced on September 23, 2013, we realigned our operating segments effective January 1, 2014. As a result of this realignment:

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- The Catalyst Solutions segment includes Refinery Catalysts Solutions, Performance Catalysts Solutions and Antioxidants;
- The Performance Chemicals segment includes Fire Safety Solutions, Specialty Chemicals and Fine Chemistry services

2.4 LOCATION OF ORGANIZATION'S HEADQUARTERS

451 Florida Street
 Baton Rouge, Louisiana 70801
 United States of America

2.5/2.6 NUMBER OF COUNTRIES WHERE THE ORGANIZATION OPERATES, AND NAMES OF COUNTRIES WITH EITHER MAJOR OPERATIONS OR THAT ARE SPECIFICALLY RELEVANT TO THE SUSTAINABILITY ISSUES IN THE REPORT. NATURE OF OWNERSHIP AND LEGAL FORM

Albemarle is a global company. Being able to provide timely and sound customer service to our stakeholders is paramount to our success. We are continually investing in our production facilities, research and development facilities, and administrative and sales offices to ensure that they have the best available infrastructure to support our operations.

Location	Principal Use	Owned/Leased
Ames, Iowa	R&D and pilot-plant facilities for the application of heterogeneous catalysts in biofuels production	Owned; closed down in 2013
Amsterdam, the Netherlands	Production of refinery catalysts, research and product development activities	Owned
Baton Rouge, Louisiana	Research and product development activities, and production of flame retardants, catalysts and additives	Owned; on leased land
Baton Rouge, Louisiana	Principal executive offices	Leased
Beijing, China	Regional sales and administrative offices	Leased
Bitterfeld, Germany	Refinery catalyst regeneration, rejuvenation and sulfiding	Owned by Eurecat S.A., a joint venture owned 50% by each of IFP Investissements and Albemarle

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Bergheim, Germany	Production of flame retardants and specialty products based on aluminum trihydrate and aluminum oxide, and research and product development activities	Owned
Budapest, Hungary	Regional shared services office	Leased
Cambridge, United Kingdom	Production of performance catalysts	Leased
Dalian, China	Regional shared services office	Leased
Dubai, United Arab Emirates	Regional sales and administrative offices	Leased
Houston, Texas	Regional sales and administrative offices	Leased
Jin Shan District, Shanghai, China	Production of antioxidants and polymer intermediates	Owned; on leased land
Al-Jubail, Saudi Arabia	Manufacturing and marketing of organometallics	Owned; Albemarle Netherlands BV and Saudi Specialty Chemicals Company (a SABIC affiliate) each owns 50% interest
Louvain-la-Neuve, Belgium	Regional offices and research and customer technical service activities	Owned
La Voulte, France	Refinery catalysts regeneration and treatment, research and development activities	Owned by Eurecat S.A., a joint venture owned 50% by each of IFP Investissements and Albemarle
Magnolia, Arkansas	Production of flame retardants, bromine, inorganic bromides, agricultural intermediates and tertiary amines	Owned
McAlester, OK	Refinery catalyst regeneration, rejuvenation, pre-reclaim burn off, as well as specialty zeolites and additives marketing activities	Owned by Eurecat S.A., a joint venture owned 50% by each of IFP Investissements and Albemarle

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Mobile, Alabama	Production of tin stabilizers	Owned by PMC Group, Inc. which operates the plant for Stannica LLC, a joint venture in which Albemarle and PMC Group Inc. each own a 50% interest
Moscow, Russia	Regional sales and administrative offices	Leased
Niihama, Japan	Production of refinery catalysts	Leased by Nippon Ketjen Company Limited, a joint venture owned 50% by each of Sumitomo Metal Mining Company Limited and Albemarle
Ninghai County, Zhejiang Province, China	Production of antioxidants and polymer intermediates	Owned; on leased land
Orangeburg, South Carolina	Production of flame retardants, aluminum alkyls and fine chemistry products, including pharmaceutical actives, fuel additives, orthoalkylated phenols, polymer modifiers and phenolic antioxidants	Owned
Pasadena, Texas	Production of aluminum alkyls, alkenyl succinic anhydride, orthoalkylated anilines, and other specialty chemicals	Owned
Pasadena, Texas	Production of refinery catalysts, research and development activities	Owned
Pasadena, Texas	Refinery catalysts regeneration services	Owned by Eurecat U.S. Incorporated, a joint venture in which Albemarle Corporation owns a 57.5% interest and a consortium of entities in various proportions owns the remaining interest

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Safi, Jordan	Production of bromine and derivatives and flame retardants	Owned and leased by JBC, a joint venture owned 50% by each of Arab Potash Company Limited and Albemarle
St. Jakobs/ Breitenau, Austria	Production of specialty magnesium hydroxide products	Leased by Magnifin Magnesiaprodukte GmbH & Co. KG, a joint venture owned 50% by each of Radex Heraklith Industriebeteiligung AG and Albemarle
Santa Cruz, Brazil	Production of catalysts, research and product development activities	Owned by Fábrica Carioca de Catalisadores S.A, a joint venture owned 50% by each of Petrobras Química S.A.—PETROQUISA and Albemarle
Seoul, South Korea	Regional sales and administrative offices	Leased
Shandong, China	Regional sales and administrative offices	Owned by Shandong Sinobrom, a joint venture in which we own a 75% interest, and Weifang Rui Yin Investment Management and Consultancy Co. Ltd., owns a 25% interest
Shanghai, China	Regional sales and administrative offices	Leased
Singapore	Regional sales and administrative offices	Leased
South Haven, Michigan	Production of custom fine chemistry products including pharmaceutical actives	Owned
Taipei, Taiwan	Regional sales and administrative offices	Leased

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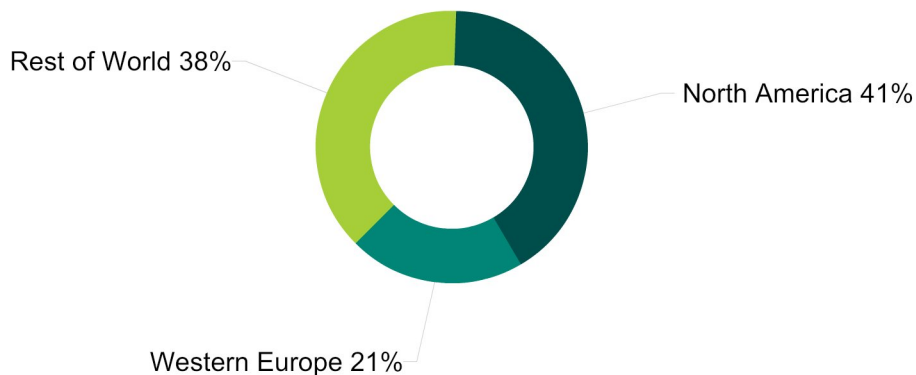
Takaishi City, Osaka, Japan	Production of aluminum alkyls	Owned by Nippon Aluminum Alkyls, a joint venture owned 50% by each of Mitsui Chemicals, Inc. and Albemarle
Tokyo, Japan	Regional sales and administrative offices	Leased
Tokyo, Japan	Administrative offices	Leased by Nippon Ketjen Co., Ltd., a joint venture 50% owned by each of Sumitomo Metal Mining Co. Ltd. and Albemarle Japan Corporation
Tokyo, Japan	Regional sales and administrative offices	Leased by Nippon Aluminum Alkyls, a joint venture owned 50% by each of Mitsui Chemicals, Inc. and Albemarle
Twinsburg, Ohio	Production of bromine-activated carbon	Leased
Tyrone, Pennsylvania	Production of custom fine chemistry products, agricultural intermediates, performance polymer products and research and development activities	Owned
Yeosu, South Korea	Research and product development activities/small scale production of catalysts and catalyst components	Owned

As reported in the Albemarle Corporation 2013 10-K Annual Report; this report can be found via www.albemarle.com/investors under Financials - Annual Reports.

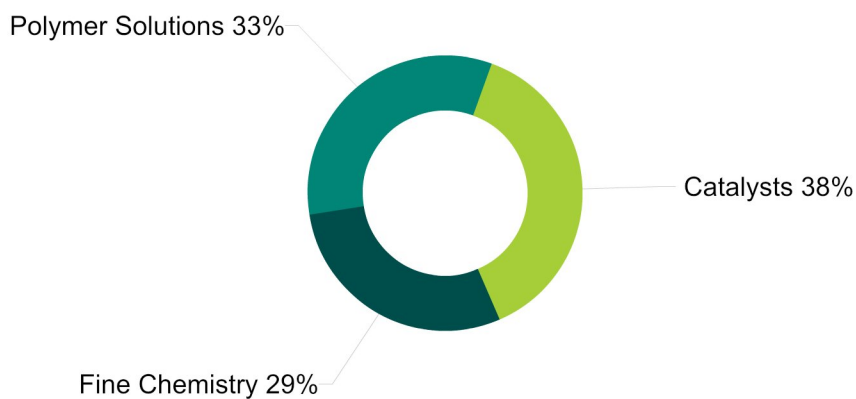
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2.7 MARKETS SERVED (INCLUDING GEOGRAPHIC BREAKDOWN, SECTORS SERVED, AND TYPES OF CUSTOMERS/BENEFICIARIES)

2013 % of Sales by Region



2013 % of Sales by GBU



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2.8 SCALE OF REPORTING ORGANIZATION

We and our joint ventures currently operate 49 facilities, encompassing production, research and development facilities, and administrative and sales offices in North and South America, Europe, the Middle East, Asia, Africa and Australia. We serve approximately 2,700 customers in approximately 100 countries.

As of December 31, 2013, we had 4,231 employees.

Net Sales - \$2.616 Billion

Total Capitalization

Total Assets: \$3.585 Billion

Total Debt: \$1.079 Billion

Stockholders' Equity: \$ 1.627 Billion

Beneficial ownership information is found in the Albemarle Corporation 2013 Proxy Statement filed with the U.S. Securities and Exchange Commission on March 28, 2014.

2.9 SIGNIFICANT CHANGES DURING THE REPORTING PERIOD REGARDING SIZE, STRUCTURE OR OWNERSHIP

While we are continuously assessing opportunities in high-growth and evolving markets, in the last year we have not had a significant change in size, structure or ownership. Over the last few years, we have devoted resources to acquisitions and joint ventures, including the subsequent integration of acquired businesses. These additions have expanded our base business, provided our customers with a wider array of products and presented new alternatives for discovery through additional chemistries. The following is a summary of the acquisitions and joint ventures we consummated during recent years.

On October 8, 2013, we announced the expansion of our presence in the electronic materials market with the acquisition of Cambridge Chemical Company, Ltd., effective as of October 1, 2013. Based in Cambridge, UK, Cambridge Chemical is a key technology player for producing high purity metal organic chemicals used in the laser market. Cambridge Chemical's technology and products will further strengthen Albemarle's offerings in the electronic market, including LED,

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semiconductor, OLED and now laser. Albemarle expects to benefit from a number of R&D and distribution synergies resulting from the acquisition.

On September 13, 2010, we announced the purchase of certain property and equipment in Yeosu, South Korea in connection with our plans for building a metallocene polyolefin catalyst and trimethyl gallium (TMG) manufacturing site. The site will effectively mirror Albemarle's world scale metallocene polyolefin catalyst and TMG capabilities located in Baton Rouge, Louisiana. Commercial production of metallocene polyolefin catalysts and co-catalysts began in July 2013 and commercial production of TMG is expected to begin in August 2014.

On October 27, 2009, we entered into an agreement with Saudi Specialty Chemicals Company, an affiliate of Saudi Basic Industries Corporation (SABIC), to form a joint venture called Saudi Organometallic Chemicals Company (SOCC). Under the terms of the joint venture agreement, the two parent companies have built a world-scale organometallics production facility strategically located in the Arabian gulf industrial city of Al-Jubail. This facility is now operational and available for full commercial production once customer qualifications are completed.

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2.10 AWARDS RECEIVED IN THE REPORTING PERIOD

Albemarle is proud to be recognized on many fronts for our efforts. We have received awards at both the company and the facility level. We were honored when we were named one of *Corporate Responsibility Magazine's* "100 Best Corporate Citizens" for the third year. Albemarle was also recognized as a 2020 Women on Boards, "W" Company of the Year and was named in *Corporate Responsibility Magazine's* "Industry Sector Best Corporate Citizens" list in the materials category.

Below is a list of site-specific awards earned by Albemarle facilities:

Location	Facility Awards
Ningbo, China	Received RMB 50T from local EPB concerning clean production audit
Orangeburg, South Carolina	SC Smart Business Recycling Program - recognition of program, Wildlife Habitat Council (WHC) Wildlife at Work Recertification efforts, WHC Pollinator Protection Award
Process Development Center - Baton Rouge, Louisiana	Wildlife Habitat Council (WHC) Wildlife at Work Certification
Twinsburg, Ohio	Twinsburg Award for "Energy Conservation Engineering"
Tyrone, Pennsylvania	Borough of Tyrone – Recognition for achieving Total Compliance for Industrial Waste Pretreatment Permit Parameters for 2012, Wildlife Habitat Council (WHC) Certified Corporate Lands for Learning, 2013 Operating Discipline Championship Award Winner
Magnolia, Arkansas	ACC Energy Efficiency Program: Magnolia won the energy efficiency award for their reverse osmosis project (reduced CO2 emissions by 3800 tons)
Albemarle Corporation	ACC Responsible Care Facility Safety certificate: awarded based on achievements in employee health and safety performance

3.1/3.2/3.3 REPORTING PERIOD FOR INFORMATION PROVIDED/DATE OF MOST RECENT PREVIOUS REPORT/REPORTING CYCLE

The reporting period for this information is the calendar year 2013. This is the sixth publicly released Global Reporting Initiative G3 report for Albemarle Corporation. This report is released in 2014 based upon 2013 information. Albemarle Corporation produces this report annually.

ORGANIZATION SCOPE AND REACH

3.4 CONTACT POINT FOR QUESTIONS REGARDING THE REPORT OR CONTENTS

Tosca Langereis
Sustainability Reporting Specialist
tosca.langereis@albemarle.com

3.5 PROCESS FOR DEFINING REPORT CONTENT, INCLUDING THE PROCESS FOR DETERMINING THE MATERIALITY AND PRIORITIZATION OF ISSUES WITHIN THE REPORT, THE IDENTIFICATION OF STAKEHOLDERS THAT THE ORGANIZATION EXPECTS TO USE THE REPORT

The subjects/material covered in this report were selected based upon the GRI G3 guidelines, Albemarle's management systems, goals and objectives for the organization and their importance to our stakeholders. A multifunctional sustainability team, comprised of representatives from HSE, Human Resources, Legal, Advocacy, Finance and Manufacturing compiled quantitative data from each operating site/department. Experts throughout the organization provided qualitative reporting and commentary on various subjects.

Albemarle has identified the following stakeholders expected to use this report:

- Customers
- Shareholders
- Employees
- Retirees
- Communities in which we operate
- Consumers
- Suppliers
- NGO's
- Industry & Trade Associations
- Media
- Investment groups
- Governments and regulators

3.6 BOUNDARY OF THE REPORT (E.G., COUNTRIES, DIVISIONS, SUBSIDIARIES, LEASED FACILITIES, JOINT VENTURES, SUPPLIERS). SEE GRI BOUNDARY PROTOCOL FOR FURTHER GUIDANCE

The financial data provided for this report includes assets, liabilities, revenues and expenses of all owned and leased operations under Albemarle control. Please see section 2.5 for ownership parameters.

3.7 STATE ANY SPECIFIC LIMITATIONS ON THE SCOPE OR BOUNDARY OF THE REPORT

Limitations to this report are based upon Albemarle's ability via management systems, priorities and intellectual property considerations to monitor and track specific data requirements. Limitations or data not included are clearly indicated in the specific sections of this report. In the specific instance of human resource reporting in regions outside of the United States, we are prevented from compiling and reporting demographic specific information. For all other information, we will investigate existing reporting systems to provide the necessary detail in the 2015 GRI report.

3.8 BASIS FOR REPORTING ON JOINT VENTURES, SUBSIDIARIES, LEASED FACILITIES, OUTSOURCED OPERATIONS AND OTHER ENTITIES THAT CAN SIGNIFICANTLY AFFECT COMPARABILITY FROM PERIOD TO PERIOD AND/OR BETWEEN ORGANIZATIONS

Reporting on joint ventures is clearly denoted in specific indicators and elsewhere within the report where relevant.

3.9 DATA MEASUREMENT TECHNIQUES AND BASES FOR CALCULATIONS, INCLUDING ASSUMPTIONS AND TECHNIQUES UNDERLYING ESTIMATIONS APPLIED TO THE COMPILATION OF THE INDICATORS AND OTHER INFORMATION IN THE REPORT

Bases and techniques of specific calculations are identified in the pertinent indicator sections. Industry accepted methodology for financial and emissions calculations and reporting are used across the board.

3.10 EXPLANATION OF THE NATURE AND EFFECT OF ANY RESTATEMENTS IN INFORMATION PROVIDED IN PREVIOUS REPORTS AND REASONS FOR RESTATEMENT(S)

To the best of our knowledge, the information in this report is current and historical information that may be included in previous versions of this report or other public reports is consistent.

3.11 SIGNIFICANT CHANGES FROM PREVIOUS REPORTING PERIODS IN THE SCOPE, BOUNDARY OR MEASUREMENT METHODS APPLIED IN THE REPORT

No significant changes in reporting methods have been identified.

3.12 STANDARD DISCLOSURE TABLE

The Standard Disclosure Table is the Table of Contents. The G3 Content Index is a separate document and can be found at the end of this report.

3.13 POLICY AND CURRENT PRACTICE WITH REGARD TO SEEKING INDEPENDENT ASSURANCE FOR THE REPORT

This report is not subjected to a comprehensive external assurance process. Financial, safety and environmental information are subject to both national regulatory requirements as well as internal and external audit such as ISO 14001 and similar systems. This report contains a consolidation of this information.

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

4.1 GOVERNANCE STRUCTURE OF THE ORGANIZATION, INCLUDING COMMITTEES UNDER THE HIGHEST GOVERNANCE BODY RESPONSIBLE FOR SPECIFIC TASKS, SUCH AS SETTING STRATEGY OR ORGANIZATIONAL OVERSIGHT

4.1.1 Board of Directors

Members of Albemarle Corporation's Board of Directors (the "Board") are elected annually by its shareholders to oversee management and to act in the best interests of the Company and its shareholders.

4.1.2 Ethical Business Principles

All Company employees, officers and directors understand the importance of and our commitment to conducting business with integrity. Our board members set the standard for following the highest ethical conduct and sound business practices. The Audit & Finance Committee periodically reviews the Company's Code of Business Conduct, including related policies. Management regularly reports to the Committee about implementation of and adherence to these guiding policies.

4.1.3 Board Composition

Given the current size of the Company and the nature of our business, a board consisting of seven to 12 members is appropriate. NYSE- and SEC rules as well as the Company's Corporate Governance Guidelines concerning the board's composition, require a majority of the directors to be independent. Currently, the board has 10 members, all independent except for our CEO. Of those 10 members: (i) 90 percent are over 50 years old, and 10 percent are 30-50 years old; (ii) 20 percent are female; and (iii) 10 percent represent an ethnic minority.

In order for the board to affirmatively determine a director as "independent," the director candidate: (i) must be free of any relationship that, applying the rules of the New York Stock Exchange, would preclude a finding of independence and (ii) must not have a material relationship (either directly or as a partner, shareholder or officer of an organization) with the Company or any of our affiliates or any executive officer of the Company or any of our affiliates. In evaluating the materiality of any such relationship, the board of directors considers whether disclosure of the relationship would be required by the proxy rules under the Securities Exchange Act of 1934. If

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

such disclosure is required, the board must then assess the relationship and determine whether it is a bar to finding a director candidate is independent.

4.1.4 Board Committees

The board of directors maintains the following four standing Committees: Audit & Finance, Executive Compensation, Nominating and Governance, and Health Safety and Environment. The board determined that each of the members of the standing Committees are: (i) “independent” within the meaning of the listing standards of the NYSE and the independence standards of our Corporate Governance Guidelines; (ii) “non-employee directors” (within the meaning of Rule 16b-3 under the Exchange Act); and (iii) “outside directors” (within the meaning of Section 162 (m) of the Internal Revenue Code of 1986, as amended).

4.1.5 Responsibilities of the Board of Directors and Committees

The Company’s Corporate Governance Guidelines lists responsibilities for the full board and its committees, including:

- Approve major corporate actions and oversee, develop and implement board policies;
- Review and approve financial plans, objectives and actions, including significant capital allocations and expenditures;
- Stay well-informed regarding our businesses and business strategies;
- Monitor and assess management’s performance and execution of corporate plans and objectives and ask appropriate questions of management to address accountability with established goals;
- Be a partner with management on strategic issues by advising and consulting;
- Oversee our legal compliance programs and procedures;
- Assess the effectiveness of our health, safety and environment programs and initiatives;
- Be proactive in crisis situations;
- Appraise our major risks and oversee that appropriate risk management and control procedures are in place and that management takes the appropriate steps to manage our major risks;

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

- Determine through our Audit & Finance Committee that appropriate procedures are in place to promote integrity and candor in the audit of our financial statements and operations, and in all financial reporting and disclosure;
- Assume responsibility for the selection, evaluation, monitoring, retention, compensation and succession of the chairperson of the board and the chief executive officer (CEO);
- Recruit effective new members to the board and recommend director nominees for election by our shareholders (recruiting efforts to be led by the Nominating and Governance Committee with support from management); and
- Establish proper governance, which includes a periodic review of these Corporate Governance Guidelines by the Nominating and Governance Committee; the consideration by such Committee of other corporate governance issues and related matters; and any resulting recommendation by such Committee as to the governance issues that should be addressed by the board.

4.1.6 Chief Executive Officer Succession

The chief executive officer succession planning process includes a regular board review. Any review of possible internal candidates includes:

- Readiness and potential;
- Demonstrated skills and competencies;
- Needed experience and training to fill gaps; and
- Plan for adequate exposure to the board of directors.

4.2 INDICATE WHETHER THE CHAIR OF THE HIGHEST GOVERNANCE BODY IS ALSO AN EXECUTIVE OFFICER

Jim W. Nokes is the Company's Non-Executive Chairman of the Board and an independent Director.

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

4.3 FOR ORGANIZATIONS THAT HAVE A UNITARY BOARD STRUCTURE, STATE THE NUMBER OF MEMBERS OF THE HIGHEST GOVERNANCE BODY THAT ARE INDEPENDENT AND/OR NON-EXECUTIVE MEMBERS

As of June 2014, nine of the Company's ten Board members are independent.

4.4 MECHANISMS FOR SHAREHOLDERS AND EMPLOYEES TO PROVIDE RECOMMENDATIONS OR DIRECTION TO THE HIGHEST GOVERNANCE BODY

Shareholders and employees may communicate with the Board by sending written correspondence to the Chair of the Nominating & Governance Committee c/o Albemarle Corporation, 451 Florida Street, Baton Rouge, Louisiana 70801 or by email at governance@albemarle.com. Communications regarding financial and accounting matters may also be sent directly to the Audit & Finance Committee at audit_chair@albemarle.com.

4.5 LINKAGE BETWEEN COMPENSATION FOR MEMBERS OF THE HIGHEST GOVERNANCE BODY, SENIOR MANAGERS AND EXECUTIVES (INCLUDING DEPARTURE ARRANGEMENTS) AND THE ORGANIZATION'S PERFORMANCE (INCLUDING SOCIAL AND ENVIRONMENTAL PERFORMANCE)

Approximately 50% of Board compensation and approximately 52% to 79% (depending upon the executive in question and the assumptions made) of senior executive total compensation is linked to the performance of Albemarle stock, which reflects company financial and non-financial performance over the long-term. Given that we are a specialty chemical company that must comply with or exceed certain environmental and safety standards to be able to operate and grow, we believe share price for companies like ours reflects non-financial factors such as our long-term track record around environmental stewardship and safety performance. Additionally, the annual cash incentive plan for our senior executives (comprising approximately 11% to 18% of their total compensation depending upon the executive in question and the assumptions made) is also performance-based, with environmental and safety performance included in the set of performance measures set each year by the Board.

4.6 PROCESSES IN PLACE FOR THE HIGHEST GOVERNANCE BODY TO ENSURE CONFLICTS OF INTEREST ARE AVOIDED

The Company fosters and sustains a culture where ethical business practices and compliance with applicable laws, regulations and company policies are the expected and normal course of

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

conduct for Company personnel. One important aspect of this culture is the avoidance of conflicts of interest. The Company maintains specific policies and processes to monitor and prevent conflicts of interests, including the policies and procedures described below.

Code of Business Conduct

The Albemarle Corporation Board of Directors has adopted the Albemarle Corporation Code of Business Conduct (the “Code”). The Code is managed by the Audit & Finance Committee of the Board of Directors and provides an overview of the Company’s expectations and standards for ethical behavior and compliance. The Code identifies specific situations where conflicts of interest can arise, such as outside activities and employment, improper financial interests, doing business with family and friends, corporate opportunities, bribes and kickbacks, gifts and entertainment, inside information and insider trading and political contributions and lobbying activities. Potential conflicts of interest may include, without limitation, (i) using a Company position or title in connection with an outside activity that may suggest Company sponsorship or support; (ii) conducting Company business with a family member who works for a customer, supplier or other business partner; (iii) providing or offering anything of value to a government, political or other public official; or (iv) buying or selling, or making any recommendations to others to buy or sell securities of any publicly traded company based on material non-public information obtained through a position in the Company. The Nominating & Governance Committee is responsible for overseeing the adequacy of the Code and obtaining confirmation from senior management of the Company that the Code and related policies are understood and implemented. Global training on the Code is required to be completed by employees on an annual basis.

Integrity Helpline

The Company has established and maintains the Albemarle Integrity Helpline (the “Helpline”), which is a confidential, anonymous system for reporting via phone or the Internet suspected violations of the Code. An alert for each Helpline notice goes directly to the Chief Compliance Officer and the General Counsel. Promptly after receiving a Helpline report, the Chief Compliance Officer, in consultation as appropriate with the General Counsel, determines the steps to be taken. If an investigation is appropriate, the investigation will be conducted using

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the procedure outlined in the Incident Reporting and Investigation Procedures (the “Procedures”). The Procedures provide guidelines for each step of the reporting and investigation process, including classification of the issue(s); assignment of a case number; selection of the investigation team; hiring of external resources; notification, investigation timing, reporting and investigation report content; and corrective actions. Helpline activity is monitored by and regularly reported to the Audit & Finance Committee of the Board of Directors.

Related Person Transaction Policy

The Board of Directors has adopted a written Related Person Transaction Policy (the “Policy”) that governs the review, approval or ratification of covered related person transactions. The Audit & Finance Committee of the Board of Directors manages the Policy. The Policy generally provides that we may enter into a related person transaction only if the Audit & Finance Committee or the disinterested members of the Board of Directors approves or ratifies such transaction in accordance with the guidelines set forth in the Policy; if the transaction is in, or not inconsistent with, the best interests of the Company and its shareholders; and if the transaction is on terms comparable to those that could be obtained in arm’s length dealings with an unrelated third party; or the transaction involves compensation approved by the Executive Compensation Committee of the Board of Directors.

In the event our management determines to recommend a related person transaction, if approved, such transaction must be presented to the Audit & Finance Committee for approval. After review, the Audit & Finance Committee will approve or disapprove such transaction and at each subsequently scheduled Audit & Finance Committee meeting, our management will update the Audit & Finance Committee as to any material change to the proposed related person transaction. In those instances in which our General Counsel, in consultation with our CEO or the CFO, determines that it is not practicable or desirable for us to wait until the next Audit & Finance Committee meeting to review a proposed related person transaction, the Chair of the Audit & Finance Committee has delegated authority to act on behalf of the Audit & Finance Committee. The Audit & Finance Committee (or its Chair) approves only those related person transactions that it determines in good faith to be in, or not inconsistent with, our best interests and the best interests of our shareholders and which is on terms

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comparable to those that could be obtained in arm's length dealings with an unrelated third party.

For purposes of the Policy, a "related person transaction" is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we were, are or will be a participant and the amount involved exceeds \$120,000 and in which any related person had, has or will have a direct or indirect interest. For purposes of determining whether a transaction is a related person transaction, the Audit & Finance Committee may rely upon Item 404 of Regulation S-K.

A "related person" is (i) any person who is, or at any time since the beginning of our last fiscal year was, a director or executive officer of the Company or a nominee to become a director; (ii) any person who is known to be the beneficial owner of more than 5% of any class of our voting securities; (iii) any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of the director, executive officer, nominee or more than 5% beneficial owner and any person (other than a tenant or employee) sharing the household of such director, executive officer, nominee or more than 5% beneficial owner; or (iv) any firm, corporation or other entity in which any of the foregoing persons is employed or is a general partner or principal or in a similar position or in which such person has a 5% or greater beneficial ownership interest.

The Audit & Finance Committee was not presented with, and the Company did not participate in, any related person transactions in 2013.

Corporate Governance Guidelines

The Board of Directors has adopted the Albemarle Corporation Corporate Governance Guidelines (the "Guidelines"), which provide for the review of any requests by the CEO to serve as a director on another public company's board. In no event shall the CEO serve on more than two public company boards of directors in addition to serving on his or her own board. The Nominating & Governance Committee must be notified of the intention of any director, the CEO and other member of the senior management team of the Company to serve

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on another board of directors, and the Nominating & Governance Committee will then review the possibility for conflicts of interest and time constraints. The Guidelines also require each director to notify the Chair of the Nominating & Governance Committee of any conflicts or potential conflicts of interest.

Compliance Council

A further mechanism is the Compliance Council (the “Council”). The Council supports, consults with and advises the Chief Compliance Officer in the implementation, monitoring and administration of an effective ethics and compliance program. Comprised of cross-functional representatives from Compliance, Legal, HR, HSE, Finance, Audit, Business, Sales, Manufacturing and regional compliance leaders in Europe and Asia-Pacific, the Council’s purpose is to support Company values of integrity, communication and teamwork by promoting a common approach to ethics and compliance. The Council maintains an open dialogue with the business functions and promotes cross-functional partnering and communication to ensure the Company’s compliance goals are implemented and interpreted consistently throughout the Company. The Chief Compliance Officer periodically reports to the Audit & Finance Committee of the Board of Directors on the activities of the Council.

Other Mechanisms

In addition to the processes described above, there are other mechanisms in place to monitor and avoid potential conflicts of interest, including the annual Director & Officer Questionnaire, which poses questions designed to enable the Company to assess potential conflicts of interest.

4.7 PROCESS FOR DETERMINING THE QUALIFICATIONS AND EXPERTISE OF THE MEMBERS OF THE HIGHEST GOVERNANCE BODY FOR GUIDING THE ORGANIZATION'S STRATEGY ON ECONOMIC, ENVIRONMENTAL AND SOCIAL TOPICS

The Nominating & Governance Committee assists the Board on all matters relating to the selection, qualification (including determinations of “independence”) and compensation of members of the Board, as well as matters relating to the duties of the members of the Board and the annual evaluation of the Board’s performance and processes. The Nominating & Governance Committee also assists the Board with oversight of corporate governance. Succession planning for the CEO and other senior executives is done by the full Board.

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The Nominating & Governance Committee identifies Director candidates through recommendations made by members of the Board, management, shareholders and others, including professional search firms. The Board of Directors as a whole is constituted to be strong in its diversity and collective knowledge of a wide range of issues, including but not limited to accounting and finance, management and leadership, vision and strategy, business operations, business judgment, crisis management, risk assessment, industry knowledge, corporate governance and global markets. The Nominating & Governance Committee reviews its effectiveness in balancing these considerations through ongoing consideration of Directors and nominees, as well as the Nominating & Governance Committee's annual self-evaluation process.

The Nominating & Governance Committee evaluates a candidate's qualifications to serve as a member of the Board based on the background and expertise of individual members as well as the background and expertise of the Board as a whole. The Nominating & Governance Committee also considers such other relevant factors as it deems appropriate, including the current composition of the Board, the balance of management and independent Directors, the need for Audit & Finance Committee expertise and the evaluation of other prospective nominees.

4.8 INTERNALLY DEVELOPED STATEMENTS OF MISSION OR VALUES, CODES OF CONDUCT AND PRINCIPLES RELEVANT TO ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE AND THE STATUS OF THEIR IMPLEMENTATION

Albemarle has adopted a "Values and Mission Statement" and a Code of Business Conduct available on the Company's website at <http://albemarle.com/Investors/Corporate-Governance/Code-of-Business-Conduct-212.html>. The "Values and Mission Statement" is summarized below:

Values and Mission: The Albemarle Principles

Our Mission is to be the best performing specialty chemical company by all metrics and standards through our principles of:

INTEGRITY

Unwavering commitment to truth, candor and objectivity; it is imperative that we operate our business in a simple, clear, transparent and honest manner.

STEWARDSHIP

Uncompromising with regard to quality and safety; we will operate our plants and run our business in a way that respects the environment and protects the health and safety of our stakeholders.

PLANNING

Designing a sustainable future by taking initiative with our thoughts, words and capital to validate our future condition and vision.

DISCIPLINE

Targeting the achievement of perfection based on solid execution, built on learning, training and restraint.

INNOVATION

Challenging the status quo, thinking differently and driving creativity to solve the problems that drive value. Past success does not necessarily lead to future success. Our stakeholders are counting on us.

CUSTOMER FULFILLMENT

Meeting and exceeding our customers' expectations to solve problems and provide seamless supply of our products and services. The key to leadership in our strategic markets is customer service. Our front line people put a face on our business and have tremendous influence. If they are tenacious, aggressive and proactive, our leadership will continue. Leadership is earned and not tenured and must never be taken for granted.

COMMUNICATION

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

Communicating openly, honestly and frequently in an active, two-way process is essential to success. Our leadership will listen to our stakeholders in an environment where all of our stakeholders feel they will be heard without repercussion. Good communication means where the organization is going and how it plans to get there. In this manner, we can align our team to achieve our objectives.

TEAMWORK

Manifesting great teamwork through hard work, high energy, enthusiasm and innovation. Positive mental attitude and trust make teamwork sustainable. Our business will thrive led by people who truly enjoy what they do, are excited by the challenges and are energized by the possibilities.



In addition, the company has developed a global policy describing our philosophy toward Health, Safety, Security and Environmental Stewardship:

Governance and Safety Stewardship

We will take personal responsibility for safety and are committed to insuring that we cause no harm to ourselves, our co-workers or the communities in which we operate. Our goal is to maintain an incident-free, secure and healthy workspace. Working in a safe, secure and environmentally responsible manner is an inherent part of our jobs and a condition of employment for each of us. We will comply with all applicable legal requirements and company policies and procedures.

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Each of us will take appropriate steps, including discontinuing operations if necessary, to correct actions and conditions before they lead to incidents, and no one will undertake any task unless it can be done in a safe and environmentally responsible manner. We adhere to the principles and expectations of Responsible Care® in our daily operations.

Social Responsibility

We will extend our health, safety, security and environmental philosophy beyond the workplace and seek opportunities to advocate this philosophy in our neighborhoods, in transit and at home. We will endeavor to make a positive impact in our communities through the Albemarle Foundation and actively support the cornerstones of sustainability: education, health and social services, cultural initiatives and voluntarism.

Green Chemistry Principles and Environmental Obligations

We will strive for continuous improvement in health, safety, security and environmental performance and will measure our performance against the best performing companies. We will reduce emissions caused by our operations by optimizing raw material, energy and water usage. We will be responsive to the concerns of our stakeholders and actively seek participation by them in our programs. We will continually search for innovative and sustainable ways to develop solutions that meet environmental and societal needs today and for generations to come.

People and Development

Our greatest asset is our people. We will invest time, energy and money to ensure that our people have the necessary understanding, education, expertise and training to perform tasks in a safe and environmentally responsible manner. We will improve the future by learning from the past. Our facilities will share experiences and lessons learned with each other, and we will implement across our sites. We will empower people to prevent accidents or incidents before they happen.

Financial Performance

We will do the right thing from a health, safety, security and environmental standpoint and doing so will benefit our employees, communities, customers and other stakeholders. We will invest in improvements at our facilities to ensure compliance with HSE policies and standards and to improve operational efficiencies. Incremental savings are never justified when there is potential risk to people, property or products. We will continue to seek wise investments that promote

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improved processes while ensuring positive health, safety, security and environmental impact for all of our stakeholders.

4.9 PROCEDURES OF THE HIGHEST GOVERNANCE BODY FOR OVERSEEING THE ORGANIZATION'S IDENTIFICATION AND MANAGEMENT OF ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE, INCLUDING RELEVANT RISKS AND OPPORTUNITIES, AND ADHERENCE OR COMPLIANCE WITH INTERNATIONALLY AGREED STANDARDS, CODES OF CONDUCT AND PRINCIPLES

To assist in its oversight responsibilities, the Board of Directors maintains the following four Committees comprised entirely of independent directors: Audit & Finance, Executive Compensation, Nominating & Governance and Health Safety & Environment. Additionally, management designed an Enterprise Risk Management (“ERM”) process led by the Company’s Chief Risk and Compliance Officer, and managed by an ERM Committee with cross-functional representation by senior Company leaders worldwide. The ERM Committee meets quarterly to identify, discuss and assess Company-wide risks and develop action plans to mitigate those risks categorized as having the largest potential financial, reputational and/or health, safety or environmental impacts — all of which are included in an ERM quarterly report. The Chief Risk and Compliance Officer (or other ERM Committee members) regularly reports to the Audit & Finance Committee, generally highlighting those risks identified as the most significant, reviewing the Company’s methods of risk assessment and risk mitigation strategies and updating the Audit & Finance Committee on issues the ERM Committee identified as possible emerging risks. The Audit & Finance Committee engages in regular periodic discussions with the Chief Risk and Compliance Officer and other members of the ERM Committee, as appropriate.

The Audit & Finance Committee reports to the full Board on, among other matters, risk oversight. Additionally, the Board receives a copy of the ERM Committee’s quarterly reports and a detailed annual report from the Chief Risk and Compliance Officer in which the Company identifies its risk areas and oversight responsibility. The Board also engages in periodic discussions with the Chief Risk and Compliance Officer and other members of the ERM Committee, as appropriate.

While the Audit & Finance Committee is responsible for, among other matters, general ERM, the full Board and each of the other standing Board Committees considers risks within its area of responsibility. The Board oversees corporate strategy, business development, capital structure, market exposure and country-specific risks. The Executive Compensation Committee considers

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human resource risks and potential risks relating to our employee (including executive) compensation programs. The Nominating & Governance Committee considers intellectual property and governance risks. The Health, Safety & Environment Committee considers the effectiveness of our health, safety and environment programs and initiatives. The Health, Safety & Environment Committee also assists the Board with oversight of matters related to the enhancement of our global reputation, our corporate social responsibility and the stewardship and sustainability of our products. Each of the Committees regularly reports to the Board.

4.10 PROCESSES FOR EVALUATING THE HIGHEST GOVERNANCE BODY'S OWN PERFORMANCE, PARTICULARLY WITH RESPECT TO ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE

The Nominating & Governance Committee coordinates an annual evaluation process by the directors of the Board's performance and procedures. This self-evaluation leads to a full Board discussion of the results.

The Chair (or the Lead Independent Director) consults with each of the directors as part of the evaluation. The qualifications and performance of all Board members are reviewed in connection with their re-nomination to the Board.

The Nominating & Governance Committee, the Audit & Finance Committee, the Health, Safety & Environment Committee and the Executive Compensation Committee each conduct an annual self-evaluation of their performance and procedures, including the adequacy of their charters and make recommendations, if any, to the Board as to proposed changes to their charter resulting from such review.

4.11 EXPLANATION OF WHETHER AND HOW THE PRECAUTIONARY APPROACH OR PRINCIPLE IS ADDRESSED BY THE ORGANIZATION

Albemarle actively implements many procedures and programs, which use the precautionary approach or principle. Examples of such are:

- Whistleblower policy
- Corporate Code of Conduct
- RC14001

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- Sustainable Development Policy
- GRI
- Emissions Trading in EU
- Community involvement (Natural disaster relief as an example)
- Technology innovation
- VECAP

4.12 EXTERNALLY DEVELOPED ECONOMIC, ENVIRONMENTAL AND SOCIAL CHARTERS, PRINCIPLES OR OTHER INITIATIVES TO WHICH THE ORGANIZATION SUBSCRIBES OR ENDORSES

Initiative	Date of adoption	Countries	Stakeholders involved in development and governance	Voluntary/Mandatory
ACC and Responsible Care®	1988	United States	American Chemistry Counsel and member companies	Voluntary
VECAP™	2006	EU, U.S., Japan, China, South Korea	Albemarle Corporation and other brominated flame retardant companies	Voluntary
ISO 9001, ISO 9002 and ISO 14001	Varies by facility	U.S., UK, Jordan, China, Austria, Germany, The Netherlands	International Organization for Standardization and is administered by accreditation and certification bodies	Voluntary
RC14001	2005	United States	American Chemistry Council and member companies	Voluntary

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4.13 MEMBERSHIPS IN ASSOCIATIONS (SUCH AS INDUSTRY ASSOCIATIONS) AND/OR NATIONAL/INTERNATIONAL ADVOCACY ORGANIZATIONS IN WHICH THE ORGANIZATION: * HAS POSITIONS IN GOVERNANCE BODIES; * PARTICIPATES IN PROJECTS OR COMMITTEES; * PROVIDES SUBSTANTIVE FUNDING BEYOND ROUTINE MEMBERSHIP DUES; OR * VIEWS MEMBERSHIP AS STRATEGIC

ACC – American Chemistry Council	CIBO (Council of Industrial Boiler Owners)
AEEC – Arkansas Electric Energy Consumers, Inc.	Bundesverband der Energie
AFPM American Fuel and Petrochemical Manufacturers (former NPRA)	CEFIC European Chemical Industry Council
AGC – Arkansas Gas Consumers, Inc.	Centexbel
American Board of Industrial Hygiene (ABIH)	Cercle de Lorraine
American Chamber of Commerce, China	Channel Industries Mutual Aid (CIMA)
AmCham EU	ChemITC
American Chemical Society	Chemical Industries Association
American Industrial Hygiene Association (AIHA)	China Plastics Processing Industry Association (CPPIA)
American Institute of Chemical Engineers (AIChE)	Comité électronique Belge
American Society of Materials (ASM)	Cooling Technology Institute (CTI)
American Society of Quality (ASQ)	Corporate Responsibility Officers Association
American Society of Mechanical Engineers (ASME)	Design Institute of Emerging Relief Systems (DIERS)
Arkansas Environmental Federation	DKG DEUTSCHE KERAMISCHE GESELLSCHAFT (German association for ceramic materials)
Arkansas State Chamber Of Commerce and AIA (Associated Industries Of Arkansas)	DCAT –Drug, Chemical and Associated Technologies
Association of the German Chemical Industry (VCI)	East Harris County Manufacturers Association (EHCMA)
Association of the Dutch Chemical Industry (VNCI)	ECETOC
Association of Water Technologies (AWT)	EIPC
Blair Chamber of Commerece Safety Committee	ESSENSCIA- Belgian federation for the chemical industry and life sciences
Blair County Local Emergency Planning Committee (LEPC)	European HBCD Industry Working Group - EAG (Environmental Advisory Group)
Board of Certified Safety Professionals (BCSP)	Explosion Research Cooperative

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Bromaid China	Fire Safety Platform
Bromaid Europe	Greater Baton Rouge Industrial Alliance (GBRIA)
BSEF – Bromine Science and Education Foundation	Gesellschaft fuer Umweltmutagenese (association for environmentmutagenesis)
Global Safety forum	Ningbo Petroleum Chemical Association
GTFI _ Groupement technique français contre l'incendie	Ninghai Commercial and Industrial Association
Houston Regional Monitoring	ORAM - Amsterdam Region Business Association
IAER – International Association of Electronics Recyclers	Orangeburg County Chamber of Commerce
IAPC Europe	PCA "Portland Cement Association"
International Molybdenum Association	Petroleum and Chemical Industry Committee (PCIC)
IOSH - Institution of Occupational Safety and Health	PDA Europe
ICAC "Institute for Clean Air Companies"	Polyurethane Foam Association
International Antimony Association (i2A)	Regulatory Affairs Professional Society
International Society of Pharmaceutical Engineers	Society of Maintenance and Reliability Professionals (SMRP)
IPC – Association Connecting Electronics Industries	SOCMA- Society of Chemical Manufacturers & Affiliates
La Porte Citizens Advisory Council	South Carolina Chamber of Commerce
La Porte Local Emergency Planning Committee (LEPC)	Texas Chemical Council
Local Emergency Planning Committee (LEPC)	Texas Industry Project
Louisiana Chemical Association (LCA)	Transatlantic Business Council (TABC) - former European-American Business Council
Louisiana Engineering Society (LES)	VEMW - Dutch Association for Energy, Environment and Water
Magnolia Chamber Of Commerce	VERBAND DER DEUTSCHE Feuerfest Industrie
Magnolia Economic Development Commission	VNO-NCW - The Confederation of Netherlands Industry and Employers
Methyl Bromide Industry Panel	Water Environment Association of South Carolina
National Association of Corrosion Engineers (NACE)	Wildlife Habitat Council
NAM –National Association of Manufacturers	WIRTSCHAFTSVEREINIGUNG METALLE
NACD - National Association of Corporate Directors	Yeosu Chemical Plant Safety Manager Association
National Society of Professional Engineers (NSPE)	Yeosu Chamber of Commerce and Industry
Ningbo Intellectual Property Association	

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

4.14 LIST OF STAKEHOLDER GROUPS ENGAGED BY THE ORGANIZATION

Stakeholder groups identified and engaged by Albemarle:

- Customers
- Shareholders
- Employees
- Retirees
- Communities in which we operate
- Consumers
- Suppliers
- NGO's
- Industry & Trade Associations
- Media
- Investment groups
- Governments and regulators

4.15 BASIS FOR IDENTIFICATION AND SELECTION OF STAKEHOLDERS WITH WHOM TO ENGAGE

Engagement with identified stakeholders is imperative to business success. We work to

select stakeholders that:

1. Are impacted by the decisions that Albemarle makes
2. Impact Albemarle by decisions that they make

By using this focus for engagement, we close the loop by including:

1. Users of our products and their supply chain (customers and suppliers)

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

2. Those who are impacted directly and indirectly by our choices (employees, retirees, communities in which we operate, etc.)
3. Those who choose to invest in our company (shareholders, investment groups, etc.)
4. Experts and stakeholders in the areas we operate (Industry and Trade Associations, Governments and regulators, NGO's)
5. Downstream users and spokespersons (consumers, media.)

We work to select particular groups to interact with that have specific needs, concerns, and solutions. Ongoing dialog and communication with these groups provide insight into what we can do to enhance our focus and improve our processes throughout the organization.

4.16 APPROACHES TO STAKEHOLDER ENGAGEMENT, INCLUDING FREQUENCY OF ENGAGEMENT BY TYPE AND BY STAKEHOLDER GROUP

Albemarle regularly engages each of our stakeholders in order to maintain strong relationships with them, share information and gather feedback. Depending on the stakeholder group, the method and frequency of engagement varies.

Employees

Albemarle regularly communicates company initiatives, news, goals and performance to employees through our Intranet, our website, quarterly managers' calls, written memos and face-to-face meetings. The Intranet and website are maintained daily. Written memos are sent as needed, but at least quarterly. Performance updates and calls with managers are made at least quarterly. In addition, in 2007 Albemarle formed the Albemarle Foundation, a 501(c) 3 nonprofit organization aimed at energizing employee donations of time, resources and money to community-based initiatives. Employees serve on an advisory board in each location where they oversee the Foundation's activities in that region, and employees vote on where monies are to be distributed.

Communities in which we operate

Each site continues to develop strong relationships by donating funds and infrastructure toward community initiatives focused on the areas of education, environmental sustainability and charitable contributions. In 2007, Albemarle formed the Albemarle Foundation, a 501(c) (3)

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

nonprofit organization, to direct these employee efforts. Since inception, donations of time and money have increased each year, and the footprint of the Foundation now covers each community in the U.S. where we operate. Albemarle provides both paid and unpaid employee volunteer services, as well as retiree employee volunteer services. We open our gates at times to give area citizens insight into our facilities and operations. We provide technical assistance by joining forces to protect communities and loaned talent by mentoring with real-life role models to a variety of community organizations. Albemarle provides in-kind gifts in a variety of ways, such as donating 100% of materials for different Habitat for Humanity projects.

In addition, sites conduct Community Advisory Panels under the Responsible Care Management System, where site leaders and employees meet regularly with members of the community. The meetings are geared toward keeping the community informed of our operations, our performance and important initiatives as well as gathering feedback and suggestions from the local community members.

Shareholders and Investment Groups

The company holds quarterly earnings calls that are open to the public. Main participants are employees, shareholders, investment groups and analysts. During the calls, senior leaders report on the company's financial performance and major strategic initiatives. The calls further increase our visibility and transparency.

Media Regulators, Customers and Suppliers

In addition to quarterly earnings calls that are open to all groups, Albemarle staff host regular communications via phone, email or meetings with government and regulators worldwide to help ensure that Albemarle is focusing on the most significant regulatory concerns. Monthly interaction happens via phone or meetings with customers and suppliers to discuss issues of concern (supply/demand issues, methods to reduce product emissions, regulatory issues, etc.). We work with Industry and Trade Associations on a regular basis (at least every month) to understand the needs and issues of their membership. Albemarle interacts with NGO's at various meetings about every 1-2 months to try to better understand their areas of concern and focus.

In addition, Albemarle routinely distributes press releases that are geared toward trade media, customers, regulators and/or suppliers. These news releases report on strategic initiatives, pricing and significant news within the company.

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4.17 KEY TOPICS AND CONCERNS THAT HAVE BEEN RAISED THROUGH STAKEHOLDER ENGAGEMENT, AND HOW THE ORGANIZATION HAS RESPONDED TO THOSE KEY TOPICS AND CONCERNS, INCLUDING THROUGH ITS REPORTING

In 2013, Albemarle spent approximately \$6 million on toxicology tests, attorney and expert fees, public relations and advertising, and lobbying related to protecting, defending and sustaining its businesses, processes, products and the communities in which we operate. Our advocacy efforts are primarily driven towards defending the science upon which our chemistry solutions are based as well as promoting sustainable solutions to global challenges. In addition, we are also protecting our customers' businesses and advocating for clean energy sources for the world and communities in which we operate. Examples of some of our primary areas of focus in 2013 are:

Development of and promotion of advanced solutions for industries with mercury control challenges: Through developing and promoting the use of our mercury control technologies, we not only help customers solve challenges with regulatory compliance, we also promote environmentally friendly solutions in response to concerns from our community members and global stakeholders.

Support of increased fire safety standards with industry organizations and national regulatory bodies.

Promotion of a new chemical regulatory framework to replace Toxic Substances Control Act (TSCA) in the United States.

Advocacy and support of our mineral and bromine-based flame retardants.

Albemarle advocates the use of science-based chemical regulatory processes in preference to product specific legislation. Through our advocacy efforts and our community relations efforts, we seek to not only gather feedback from multiple stakeholder groups, but we also seek to educate these stakeholders (government agencies, regulators, community members) on the merits of our science-based solutions and the positive impacts they have on the world in which we live and operate. However, societal concerns addressed by multiple stakeholders about certain chemicals is of particular concern to Albemarle. We have announced the development of alternatives for both HBCD and decabrom. Our criteria for new polymer additive products are that in addition to meeting economic and performance requirements, they must be non-toxic, non-bioaccumulative, and facilitate recycling.

GOVERNANCE, COMMITMENTS AND ENGAGEMENTS

In December 2009, Albemarle announced a voluntary program to withdraw decabrom from the market in cooperation with the U.S. Environmental Protection Agency. At this time, we announced the development of our GreenArmor™ flame retardant, a new polymeric and highly sustainable alternative to decabrom. Commercialization of GreenArmor™ flame retardant is in progress. We continue to work on transitioning customers from decabrom to alternative products as quickly and smoothly as possible.

In May 2012, Albemarle announced the development of GreenCrest™ flame retardant, a stable, high molecular weight polymeric flame retardant designed as a replacement for HBCD in extruded and expanded polystyrene applications.

Albemarle is dedicated to the principles of Green Chemistry and Green Engineering, which is in line with discussions with multiple stakeholders (customers, consumers, NGO's, Government and Regulators, and media). We collaborate with the Green Chemistry Institute of the American Chemistry Society, work to implement green metrics in our R&D organization, participate in chemical industry roundtable discussions and have experts in Green Chemistry speak at various internal meetings and workshops. We sponsor corporate awards associated with enhancing the sustainability of our operations. The Albemarle Sustainability Awards were created to recognize location specific teams for the amazing ingenuity and results they produce each year. The categories include: Waste Reduction, Wildlife Habitats, Community Initiatives, Energy/Greenhouse Gas Reductions, Emission Reductions, Water Conservation, and Office Activities.

DISCLOSURE OF MANAGEMENT APPROACH (DMA) - ECONOMIC

Albemarle focuses on innovative products, a global approach and a diverse product set around the world, as well as innovative people, in order to ensure that we continue to grow and have excellent cash flow for ongoing success. We believe that our commercial and geographic diversity, technical expertise, innovative capability, flexibility, low-cost global manufacturing base, experienced management team and strategic focus on our core base technologies will enable us to maintain leading market positions in those areas of the specialty chemical industry in which we operate. We believe our disciplined cost reduction efforts, ongoing productivity improvements and strong balance sheet position us well to take advantage of strengthening economic conditions while softening the negative impact of any temporary disruption in the economy. Our strong balance sheet is a critical component of making sure we can handle those uncertainties.



Scott Tozier, Sr. Vice President & Chief Financial Officer

EC1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED, INCLUDING REVENUES, OPERATING COSTS, EMPLOYEE COMPENSATION, DONATIONS AND OTHER COMMUNITY INVESTMENTS, RETAINED EARNINGS AND PAYMENTS TO CAPITAL PROVIDERS AND GOVERNMENTS

	2013 (in thousands)
Revenues	\$ 2,616,416
Operating Costs	1,955,491
Wages/Benefits	74,950
Payments to providers of funds	107,736
Payments to governments	85,692
Donations/community investments	3,065
Economic value retained	<u>\$ 389,482</u>

CONSOLIDATED BALANCE SHEETS

(In Thousands)

December 31

Assets

Current assets:

	<u>2013</u>	<u>2012</u>
Cash and cash equivalents	477,239	477,696
Trade accounts receivable, less allowance for doubtful accounts (2013-\$1,614; 2012-\$1,641)	446,864	378,973
Other accounts receivable	45,094	43,844
Inventories:		
Finished goods	340,863	325,762
Raw materials	47,784	57,245
Stores, supplies and other	47,402	45,138
	<u>436,049</u>	<u>428,145</u>
Other current assets	77,669	78,655
Total current assets	<u>1,482,915</u>	<u>1,407,313</u>
Property, plant and equipment, at cost	2,972,084	2,818,604
Less accumulated depreciation and amortization	1,615,015	1,522,033
Net property, plant and equipment	<u>1,357,069</u>	<u>1,296,571</u>
Investments	212,178	207,141
Other assets	160,229	154,836
Goodwill	284,203	276,966
Other intangibles, net of amortization	88,203	94,464
Total assets	<u>\$3,584,797</u>	<u>\$3,437,291</u>

Liabilities and Equity		
Current liabilities:		
Accounts payable	\$ 194,064	\$ 172,866
Accrued expenses	190,533	177,546
Current portion of long-term debt	24,554	12,700
Dividends payable	19,197	17,471
Income taxes payable	8,015	4,426
Total current liabilities	436,363	385,009
Long-term debt	1,054,310	686,588
Postretirement benefits	53,903	60,815
Pension benefits	57,647	195,481
Other noncurrent liabilities	110,610	114,022
Deferred income taxes	129,188	63,368
Commitments and contingencies (Note 15)		
Equity:		
Albemarle Corporation shareholders' equity:		
Common stock, \$.01 par value (authorized 150,000 shares), issued and outstanding - 80,053 in 2013 and 88,899 in 2012	801	889
Additional paid-in capital	9,957	2,761
Accumulated other comprehensive income	116,245	85,264
Retained earnings	1,500,358	1,744,684
Total Albemarle Corporation shareholders' equity	1,627,361	1,833,598
Noncontrolling interests	115,415	98,410
Total equity	1,742,776	1,932,008
Total liabilities and equity	\$3,584,797	\$3,437,291

The accompanying notes to the consolidated financial statements, can be found in the 10-K report; this report can be found via www.albemarle.com/investors under Financials - Annual Reports.

CONSOLIDATED STATEMENTS OF INCOME

(In Thousands, Except Per Share Amounts)

Year Ended December 31	2013	2012	2011
Net sales	\$ 2,616,416	\$ 2,745,420	\$ 2,869,005
Cost of goods sold	1,755,011	1,835,425	1,914,058
Gross profit	861,405	909,995	954,947
Selling, general and administrative expenses	162,889	313,227	360,070
Research and development expenses	82,246	78,919	77,083
Restructuring and other charges, net (Note 19)	33,361	111,685	—
Operating profit	582,909	406,164	517,794
Interest and financing expenses	(31,559)	(32,800)	(37,574)
Other (expenses) income, net	(6,923)	1,229	357
Income before income taxes and equity in net income of unconsolidated investments	544,427	\$ 374,593	480,577
Income tax expense	136,322	\$ 82,533	104,134
Income before equity in net income of unconsolidated investments	408,105	\$ 292,060	376,443
Equity in net income of unconsolidated investments (net of tax)	31,729	\$ 38,067	43,754
Net income	439,834	\$ 330,127	420,197
Net income attributable to non-controlling interests	(26,663)	\$ (18,591)	(28,083)
Net income attributable to Albemarle Corporation	\$ 413,171	\$ 311,536	\$ 392,114
Basic earnings per share	\$ 4.93	\$ 3.49	\$ 4.33
Diluted earnings per share	\$ 4.90	\$ 3.47	\$ 4.28
Weighted-average common shares outstanding-basic	83,839	89,189	90,522
Weighted-average common shares outstanding-diluted	84,322	89,884	91,522
Cash dividends declared per share of common stock	\$ 0.96	\$ 0.80	\$ 0.67

The accompanying notes to the consolidated financial statements, can be found in the 10-K report; this report can be found via www.albemarle.com/investors under Financials - Annual Reports.

EC2 FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES FOR THE ORGANIZATION'S ACTIVITIES DUE TO CLIMATE CHANGE

Growing concerns about climate change may result in the imposition of additional regulations or restrictions to which we may become subject. Climate changes include changes in rainfall and in storm patterns and intensities, water shortages, significantly changing sea levels and increasing atmospheric and water temperatures, among others. For example, there has been increasing concern regarding the declining water level of the Dead Sea, from which our joint venture, JBC, produces bromine. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to climate change. For example, some of our operations are within jurisdictions that have, or are developing, regulatory regimes governing greenhouse gas emissions. Potentially, additional U.S. federal regulation will be forthcoming with respect to greenhouse gas emissions (including carbon dioxide (CO₂) and/or “cap and trade” legislation that could have impacts on our operations. In addition, we have operations in the European Union, Brazil, China, Japan, Jordan, Saudi Arabia, Singapore and the United Arab Emirates, which have implemented measures to achieve objectives under the Kyoto Protocol, an international agreement linked to the United Nations Framework Convention on Climate Change (UNFCCC), which set binding targets for reducing greenhouse gas emissions. The first commitment period under the Kyoto Protocol expired in 2012. An amendment was passed by the UNFCCC during the December 2012 Doha climate change talks that would implement a second commitment period through 2020, but the amendment has not entered into legal force pending acceptance by participating countries. The outcome of new legislation or regulation in the U.S. and other jurisdictions in which we operate may result in new or additional requirements, additional charges to fund energy efficiency activities, fees or restrictions on certain activities. While certain climate change initiatives may result in new business opportunities for us in the area of alternative fuel technologies and emissions control, compliance with these initiatives may also result in additional costs to us, including, among other things, increased production costs, additional taxes, reduced emission allowances or additional restrictions on production or operations. Any adopted future climate change regulations could also negatively impact our ability to compete with companies situated in areas not subject to such limitations. Even without such regulation, increased public awareness and adverse publicity about potential impacts on climate change emanating from us or our industry could harm us. We may not be able to recover the cost of compliance with new or more stringent laws and regulations, which could adversely affect our

business and negatively impact our growth. Furthermore, the potential impacts of climate change and related regulation on our customers are highly uncertain and may adversely affect us.

EC3 COVERAGE OF THE ORGANIZATION'S DEFINED BENEFIT PLAN OBLIGATIONS

The following provides a reconciliation of benefit obligations, plan assets and funded status of the plans, as well as a summary of significant assumptions for our pension benefit plans (in thousands):

	Year Ended December 31, 2013		Year Ended December 31, 2012	
	Total Pension Benefits	Domestic Pension Benefits	Total Pension Benefits	Domestic Pension Benefits
Change in benefit obligations:				
Benefit obligation at January 1	\$ 762,395	\$ 714,158	\$ 674,665	\$ 634,184
Service cost	13,962	12,177	12,741	11,274
Interest cost	29,883	28,406	31,636	29,843
Plan amendments	—	—	1,123	1,123
Actuarial (gain) loss	(88,392)	(85,774)	90,336	83,428
Benefits paid	(41,132)	(39,630)	(49,234)	(45,694)
Employee contributions	320	—	294	—
Foreign exchange loss	1,546	—	834	—
Benefit obligation at December 31	<u>\$ 678,582</u>	<u>\$ 629,337</u>	<u>\$ 762,395</u>	<u>\$ 714,158</u>
Change in plan assets:				
Fair value of plan assets at January 1	\$ 563,303	\$ 554,179	\$ 531,105	\$ 522,408
Actual return on plan assets	83,853	83,499	62,577	62,167
Employer contributions	9,790	7,556	18,299	15,298
Benefits paid	(41,132)	(39,630)	(49,234)	(45,694)
Employee contributions	320	—	294	—
Foreign exchange gain	411	—	262	—
Fair value of plan assets at December 31	<u>\$ 616,545</u>	<u>\$ 605,604</u>	<u>\$ 563,303</u>	<u>\$ 554,179</u>
Funded status at December 31	<u>\$ (62,037)</u>	<u>\$ (23,733)</u>	<u>\$ (199,092)</u>	<u>\$ (159,979)</u>

ECONOMIC

	December 31, 2013		December 31, 2012	
	Total Pension Benefits	Domestic Pension Benefits	Total Pension Benefits	Domestic Pension Benefits
Amounts recognized in consolidated balance sheets:				
Current liabilities (accrued expenses)	\$ (4,390)	\$ (2,856)	\$ (3,611)	\$ (2,015)
Noncurrent liabilities (pension benefits)	(57,647)	(20,877)	(195,481)	(157,964)
Net pension liability	<u>\$ (62,037)</u>	<u>\$ (23,733)</u>	<u>\$ (199,092)</u>	<u>\$ (159,979)</u>
Amounts recognized in accumulated other comprehensive income:				
Prior service benefit	\$ (70)	\$ (441)	\$ (759)	\$ (1,181)
Net amount recognized	<u>\$ (70)</u>	<u>\$ (441)</u>	<u>\$ (759)</u>	<u>\$ (1,181)</u>
Weighted-average assumption percentages:				
Discount rate	5.00%	5.14%	4.04%	4.10%
Rate of compensation increase	2.78%	3.50%	3.37%	3.50%

EC4 SIGNIFICANT FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT

Program- /Project name	Funding received from	Funding for Albemarle
WBSO (tax incentive for R&D hours)	NL Government	\$674,788
RDA (tax incentive for R&D investments)	NL Government	\$125,663
NAABB consortium	US Dept. of Energy (American Recovery and Reinvestment Act)	\$146,718
Investment Yeosu plant	S. Korea: Ministry of Knowledge and Economy	\$1,765,857

Exchange rate: 1 Euro = 1.38023 (March 24, 2014)

ECONOMIC

EC5 RANGE OF RATIOS OF STANDARD ENTRY LEVEL WAGE COMPARED TO LOCAL MINIMUM WAGE AT SIGNIFICANT LOCATIONS OF OPERATION

Significant Location(s)	Name(s)	Lowest Level Wage	Minimum Wage	Ratio Entry-level Wage to Minimum Wage
Americas- USA				
Baton Rouge, LA	Baton Rouge Tower	\$12.50/hr	\$7.25/hr	1.72:1
Baton Rouge, LA	Process Development Center (PDC)	\$20.73/hr	\$7.25/hr	2.86:1
Houston, TX	Bayport	\$20.91/hr	\$7.25/hr	2.88:1
Houston, TX	Pasadena	\$19.23/hr	\$7.25/hr	2.65:1
Magnolia, AR	Magnolia	\$16.51/hr	\$7.25/hr	2.28:1
Orangeburg, SC	Orangeburg	\$18.27/hr	\$7.25/hr	2.52:1
South Haven, MI	South Haven	\$13.00/hr	\$7.40/hr	2.45:1
Twinsburg, OH	Twinsburg	\$21.81/hr	\$7.85/hr	2.78:1
Tyrone, PA	Tyrone	\$17.00/hr	\$7.25/hr	2.35:1
EMA				
Amsterdam, the Netherlands	Amsterdam	€1987/mo	€1477,80/mo	1.34:1
Avonmouth, UK	Avonmouth	£11.21/hr	£6.19/hr	1.81:1
Bergheim, Germany	Bergheim	€ 2551/mo	€2015/mo	1.27:1
Budapest, Hungary	Budapest	201.909HUF	101.500HUF	1.9:1
Louvain-la-Neuve, Belgium	LLN	€2383/mo	€1501.82/mo	1.59:1
Asia Pacific				
Beijing, China		8232 RMB/mo	1400 RMB/mo	5.88:1
Dalian, China		3000 RMB/mo	1300RMB/mo	2.31:1
Shanghai, China		5880 RMB/mo	1620 RMB/mo	3.58:1
Guangzhou, China		16073 RMB/mo	1550 RMB/mo	10.37:1
Jinhsan, China		2580 RMB/mo	1620 RMB/mo	1.59:1
Ninghai, China		1,781 RMB/mo	1,300 RMB/mo	1.37:1

ECONOMIC

Seoul ,South Korea		3,953,700/KRW/ mp	1,015,740KRW/ mo	3.89:1
Yeosu, South Korea		9,950 KRW/hr	5,210 KRW/hr	1.91:1
Singapore		7,101 SGD/mo	N/A	N/A
Taipei		70,000 TWD/mo	19,047 TWD/mo	3.67:1
Tokyo Japan		2620.80 JPY/hr (150 hrs/mo)	869 JPY/hr	3.02:1

ECONOMIC

EC6 POLICY, PRACTICES AND PROPORTION OF SPENDING ON LOCALLY BASED SUPPLIERS AT SIGNIFICANT LOCATIONS OF OPERATION

Location	Total Spending by the Location	Albemarle Spending on Regional Suppliers	Albemarle Spending on Local Suppliers
Americas (USD)			
Baton Rouge, LA USA	\$ 50,406,801	\$ 22,528,010	\$ 5,592,922
Houston, TX USA	\$ 279,385,799	\$ 159,604,600	\$ 154,387,733
Magnolia, AR USA	\$ 152,166,725	\$ 87,524,689	\$ 12,959,325
Orangeburg, SC USA	\$ 98,757,884	\$ 41,392,105	\$ 31,195,580
Process Development Center, LA USA	\$ 44,929,457	\$ 29,632,803	\$ 14,038,544
South Haven, MI USA	\$ 32,259,953	\$ 6,051,486	\$ 4,135,601
Twinsburg, OH USA	\$ 1,274,388	\$ 583,906	\$ 537,965
Tyrone, PA USA	\$ 55,990,448	\$ 19,892,139	\$ 11,223,034
EU (USD)			
Amsterdam, the Netherlands	\$ 179,626,075	\$ 109,038,781	\$ 56,083,294
Avonmouth, UK	\$ 834,918	\$ 834,918	\$ 834,918
Bergheim, Germany	\$ 109,939,910	\$ 99,178,293	\$ 48,350,326
Budapest, Hungary	\$ 1,107,035	\$ 950,055	\$ 934,153
Louvain-la-Neuve, Belgium	\$ 3,575,594	\$ 3,542,840	\$ 2,654,792
AP (USD)			
Shanghai, China	\$ 7,546,398	\$ 7,516,847	\$ 7,513,647
Jinshan, China	\$ 56,217,002	\$ 41,338,515	\$ 40,798,004
Ningbo, China	\$ 21,443,444	\$ 17,140,476	\$ 17,140,476
Seoul, Korea	\$ 317,921	\$ —	\$ —
Yeosu, Korea	\$ 11,276,386	\$ 7,447,460	\$ 7,417,209
Tokyo, Japan	\$ 34,850,989	\$ 1,803,735	\$ 1,478,432

EC7 PROCEDURES FOR LOCAL HIRING AND PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY AT SIGNIFICANT LOCATIONS AND OPERATIONS

Albemarle does not have a global policy for granting preference to local residents when hiring in significant locations of operations. As part of standard business practice, we review qualified candidates in local markets as well as outer markets to select the best candidates for positions.

Significant Location(s)	Name(s)	% Senior Management from Local Community
Americas		
Baton Rouge, LA, USA	Baton Rouge Tower	30%
Baton Rouge, LA, USA	Process Development Center	25%
Houston, TX, USA	Bayport	33%
Houston, TX, USA	Pasadena	33%
Magnolia, AK, USA	Magnolia	25%
Orangeburg, SC, USA	Orangeburg	25%
South Haven, MI, USA	South Haven	80%
Twinsburg, OH, USA	Twinsburg	100 %
Tyrone, PA, USA	Tyrone	90%
EMA		
Amsterdam the Netherlands	Amsterdam	95%
Avonmouth UK	Avonmouth	100%
Bergheim Germany	Bergheim	85%
Budapest Hungary	Budapest	0%
Louvain-la-Neuve Belgium	LLN	64%
Asia Pacific		
Nanjing, China	Nanjing	100%
Beijing, China	Beijing	100%
Shanghai, China	Shanghai	0%
Jinhsan, China	Shanghai	100%
Ninghai, China	Ningbo	100%
Seoul, South Korea	South Korea	0%
Yeosu, South Korea	South Korea	0%
Singapore	Singapore	100%
Tokyo, Japan	Japan	100%

EC8 DEVELOPMENT AND IMPACT OF INFRASTRUCTURE INVESTMENTS AND SERVICES PROVIDED PRIMARILY FOR PUBLIC BENEFIT THROUGH COMMERCIAL, IN-KIND OR PRO BONO ENGAGEMENT

The Albemarle Foundation focuses on philanthropic efforts through monetary donations and volunteer efforts in the communities in which we live and operate. The local foundation councils strive to make their communities stronger with an emphasis in the areas of education, health, social services and cultural initiatives. In 2013, the Albemarle Foundation distributed over \$3 million to deserving agencies, of which \$588,000 came from Albemarle employees, retirees, and the Board of Directors.

DISCLOSURE OF MANAGEMENT APPROACH (DMA) - ENVIRONMENTAL

Albemarle views its responsibility to the environment as one of its most paramount responsibilities as a corporation. This commitment is embodied in our HSSE (Health, Safety, Security and Environmental) policy and part of all our internal communications with employees. Our company focuses on opportunities to ensure a sustainable business model, as well as to support our ability to provide innovative solutions to meet the needs of society.

Our responsibilities include measuring our health, safety and environmental performance and continually improving upon past performance. This commitment is simply essential to our mission and to our company's success. We will eliminate emission sources and optimize raw material, energy and water usage in our processes, and we will be responsive to the concerns of our stakeholders and seek active participation by them in these programs. While we are proud of our achievements and our products to date, we will continually seek innovative ways to ensure we maintain our focus on developing sustainable solutions that meet environmental and societal needs today and for generations to come.

Environmental Management System

A core part of our environmental stewardship is around our Environmental Management System. It's just not a slogan- this system is centered around the guiding principle that our leadership is accountable for our environmental stewardship and our actions will demonstrated this commitment. The principle is simple - we're going to take care of the environment and take care of each other first and every time, it is our top priority. We're going to produce products in a safe and environmentally sound manner. Our system extends to all involved in our operations, employees and contractors, in that we expect their input and commitment to making sure that, environmentally, it is paramount that we operate in sound fashion. The management system applies to all Albemarle operations worldwide and is third-party certified in the United States under RC14001:2008.

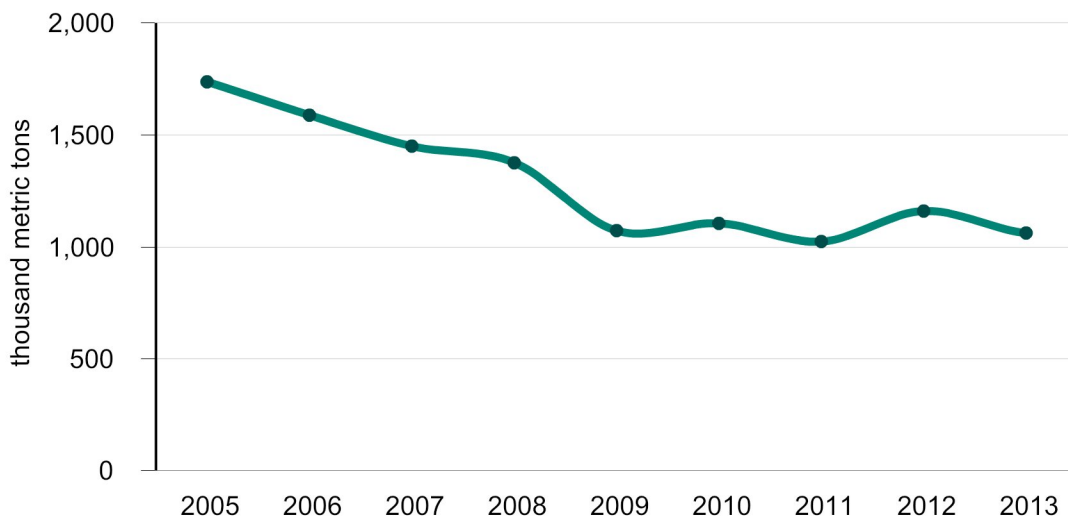


Ron Zumsteim, Vice President, Manufacturing

EN1 MATERIALS USED BY WEIGHT OR VOLUME

Albemarle tracks the consumption of process raw materials, energy products and the natural mineral resource bromine for the purposes of this indicator. The volume of packaging materials used in manufacture and transportation is not tabulated. In 2013, Albemarle used a total of 1.06 million metric tons of raw materials. This volume does not include materials transferred between production facilities or the use of water (see EN8). The majority of materials used are categorized as non-renewable.

EN 1: Albemarle Material Usage



EN2 PERCENTAGE OF MATERIALS USED THAT ARE RECYCLED INPUT MATERIALS

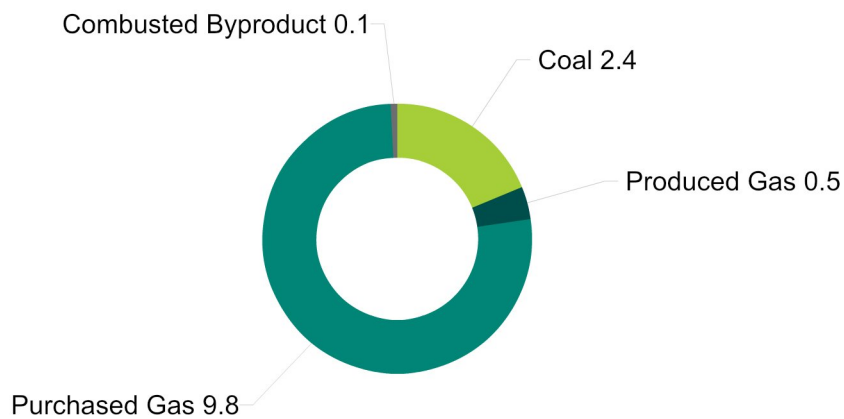
A very small fraction of Albemarle's raw materials are "non-virgin" material. In 2013, none of Albemarle's raw materials were from recycled input material. Sales of refinery catalysts represent approximately one-third of Albemarle Corporation sales. In this division, a portion of the product is reprocessed for the customer as part of the purchase agreement.

EN3 DIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE

Albemarle's consumption of direct primary energy in 2013 was 12.8 PJ (Petajoules) from manufacturing facilities. This includes 0.6 PJ of energy extracted or produced by Albemarle. The

energy impact of distribution of products and waste has not been assessed and is not included. Energy use at Albemarle non-manufacturing facilities (i.e., business offices) is small when compared to manufacturing facilities and is not included in this indicator. Business office GHG impact is shown in EN17. All direct primary energy used by Albemarle as defined by this indicator is classified as nonrenewable. In a few instances, Albemarle transfers energy between co-located companies. This value is small and the data expressed above is net energy use by Albemarle.

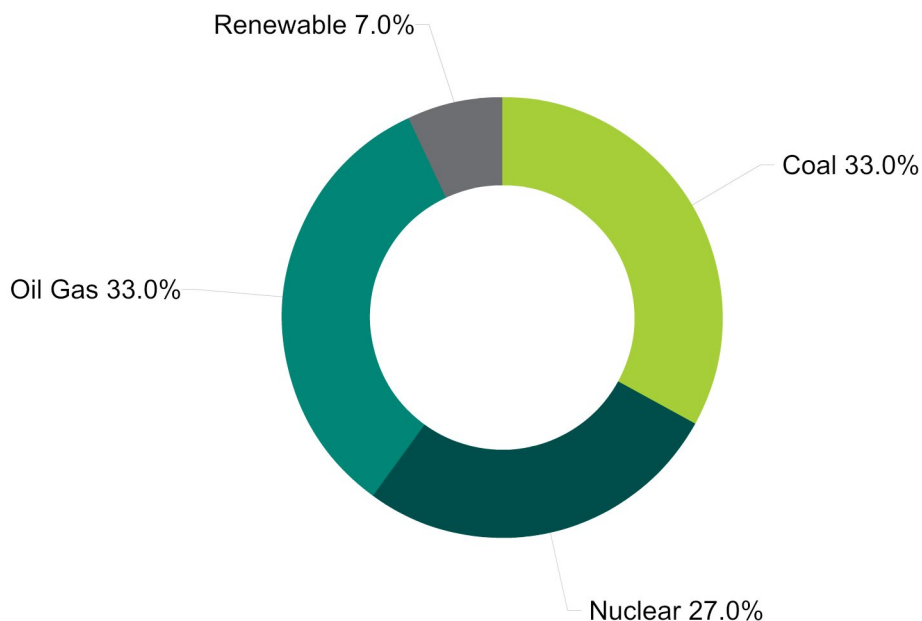
EN3: Direct Energy Produced or Extracted (PJ)



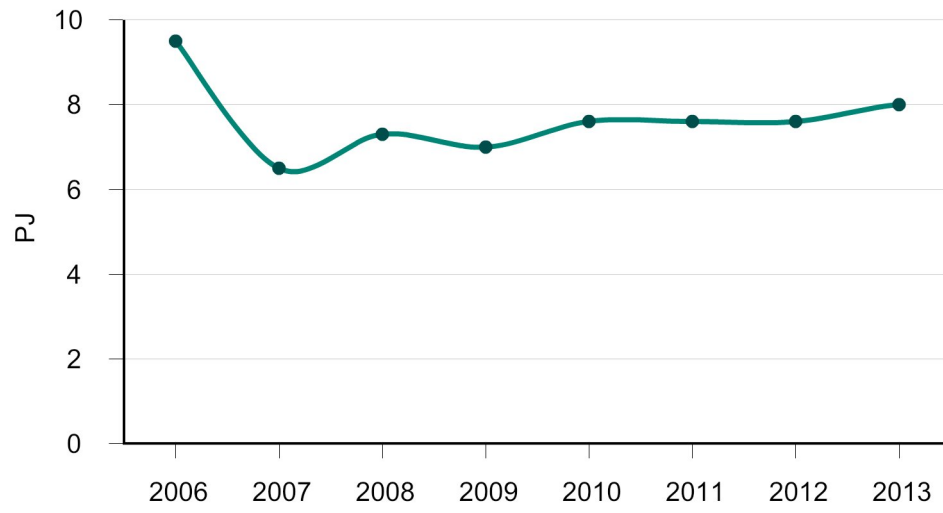
EN4 INDIRECT ENERGY CONSUMPTION BY PRIMARY SOURCE

Indirect energy consumption for Albemarle results from two major intermediate energy sources: purchased electricity and steam. These intermediate energy uses totaled 8 PJ in 2013 from manufacturing facilities. Of the total, purchased electricity accounts for 7 PJ and purchased steam accounts for 1 PJ. Energy use at Albemarle non-manufacturing facilities (i.e., business offices) are small when compared to manufacturing facilities and is not included in this indicator. Business office GHG impact is shown in EN17. In a few instances, Albemarle transfers energy between co-located companies. This value is small and the data expressed above is net energy use by Albemarle. Generation efficiencies used for this calculation are derived from U.S. Department of Energy and American Chemistry Council data.

EN4: Indirect Energy Consumption by Primary Energy Source



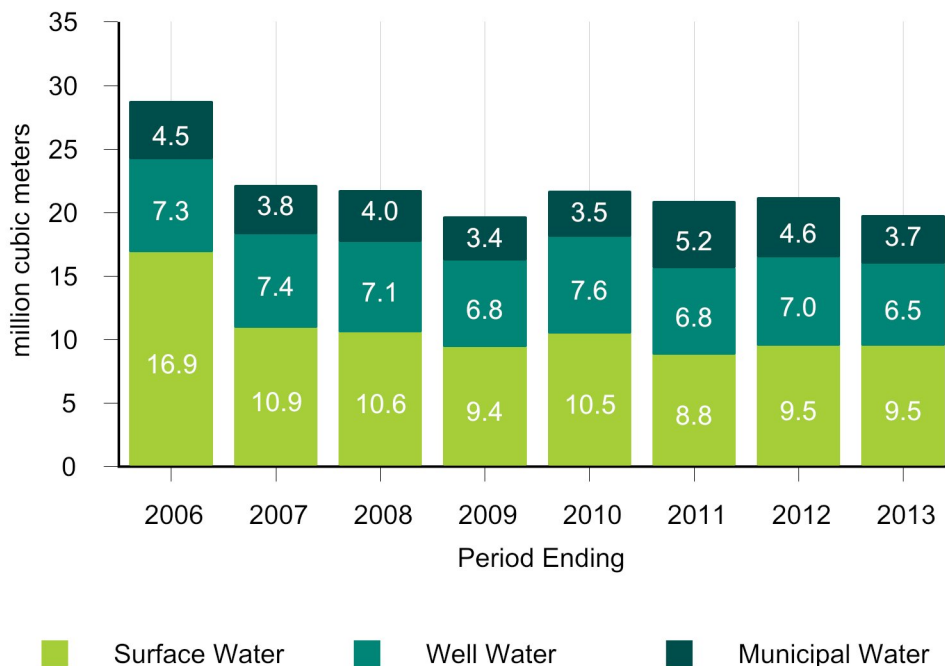
EN 4: Albemarle Indirect Energy Use



EN8 TOTAL WATER WITHDRAWAL BY SOURCE

Albemarle’s 2013 water withdrawal totaled 19.7 million cubic meters. This total does not include the volume of salt brine that is extracted from and returned to the same deep strata at Albemarle’s Magnolia, Arkansas (U.S.) facilities.

EN8: Albemarle Water Withdrawal



EN9 WATER SOURCES SIGNIFICANTLY AFFECTED BY WITHDRAWAL OF WATER

There are no known significant negative impacts to water sources or related habitats resulting from Albemarle’s withdrawal of water.

EN11 LOCATION AND SIZE OF LAND OWNED, LEASED, MANAGED IN, OR ADJACENT TO, PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS



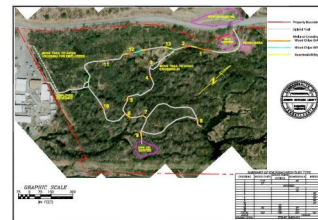
Bergheim, Germany: The water outfall from the facility flows to the river Erft.

Orangeburg, SC: The facility borders the Edisto River. The facility manages 135 acres that are registered with the Wildlife Habitat Council.



Magnolia, AR: 100 acres of wetlands bank near west plant where hard woods are planted. 50 acres of south plant artificial marsh are registered with the Wildlife Habitat Council. The west plant has 20 acres of artificial marsh. 1,500 acres of forest are managed for timber (paper or structural).

Tyrone, PA: Approximately 10 acres of the site are wetlands and the facility borders Cook Creek. The plant also has a Wildlife Habitat Council registered site.



Amsterdam, The Netherlands: The facility is adjacent to the city park forest "Het Vliegenbos" and the river IJ. "Natura 2000 areas" in the site's vicinity: "IJmeer en Markermeer" (land and marshland).

ENVIRONMENTAL

Other facilities include:

Location	Area of High Biodiversity or Protected Areas
Avonmouth, UK	The facility is close to the Svern Estuary, which has a protected status.
Jinshan, China	The Huanggu River is protected and is 300 m north of the facility.
Ningbo, China	The facility is located in a biodiversity area. Two “beauty spots” are 5.8 km and 4.6 km away.
Nanjing, China	The Changjiang River is approximately 4 km south of the Nanjing Chemical Industry park where the facility is located. This site was closed down in 2013.
Pasadena, TX	The facility borders 35 acres of wetlands.
Process Development Center, Baton Rouge, LA	The facility borders Bayou Monte Sano
Sayerville, NJ	The site includes 16 acres located in the Raritan River watershed of which approximately 7 acres are wetlands.
South Haven, MI	Lake Michigan is west of the facility.
Yeosu, South Korea	The facility is 3 km away from the forest around HeungKook Temple. This forest is designated as cultural asset preservation area by Yeosu City.

EN12 DESCRIPTION OF SIGNIFICANT IMPACTS OF ACTIVITIES, PRODUCTS AND SERVICES ON BIODIVERSITY IN PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS

The area identified in EN11 for Magnolia, Arkansas has been positively impacted by the facility’s actions. These areas include a 100-acre tract of land that has been reforested, 70 acres of artificially created marsh (certified by The Wildlife Habitat Council) and 1,500 acres of land that is managed for timber. In 2009, Wildlife Habitat Council named the facility a Corporate Lands for Learning location. The Orangeburg, South Carolina facility has positively impacted 135 acres of property included above as part of registration to The Wildlife Habitat Council, Corporate Lands for Learning. The facility was invited to make a presentation of their efforts at the Wildlife Habitat Council Annual Meeting on November 10, 2009. The Tyrone, Pennsylvania facility achieved a Wildlife Habitat Certification for their wooded uplands project. All these Wildlife Habitat Council properties are maintained for natural habitat and educational purposes.

In 2013, the Wildlife Habitat Enhancement Project at Albemarle’s Process Development Center (PDC) in Baton Rouge, Louisiana achieved *Wildlife at Work* certification for the first time, making it the fourth Albemarle location to attain this designation. The newly created habitat at

the PDC provides space for native pond cypress trees along a lake shoreline located adjacent to the site, as well as native wildflowers and grasses.

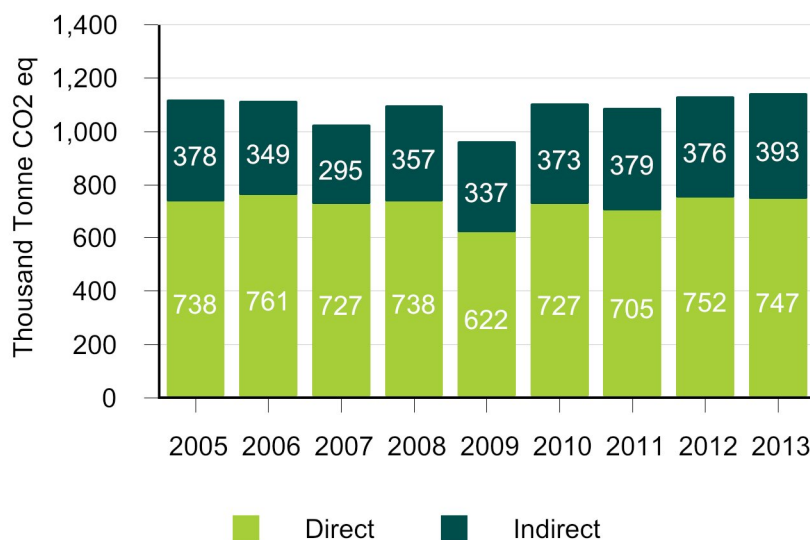
The Amsterdam facility partnered with the Foundation W. H. Vliegenbos, a non-profit organization dedicated to preserving forested areas in North Amsterdam.

No other impacts to the areas identified in EN11 have been identified.

EN16 TOTAL DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS BY WEIGHT

Albemarle collects data on direct and indirect primary fuel consumption at manufacturing facilities for the purpose of determining greenhouse gas generation. In addition, data is also collected at our processing facilities on direct greenhouse gas generation from sources other than combustion of fuels. Factors for conversion of energy quantities to equivalent CO₂ are derived from data published by The American Chemistry Council. Generation efficiencies used for this calculation are derived from U.S. Department of Energy and American Chemistry Council data. The greenhouse gas impact of distribution of products and waste has not been assessed and is not included. Greenhouse gas impacts from Albemarle non-manufacturing facilities (i.e. business offices) are small when compared to those above. This data is included in EN 17. The total direct and indirect greenhouse gas emissions for Albemarle in 2013 were 1,140 thousand metric tons.

EN 16: GHG Emissions

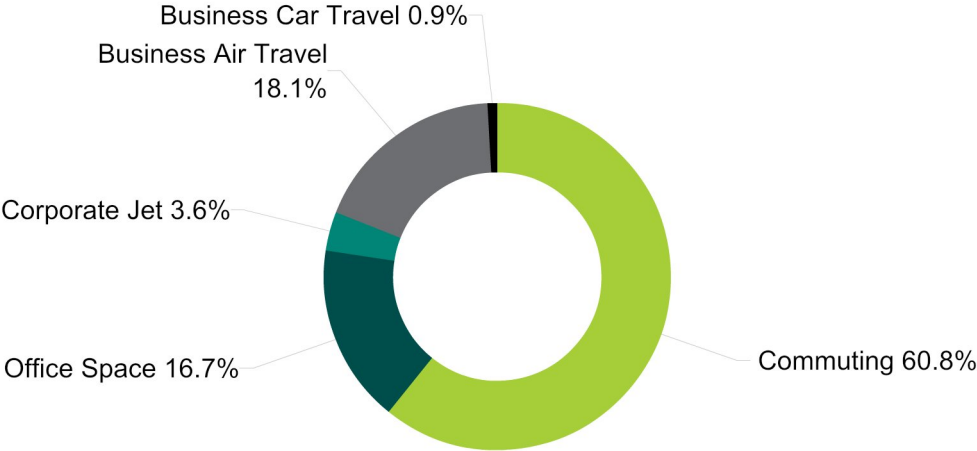


EN17 OTHER RELEVANT INDIRECT GREENHOUSE GAS EMISSIONS BY WEIGHT

Albemarle first began to collect information on other indirect greenhouse gas emissions in 2007. Included in the analysis for 2013 is the GHG impact from business travel, employee commuting and Albemarle’s major office complexes. These offices include the corporate headquarters in Baton Rouge, Louisiana, as well as offices in Clearlake, Texas; Tokyo, Japan; Shanghai, China;

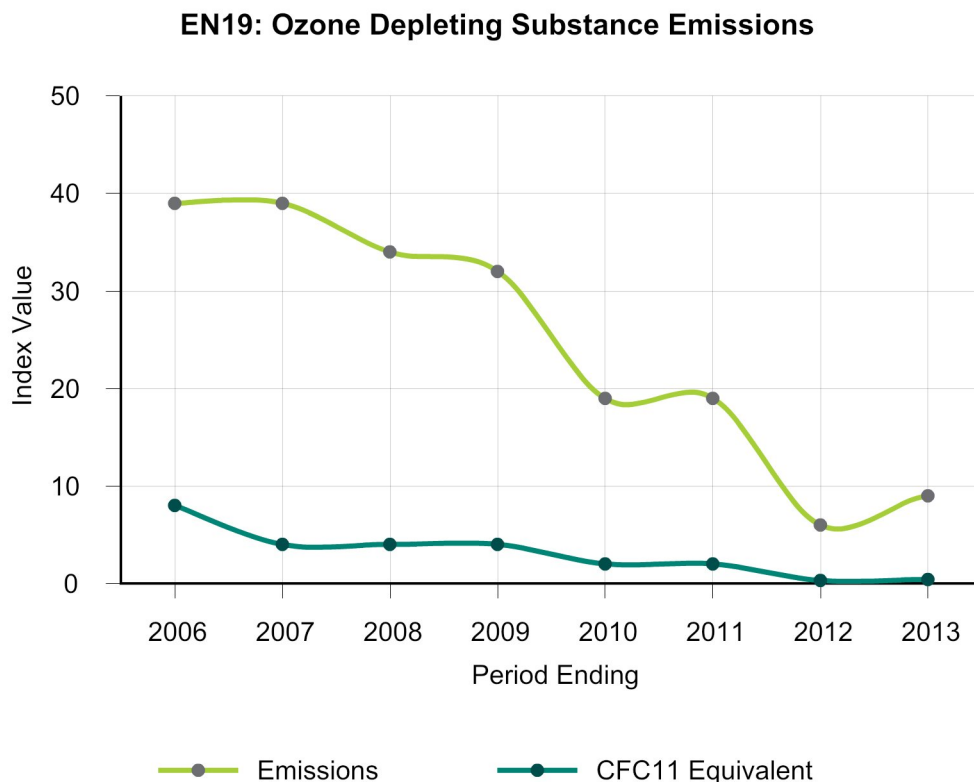
and Louvain-la-Neuve, Belgium. For 2013, these emissions totaled 19,685 metric tons of CO2. These impacts are small in comparison with the GHG emissions presented in EN16 and are grouped together for this reason.

EN17: Other GHG Emissions



EN19 EMISSIONS OF OZONE-DEPLETING SUBSTANCES BY WEIGHT

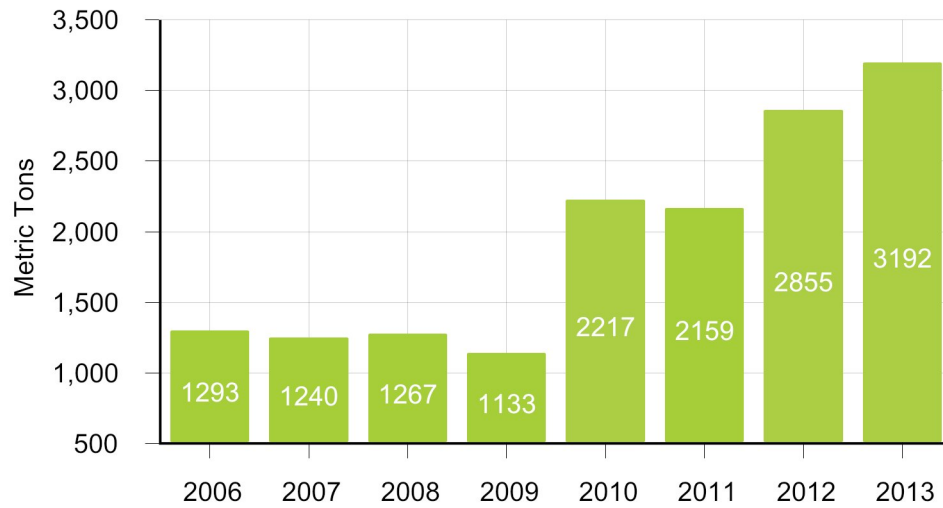
In 2013, Albemarle's emissions of ozone depleting substances consisted of R-11, and R-22. The 2013 emissions of ozone-depleting substances totaled 8.6 metric tons (0.4 metric tons CFC-11 equivalent).



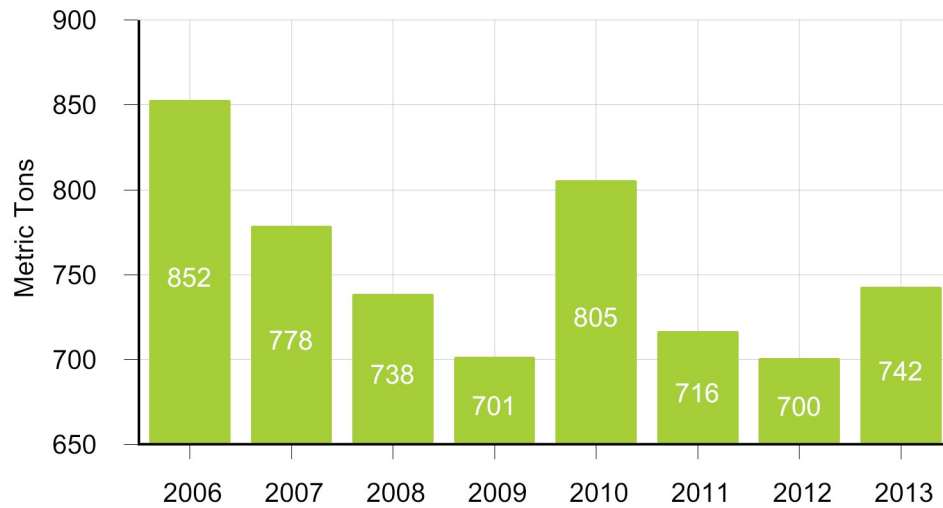
EN20 NOX, SOX, AND OTHER SIGNIFICANT AIR EMISSIONS BY TYPE AND WEIGHT

Albemarle tabulates NOx and SOx and Hazardous Air Pollutant (HAP) emissions at manufacturing sites for the purpose of this indicator. These values are based on a combination of calculations, measured values and permitted limits. NOx emissions in 2013 totaled 742 metric tons. SOx emissions totaled 2902 metric tons. HAP emissions totaled 472 metric tons.

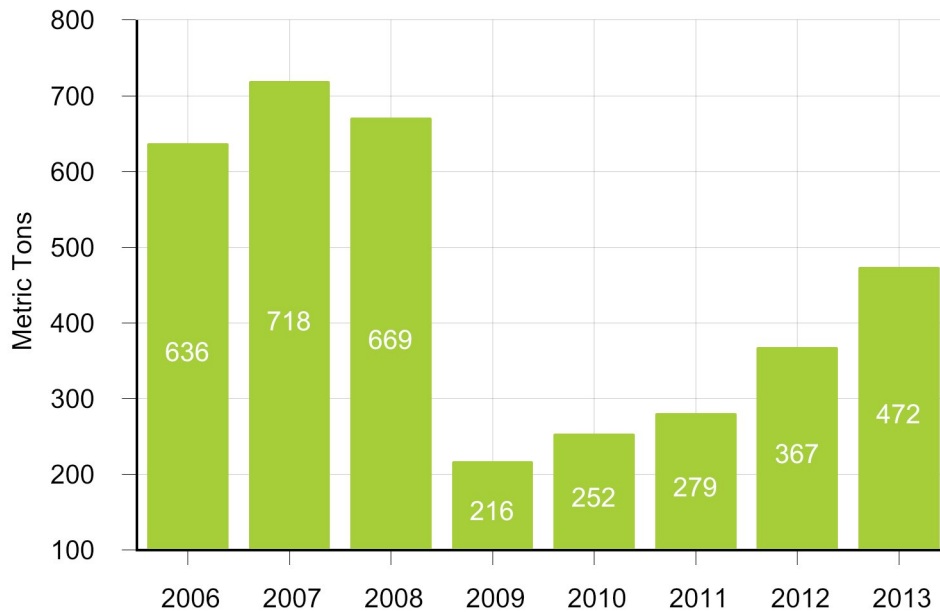
EN20: SOx Emissions



EN20: NOx Emissions



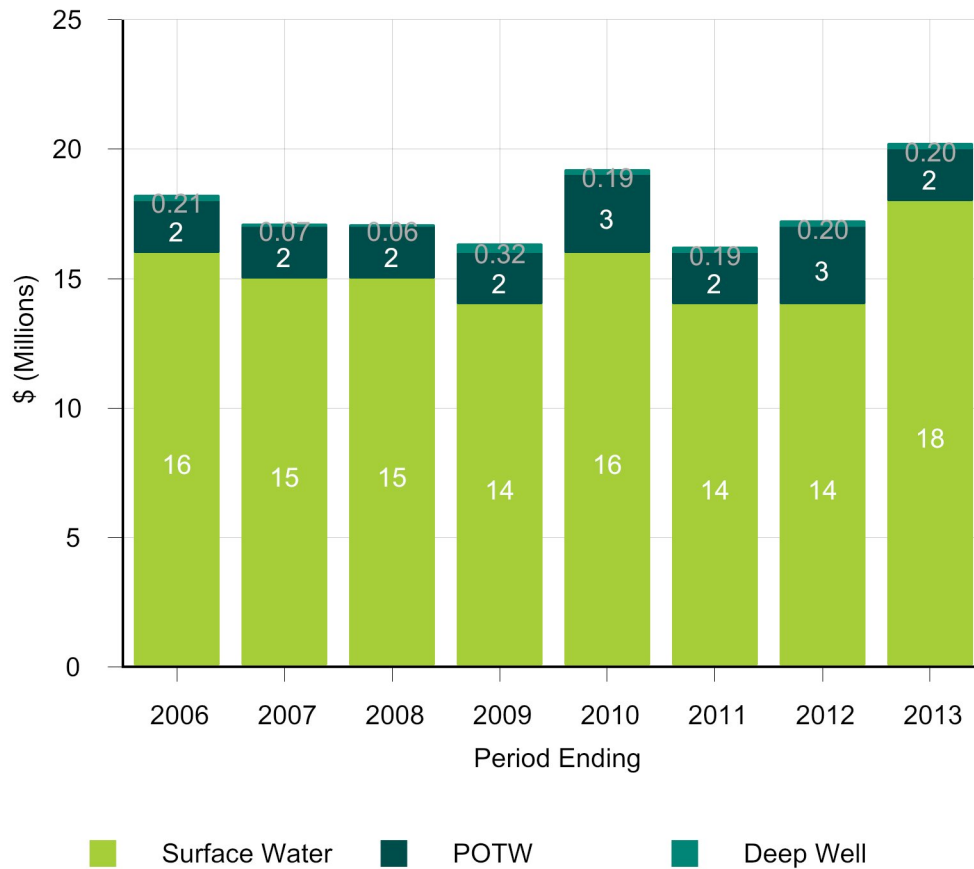
EN20: HAP Emissions



EN21 TOTAL WATER DISCHARGE BY QUALITY AND DESTINATION

Albemarle discharges water to three major destinations: Surface water includes discharge to streams, rivers, lakes and marshes; Publicly Owned Treatment Works (POTW); and deep well injection. Not included in this indicator is the volume of salt brine that is extracted from and returned to deep strata at Albemarle's Magnolia, Arkansas (U.S.) facilities. Albemarle is subject to various laws and regulations governing the discharge of water into the environment. Each discharge is in compliance and expect to remain in compliance with all applicable requirements. Albemarle's 2013 return of water to the environment totaled 20.5 million cubic meters.

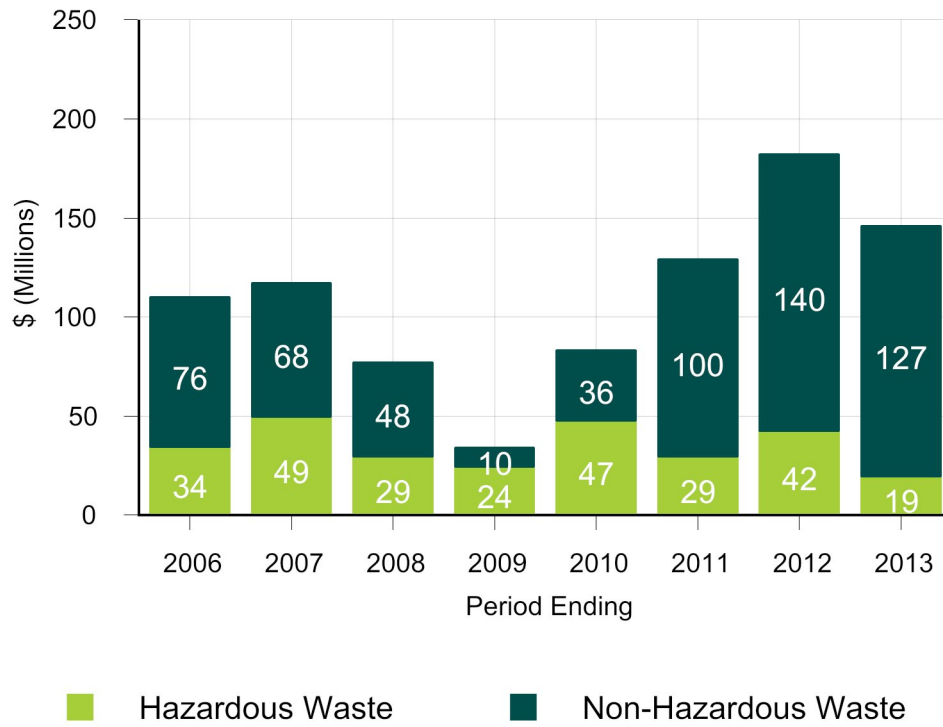
EN21: Water Discharge by Destination



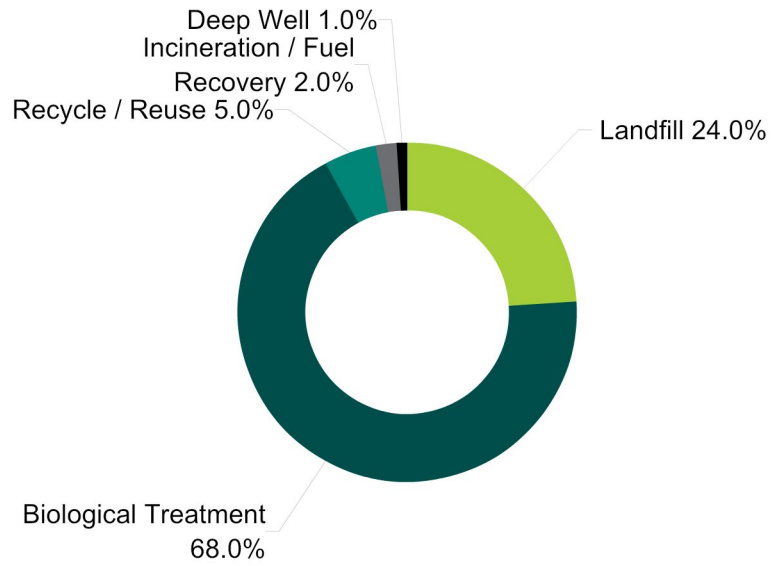
EN22 TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD

Each Albemarle manufacturing site tabulates hazardous and non-hazardous waste generation. 2013 generation of hazardous waste was 18,742 metric tons. Non hazardous waste generation in 2013 totaled 126,749 metric tons. The non-hazardous total does not include wastewaters. Albemarle facilities also recycled 1,550 metric tons of other materials such as metal and paper in 2013.

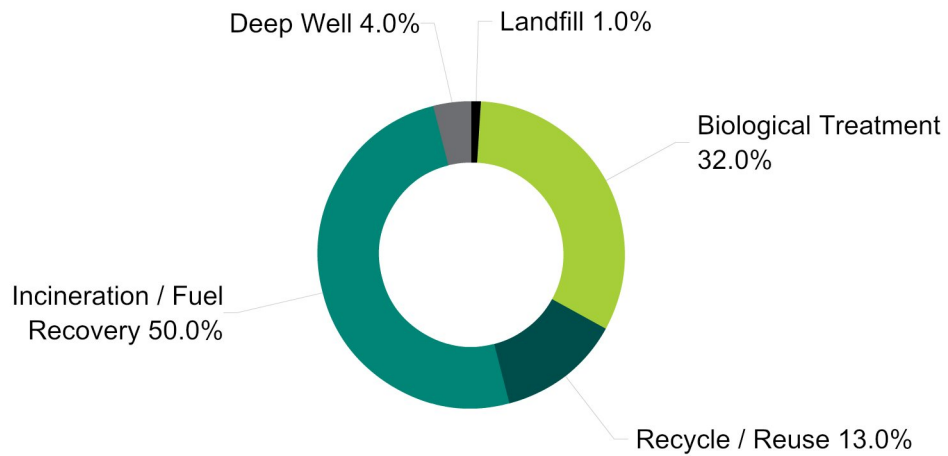
EN22: Waste Generation



EN22: Non-Hazardous Waste Generation



EN22: Hazardous Waste Destination



EN23 TOTAL NUMBER AND VOLUME OF SIGNIFICANT SPILLS

Albemarle tabulates and records all spills and releases that cause serious off-site impacts. Significant spills include those incidents where there is major environmental impact or impact to employees or the public. Albemarle designates these spills as 'Level 3' events. Albemarle experienced no such events in 2013. Fifteen minor leaks occurred in 2013, none of which constitute Level 3 events.

EN26 INITIATIVES TO MITIGATE ENVIRONMENTAL IMPACTS OF PRODUCTS AND SERVICES, AND EXTENT OF IMPACT MITIGATION

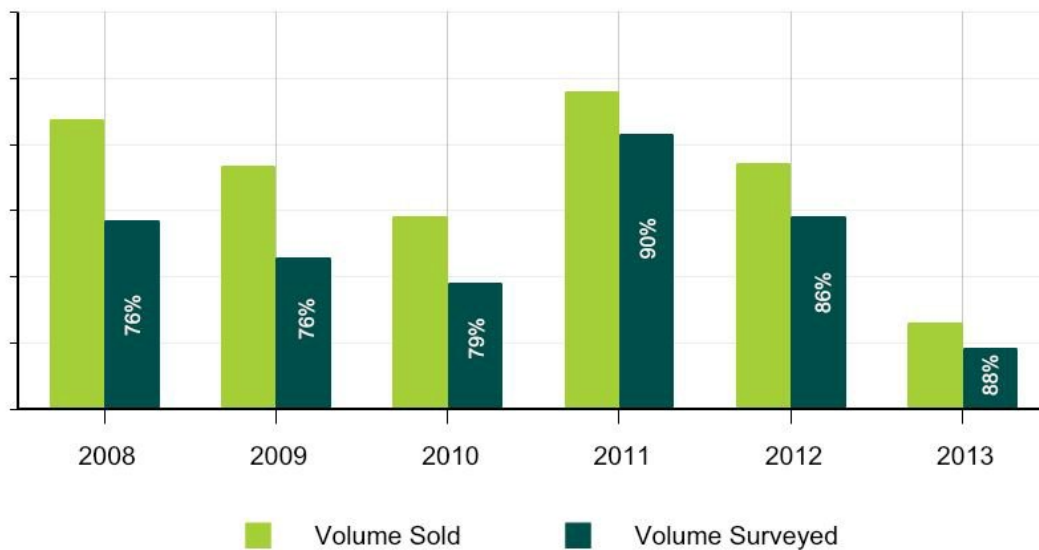
VECAPTM is an innovative and excellence-driven way of doing business, based on ISO 14001 principles. It demonstrates the commitment of the industries involved to act in the interest of society and the environment while enhancing the competitiveness of local industries. It offers all companies – small, medium or large – equal access to the industry's expertise in environmental best practices as well as procedures that drive continuous improvement and allows benchmarking for other industries to apply similar principles. VECAPTM uses basic tools to help users of chemicals understand where material is used and intentionally or unintentionally discarded. The VECAPTM process is fundamentally a continuous improvement system and is designed to be cost-effective and simple to implement.

Over the last six years, Albemarle has conducted VECAPTM surveys at our Brominated Flame Retardant customers in China, Europe, Japan, Korea and North America. Approximately 88% of the volume sold in those regions or countries in 2013 was covered with surveys. This is a 2% increase over 2012.

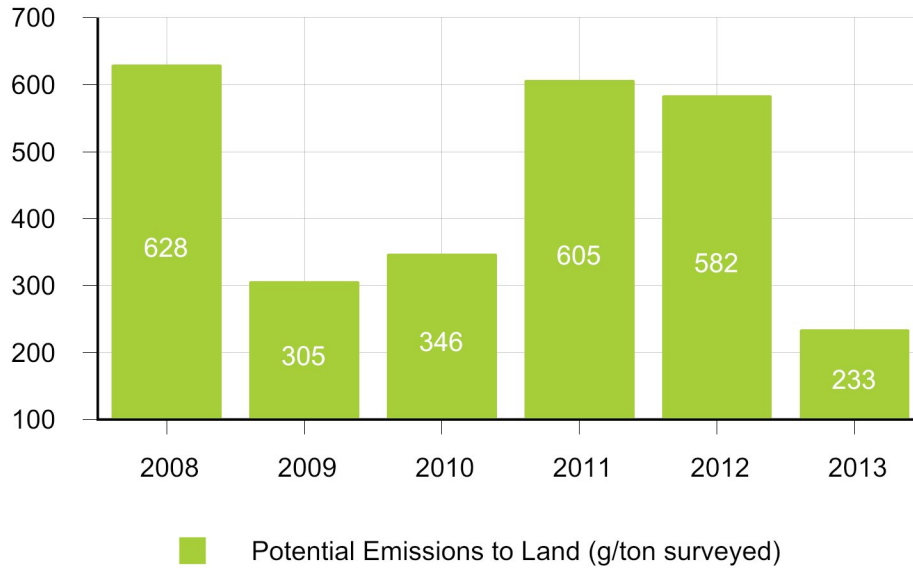
Potential emissions to air, water and land were estimated, and recommendations were provided for the implementation of the best available techniques, which allow for reduction of these potential emissions. The main area of emission concerns highlighted through the surveys is the disposal of packaging waste. If incineration or chemically controlled landfill is not the method of disposal, the residues in the packaging are likely to end up in the environment. During the 2008 survey, roughly 1,800 g/ton of potential land emissions from residue in packaging waste was identified at numerous users. The graph below of the 2010 through 2013 surveys results worldwide show that the potential emissions to land have decreased significantly since 2011. We anticipate continued improvements and reductions in potential emissions to land from newly participating users once recommendations and best practices have been implemented. Future surveys will

capture these anticipated results. Albemarle's main bromine manufacturing site in Magnolia, Arkansas is VECAP™ certified by a third party. Our manufacturing plant in Jordan and our Process Development Center in Baton Rouge, LA are also VECAP™ certified.

2008 - 2013 VECAP Survey Results
Worldwide Volume Coverage
(of all BFR's sold in 2012)



2008 - 2013 VECAP Survey Results Worldwide
Data acquired on 76 to 88% of the total volume sold



Mercury control for cleaner air - Albemarle is a leader in mercury air pollution control technology. In 2012, we continued our research projects focusing on new, renewable carbon sources for Powdered Activated Carbon (PAC). We also deployed our Field Engineering team to commercially demonstrate the efficacy of our PAC treatment methodology in the coal-fired, electric generation market, as well as the Portland cement market.

On December 16, 2011, the U.S. Environmental Protection Agency (EPA) finalized the first-ever national standards to reduce mercury and other toxic air pollution from coal- and oil-fired power plants. Albemarle projects as many as 650 units will require Activated Carbon Injection (ACI) to meet the new national standard for mercury stack emissions. Albemarle believes in ACI as a proven and dependable tool to remove air pollutants from our environment. It is an effective and cost-efficient way to remove air toxins, and we are encouraged by the technology's ability to help meet the new regulations under the Clean Air Act.

Waste Water Treatment Plant Blower Reduction at South Haven - The South Haven site operates a sequencing batch biological wastewater treatment plant (WWTP) that uses large, electrically powered blowers to supply air to bacteria that treat the waste. The WWTP consists of two large basins where the biological treatment takes place along with a smaller basin where the biological mass is reduced. The two large basins have 100-hp blowers while the small basin has a 40-hp blower. Because the WWTP is not at full capacity, it was determined that the amount of aeration in the large basins could be reduced in order to lower the electrical consumption. The aeration was reduced by eliminating two hours of blower operation at the beginning of the treatment cycle each day. This reduced operation of each of the two 100-hp blowers by 730 hours per year and saved 115,000 kWh of electricity for the year. In addition to the energy reduction, the reduced aeration also resulted in a reduction in nitrate production by the WWTP. Because the WWTP treats some ammonia, nitrates are produced during the treatment process. By reducing the aeration during the beginning of the treatment cycle, the de-nitrification process was triggered which reduced nitrate levels. The reduction in nitrates of over 65% was sufficient to drop below the reporting threshold for TRI. In addition to the reduction in blower run time for the large basins, the blower run time on the smaller basin was nearly eliminated. By using a slipstream of air from one of the larger basins, the 40 hp-blower on the smaller basin can now remain off except for approximately

one hour per month to make sure the blower is maintained in working order. This reduction in operation of the 40-hp blower saved 5940 kWh of electricity for the year.

All totaled, this project saved over 300,000 kWh of electricity annually.

Bromine recovery unit at Magnolia - Albemarle is committed to identifying, controlling and reducing the potential for emissions of its polymer additives, such as brominated flame retardants (BFRs), into the environment. One way Albemarle is working to accomplish this is through the recent start-up of a thermal oxidizer to recover and recycle bromine from BFR by-products at its Magnolia, Arkansas production facility.

Bromine-containing organic compounds fed to the Bromine Recovery Unit (BRU) are broken down in a high-efficiency thermal oxidizer to produce hydrogen bromide and elemental bromine. These compounds are absorbed into a brine stream feeding an existing bromine production unit. The waste heat from the thermal oxidizer is used to preheat incoming streams to the bromine production unit, reducing purchased natural gas requirements.

The BRU is allowing Albemarle to conserve its bromine reserves, limit BFR emissions, and improve energy utilization.



EN27 PERCENTAGE OF PRODUCTS SOLD AND THEIR PACKAGING MATERIALS THAT ARE RECLAIMED BY CATEGORY

501 metric tons of products and packaging were identified in 2013 that were directly reclaimed by Albemarle or its contractors. Albemarle's polymer antioxidants and lubricant antioxidants are incorporated into many plastics products that are reclaimed/recycled in kind with the national average for these markets.

EN28 MONETARY VALUE OF SIGNIFICANT FINES AND TOTAL NUMBER OF NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS

Albemarle maintains a very robust auditing program for environmental performance and compliance. As a result, Albemarle had no environmental fines in 2013. Additionally, Albemarle had no other significant administrative or judicial sanctions levied against the company in 2013 for non-compliance with environmental laws and regulations.

EN29 SIGNIFICANT ENVIRONMENTAL IMPACTS OF TRANSPORTING PRODUCTS AND OTHER GOODS AND MATERIALS USED FOR THE ORGANIZATION'S OPERATIONS, AND TRANSPORTING MEMBERS OF THE WORKFORCE

Albemarle collects information on distribution incidents as the measure of this indicator. Energy and emissions from transportation of products and waste are not currently tracked. Emissions associated with workforce transportation are shown in EN17.

All distribution incidents in which any volume of material is released from a container are recorded as Level 2 distribution incidents. There were nine Level 2 distribution releases in 2013. Any spill with an environmental or public impact is recorded as a Level 3 distribution incident. Albemarle experienced no Level 3 Distribution events in 2013.

LABOR PRACTICES

DISCLOSURE OF MANAGEMENT APPROACH (DMA) - LABOR PRACTICES AND DECENT WORK

Albemarle's culture, fundamentally, is all about people. We have a comprehensive global new employee orientation program in which we address our code of conduct, our expectations and that we demand a workplace that values and respects diversity of thought, nationality, race, etc. Throughout an individual's development with the company, we continue to reinforce those very important values.

We believe that fostering a high-quality, effective workforce is the unique determinant of sustained business success. Albemarle strives to provide an environment that values results of individuals and teams, while emphasizing respect for each other and effective communications. Employees are expected to raise workplace issues that represent a risk to the Company, violate the policies of the Company, or threaten a safe and successful work environment. The Company maintains an open door practice that allows employees multiple avenues for expressing and ensuring resolution of any issues.

The Company will abide by all applicable employment laws regarding employment decisions, including recruitment, hiring, placement, promotion, reassignment, compensation, training, discipline and dismissal. Reasonable accommodations will be made as required by applicable law for individuals with handicaps or disabilities. It is the Company's policy to comply faithfully with the applicable immigration laws and regulations. The Company will also abide by applicable labor laws at all global facilities.



Susan Kelliher, Sr. Vice President, Human Resources

LABOR PRACTICES

LA1 TOTAL WORKFORCE BY EMPLOYMENT TYPE, EMPLOYMENT CONTRACT AND REGION

2013 Worldwide Staffing Summary (as of 12/31/2013)

	Salaried	Hourly	Total Direct	Contract	TOTAL
Americas	1,350	789	2,139	598	2,737
EMA	1,111	0	1,111	10	1,121
AP	584	0	584	29	613
TOTAL	3,045	789	3,834	637	4,471

LA2 TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER BY AGE GROUP, GENDER, AND REGION

	Average Headcount	Total Terminations	% Turnover
By Gender			
Male	3,143	323	10.3%
Female	679	87	12.8%
By Age			
Age < 30	487	80	16.4%
Age 30-50	1,970	180	9.1%
Age > 50	1,366	150	11.0%
By Region			
Americas	2,136	203	9.5%
Asia Pacific	573	110	19.2%
Europe	1,114	97	8.7%
Overall	3,823	410	10.7%

LABOR PRACTICES

LA3 BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES, BY MAJOR OPERATIONS

Significant Location(s)	Name(s)	Minimum Benefits for FT Employees
Americas		
Baton Rouge LA USA	Baton Rouge Tower	<ul style="list-style-type: none"> Medical Insurance Dental Insurance Disability Insurance Life Insurance (Basic and Supplemental) Personal Accident Insurance (Basic and Supplemental) Blanket Travel Accident Insurance
Baton Rouge LA USA	Process Development Center	<ul style="list-style-type: none"> Health Care and Dependent Care Spending Accounts
Houston TX USA	Bayport	<ul style="list-style-type: none"> Health Savings Account
Houston TX USA	Pasadena	<ul style="list-style-type: none"> Executive Long Term Disability
Magnolia AK USA	Magnolia	<ul style="list-style-type: none"> Retirement/Savings Plan
Orangeburg SC USA	Orangeburg	<ul style="list-style-type: none"> Educational Reimbursement Plan
South Haven MI USA	South Haven	<ul style="list-style-type: none"> Matching Gifts to Education and Charitable Organizations
Twinsburg OH USA	Twinsburg	<ul style="list-style-type: none"> Seat Belt Coverage and Accidental Insurance
Tyrone PA USA	Tyrone	<ul style="list-style-type: none"> Aflac Hospital and Accident Insurance
EMA		
Amsterdam the Netherlands	Amsterdam	<ul style="list-style-type: none"> Pension Survivor pension and insurance (ANW-hiaat) Disability pension and insurance (WIA hiaat) Medical check-up (PMO) every 3 year Blanket Travel Accident Insurance
Avonmouth UK	Avonmouth	<ul style="list-style-type: none"> Avonmouth (same for part time and for full time) First aid payment Maternity Returners allowance Defined contribution pension Share scheme Blanket Travel Accident Insurance
Bergheim Germany	Bergheim	<ul style="list-style-type: none"> Health insurance Unemployment insurance Pension benefits Nursing benefits Blanket Travel Accident Insurance

LABOR PRACTICES

Budapest Hungary	Budapest	• Health Insurance
		• Pension
		• Weekend Home Travel and Daily Commuting
		• Meal Voucher
		• Monthly Public Transport Pass
		• Private Wellness/Health Fund
		• Voluntary Private Pension Fund
		• Medicovert
Louvain-la Neuve Belgium	LLN	• Health insurance
		• Extra legal Pension plan
		• Death and Disability insurance
		• Luncheon vouchers
		• Transportation allowances + Company car if GL >= 11 or sales person
		• Repatriation insurance for high frequency traveler
		• Blanket Travel Accident Insurance
Asia Pacific		
Beijing China	Beijing	• Statutory government benefits
		• Supplemental medical insurance, life insurance, AD&D
		• Annual Health Check-up
		• Blanket Travel Accident Insurance
		• Statutory government benefits
		• Supplemental medical insurance, life insurance, AD&D
Shanghai China	Shanghai	• Annual Health Check-up
Dalian China	Dalian	• Blanket Travel Accident Insurance
Guangzhou China	Guangzhou	• Free meal
Jinhsan China	Shanghai	• Shuttle bus
Ninghai China	Ningbo	•
Seoul South Korea	South Korea	• Statutory government benefits
		• Blanket Travel Accident Insurance
		• Local group insurance
		• Congratulations & Condolences benefit
		• Children tuition support
		• Employee medical check-up

LABOR PRACTICES

Yeosu South Korea	South Korea	• Statutory government benefits
		• Blanket Travel Accident Insurance
		• Local group insurance
		• Congratulations & Condolences benefit
		• Children tuition support
		• Employee medical check-up
Singapore	Singapore	• Statutory government benefits
		• Local group insurance
		• Blanket Travel Accident Insurance
Tokyo Japan	Japan	• Statutory government benefits
		• Blanket Travel Accident Insurance

LABOR PRACTICES

LA4 PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

Significant Location(s)	Name(s)	% Employees Represented by Unions / CBA
Americas		
Baton Rouge LA USA	Baton Rouge Tower	0%
Baton Rouge LA USA	Process Development Center	21.3%
Houston TX USA	Bayport	0%
Houston TX USA	Pasadena	54.70%
Magnolia AR USA	Magnolia	0% (nonunion)
Orangeburg SC USA	Orangeburg	62.4%
South Haven MI USA	South Haven	0%
Twinsburg OH USA	Twinsburg	0%
Tyrone PA USA	Tyrone	0%
EMA		
Amsterdam the Netherlands	Amsterdam	95%
Avonmouth UK	Avonmouth	0.0%
Bergheim Germany	Bergheim	95%
Budapest Hungary	Budapest	0%
Louvain-la-Neuve Belgium	LLN	0%
Asia Pacific		
Beijing China	Beijing	0% (nonunion)
Shanghai China	Shanghai	0% (nonunion)
Guangzhou China	Guangzhou	0% (nonunion)
Dalian China	Dalian	0% (nonunion)
Jinhsan China	Shanghai	0% (nonunion)
Ninghai China	Ningbo	0% (nonunion)
Seoul South Korea	South Korea	0% (nonunion)
Yeosu South Korea	South Korea	0% (nonunion)
Singapore	Singapore	0% (nonunion)
Tokyo Japan	Japan	0% (nonunion)

LABOR PRACTICES

LA5 MINIMUM NOTICE PERIOD(S) REGARDING SIGNIFICANT OPERATIONAL CHANGES, INCLUDING WHETHER IT IS SPECIFIED IN COLLECTIVE AGREEMENTS

Significant Location(s)	Name(s)	Minimum Notice Periods for Operational Changes
Americas		
Baton Rouge LA USA	Process Development Center	60 Days Notice to reopen contract
Orangeburg SC USA	Orangeburg	48-hours for production scheduling and 8-hours for mechanical breakdown or items outside supervision control. No minimum notice for emergencies or act of God.
Baton Rouge LA USA	Baton Rouge Tower	No minimum notice period applicable
Houston TX USA	Bayport	No minimum notice period applicable
Houston TX USA	Pasadena	30 Days notice and meet with Union to change schedule/ reduce operating schedules (60 days prior to contract end to terminate contract)
Magnolia AR USA	Magnolia	No minimum notice period applicable
South Haven MI USA	South Haven	None
Twinsburg OH USA	Twinsburg	None
Tyrone PA USA	Tyrone	None
EMA		
Amsterdam the Netherlands	Amsterdam	1 month up to grade 8, 3 months from grade 9
Avonmouth UK	Avonmouth	90 Days Notice
Bergheim Germany	Bergheim	Depending on age and seniority based on collective chemical CLA and law
Budapest Hungary	Budapest	30 days
Louvain-la-Neuve Belgium	LLN	3-6 months
Asia Pacific		

LABOR PRACTICES

Beijing China	Beijing	1 month
Shanghai China	Shanghai	
Guangzhou China	Guangzhou	
Dalian China	Dalian	
Jinhsan China	Shanghai	
Ninghai China	Ningbo	
Seoul South Korea	South Korea	Depends on the employment contract, usually 1 month
Yeosu South Korea	South Korea	(No collective bargaining) Depends on the employment contract, significant operational changes: prior to 50 days notice to the representative of the employee, and need to negotiate with employee, usually 1 month
Singapore	Singapore	Depends on the employment contract, usually 1 month
Tokyo Japan	Japan	1 month

LA7 RATES OF INJURY, OCCUPATIONAL DISEASES, LOST DAYS, AND ABSENTEEISM, AND NUMBER OF WORK-RELATED FATALITIES BY REGION

Albemarle global - Injury metrics

	2013	2012	2011
INJURY RATE	0.56	0.23	0.24
OCCUPATIONAL DISEASES	0	0	0
LOST DAYS	535	151	208
ABSENTEEISM	No data	No data	No data
WORK-RELATED FATALITIES	0	0	0
CONTRACTOR RATES	0.51	0.12	0.55

Absenteeism is a metric which neither Albemarle nor any regulatory authority within whose jurisdiction we operate requires. We do not report on this issue and have no intention of reporting in the future as the disclosure is not material to our business because we have a robust on-the-

LABOR PRACTICES

job and off-the-job safety program to ensure employees are aware of best practices in maintaining their health and wellness.

LA8 EDUCATION, TRAINING, COUNSELING, PREVENTION AND RISK-CONTROL PROGRAMS IN PLACE TO ASSIST WORKFORCE MEMBERS, THEIR FAMILIES OR COMMUNITY MEMBERS REGARDING SERIOUS DISEASES

Albemarle provides training, counseling, prevention and risk-control programs for disease. These programs vary by region. Where a disease is perceived to have the potential to be widespread, Albemarle provides resources to employees and families to mitigate the effects of the disease. Albemarle does not have a high incidence or risk of specific occupational diseases.

At most of our sites, we have proactive wellness programs that provide information and resources for good nutrition, exercise and stress management. These programs are guided by committees comprised of employees and a health care provider. These committees tailor the programs to meet the needs for each specific site.

LABOR PRACTICES

LA10 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE BY EMPLOYEE CATEGORY

Significant Location(s)	Name(s)	Average Hours of Training/ Year
Americas		
Baton Rouge LA USA	Baton Rouge Tower	8 hours
Baton Rouge LA USA	Process Development Center	30 hours
Houston TX USA	Bayport	16 hours
Houston TX USA	Pasadena	60 hours
Magnolia AR USA	Magnolia	91.21 hours
Orangeburg SC USA	Orangeburg	Wage: 65 hours Salary: 55 hours
South Haven MI USA	South Haven	200 hours
Twinsburg OH USA	Twinsburg	200 hours
Tyrone PA USA	Tyrone	200 hours
EMA		
Amsterdam the Netherlands	Amsterdam	20 hours
Avonmouth UK	Avonmouth	10 hours
Bergheim Germany	Bergheim	17 hours
Budapest Hungary	Budapest	10 hours
Louvain-la-Neuve Belgium	LLN	10 hours
Asia Pacific		
Beijing China	Beijing	10 hours
Shanghai China	Shanghai	10 hours
Guangzhou China	Guangzhou	10 hours
Dalian China	Dalian	10 hours
Jinhsan China	Shanghai	30 hours
Ninghai China	Ningbo	30 hours
Seoul South Korea	South Korea	10 hours
Yeosu South Korea	South Korea	40 hours
Singapore	Singapore	10 hours
Tokyo Japan	Japan	10 hours

LA11 PROGRAMS FOR SKILLS MANAGEMENT AND LIFELONG LEARNING THAT SUPPORT THE CONTINUED EMPLOYABILITY OF EMPLOYEES AND ASSIST THEM IN MANAGING CAREER ENDINGS

We invest in our employees through many different channels. At all locations, we use internal training programs for skill development. Programs range from broad leadership programs to specific skill development such as welding. The internal training programs are supplemented with external programs that provide for new skill development or skill refresher. Additionally, for those eligible individuals willing to make the commitment, we support employees' continuing education aspirations by funding university tuition and fees as well as allowing the necessary time for classroom attendance.

In addition to our education and training programs, we also offer outplacement services to employees who leave the organization due to job elimination and reduction-in-force. The following processes are covered in the training and job placement benefits provided as part of the outplacement services:

- Self Assessment
- Review of previous work history, training and achievements
- General career counseling
- Development of a career search strategy
- Coaching, advice and support by a full-time, proactive consultant
- Interview and networking training
- Job leads and methods for discovering employment opportunities
- If during the program period, advice in evaluating, responding to and negotiating offers
- Assistance in completion and reproduction of a professional resume
- Development plan for retirement (if applicable)
- Individually focused training, counseling and follow-up

LABOR PRACTICES

LA12 PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

Each employee, either through a formal or informal process, receives feedback on his/her performance on an annual basis from his/her supervisor.

LA13 COMPOSITION OF GOVERNANCE BODIES AND BREAKDOWN OF EMPLOYEES PER CATEGORY ACCORDING TO GENDER, AGE GROUP, MINORITY GROUP MEMBERSHIP AND OTHER INDICATORS OF DIVERSITY

2013 Diversity Data – Americas Region Only

	Americas
Total # of Direct Employees (excludes contract)	2139
Gender	
Total Male	1764 / 84%
Total Female	375 / 18%
Age	
Total Age < 30	259 / 12%
Total Age 30-50	1027 / 48%
Total Age > 50	853 / 40%
Ethnicity	
Ethnic – Asian	68 / 3%
Ethnic – Black or African American	198 / 9%
Ethnic – Hispanic or Latino	96 / 5%
Ethnic – White	1758 / 82%
Ethnic – Other Categories	19 / 1%

LABOR PRACTICES

LA14 RATIO OF BASIC SALARY OF MEN TO WOMEN BY EMPLOYEE CATEGORY

From LA13 – Americas Region Only

	Total	Male Count	Male Avg Wage	Female Count	Female Avg Wage	Ratio Avg Wage
Ethnic – Asian	68	52	\$55.30/hr	16	\$44.27/hr	1.25 : 1
Ethnic – Black or African American	198	147	\$32.61/hr	51	\$33.21/hr	0.98 : 1
Ethnic – Hispanic or Latino	94	72	\$40.91/hr	22	\$38.08/hr	1.07 : 1
Ethnic – White	1758	1477	\$42.91/hr	281	\$41.00/hr	1.05 : 1
Ethnic – Other Categories	16	12	\$37.52/hr	4	\$42.41/hr	0.88 : 1

DISCLOSURE OF MANAGEMENT APPROACH (DMA) - HUMAN RIGHTS

People and Development

We recognize our Company's greatest asset is our people. We invest time, energy and money to ensure that our workforce has the necessary knowledge and expertise to conduct its work in a safe and environmentally responsible manner, and we reinforce our initial training throughout the employee life cycle. We provide refresher courses and host forums that promote information exchange between employees within their own facilities as well as with their colleagues at other Company locations. We firmly believe that to improve the future, we must learn from the past. Cross-communication between our facilities, sharing experiences and lessons learned and establishing best practices are critical to improving our performance and empowering our employees to make good choices for our Company and the communities in which we serve.



Susan Kelliher, Sr. Vice President, Human Resources

HUMAN RIGHTS

HR1 PERCENTAGE AND TOTAL NUMBER OF SIGNIFICANT INVESTMENT AGREEMENTS THAT INCLUDE HUMAN RIGHTS CLAUSES OR THAT HAVE UNDERGONE HUMAN RIGHTS SCREENING

Not applicable; there are no significant investment agreements.

HR2 PERCENTAGE OF SIGNIFICANT SUPPLIERS AND CONTRACTORS THAT HAVE UNDERGONE SCREENING ON HUMAN RIGHTS AND ACTIONS TAKEN

0% - We currently do not screen suppliers and contractors on human rights; no action taken.

HR3 TOTAL HOURS OF EMPLOYEE TRAINING ON POLICIES AND PROCEDURES CONCERNING ASPECTS OF HUMAN RIGHTS THAT ARE RELEVANT TO OPERATIONS, INCLUDING THE PERCENTAGE OF EMPLOYEES TRAINED

1 hour of employee training on Code of Conduct (including human rights); 80% of employees were trained globally; 57% of employees trained globally by GPS (our Global People Solutions program).

1 hour of employee training on sexual harassment a./o. in the U.S. and Korea.

HR4 TOTAL NUMBER OF INCIDENTS OF DISCRIMINATION AND ACTIONS TAKEN

Bayport, USA - 1 EEOC charge of age discrimination in regards to a 2013 termination (Note-received in 2014, pending resolution).

Baton Rouge Tower, USA - 1 reported incident, pending investigation.

HR5 OPERATIONS IDENTIFIED IN WHICH THE RIGHT TO EXERCISE FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING MAY BE AT SIGNIFICANT RISK, AND ACTIONS TAKEN TO SUPPORT THESE RIGHTS

As of December 31, 2013, we had 4,231 employees of whom 2,148, or 51%, are employed in the U.S.; 1,152, or 27%, are employed in Europe; 590, or 14%, are employed in Asia; and 341, or 8%, are employed in the Middle East. Approximately 14% of our U.S. employees are unionized. We have bargaining agreements at three of our U.S. locations:

- Baton Rouge, Louisiana-United Steel Workers (USW);
- Orangeburg, South Carolina-International Brotherhood of Teamsters-Industrial Trades Division (IBT); and

- Pasadena, Texas-USW; Sheet Metal Workers International Association (SMWIA); United Association of Journeymen & Apprentices of Plumbing and Pipefitting Industry (UAJAPPI); and International Brotherhood of Electrical Workers (IBEW).

We believe that we have good working relationships with these unions, and we have operated without a labor work stoppage at each of these locations for more than 20 years. Bargaining agreements expire at our Pasadena, Texas location in 2014; our Baton Rouge, Louisiana location in 2015; and our Orangeburg, South Carolina location in 2016.

We have two Works Councils representing the majority of our European sites in Amsterdam, The Netherlands and Bergheim, Germany — covering approximately 900 employees. For the majority (approx. 95%) of the employees in Amsterdam, a bargaining agreement was negotiated with FNV Bondgenoten and CNV Vakmensen. This agreement covers the period April 1, 2013 - June 1, 2015.

Meetings with our European Works Council take place 1-2 times per year.

We believe that we have a generally good relationship with these councils and bargaining representatives.

As of December 31, 2013, no employees are unionized in the Asia Pacific region.

HR6 OPERATIONS IDENTIFIED AS HAVING SIGNIFICANT RISK FOR INCIDENTS OF CHILD LABOR, AND MEASURES TAKEN TO CONTRIBUTE TO THE ELIMINATION OF CHILD LABOR

0 – No operations identified as having significant risk for incidents of child labor; no measures taken.

HR7 OPERATIONS IDENTIFIED AS HAVING SIGNIFICANT RISK FOR INCIDENTS OF FORCED OR COMPULSORY LABOR, AND MEASURES TO CONTRIBUTE TO THE ELIMINATION OF FORCED OR COMPULSORY LABOR

0 – No operations identified as having significant risk for incidents of forced or compulsory labor; no measures taken.

HUMAN RIGHTS

HR8 PERCENTAGE OF SECURITY PERSONNEL TRAINED IN THE ORGANIZATION'S POLICIES OR PROCEDURES CONCERNING ASPECTS OF HUMAN RIGHTS THAT ARE RELEVANT TO OPERATIONS

1 hour of employee training on code of conduct (including human rights); 100% of security personnel trained in policies and procedures concerning aspects of human rights in the U.S.

HR9 TOTAL NUMBER OF INCIDENTS OF VIOLATIONS INVOLVING RIGHTS OF INDIGENOUS PEOPLE AND ACTIONS TAKEN

0 – No reported incidents of violations involving rights of indigenous people; no actions taken.

DISCLOSURE OF MANAGEMENT APPROACH (DMA) - SOCIAL SOCIETY

Our goal is for Albemarle to be the most sustainable specialty chemical company in the world. And, by sustainable, what we mean is that we're meeting the demands of our stakeholders today and also preparing to meet what will be the increased demand of those stakeholders in the future. As full participants in Responsible Care, Albemarle takes our commitment to safe, secure and environmentally sound operation very seriously. These principles do not stop at the end of the workday, nor outside the workplace. Albemarle employees and contractors sustain a heightened sense of awareness of their actions on and off the job and proactively seek to advocate this philosophy in our communities and with those we interact with on a daily basis. We are also committed to making a positive impact on those communities by advancing education, health and social services, cultural initiatives and voluntarism. We started the Albemarle Foundation in 2007, and since then, we've given well over \$15 million to some wonderful causes around the globe. In 2013 alone, we had over 7,000 hours of voluntarism through the Albemarle Foundation. That, to us, is the key of social responsibility — what our employees are doing, how our employees are living their lives and what they're doing to make the communities in which they live and raise their families better places.



Luke Kissam, Chief Executive Officer

SO1 NATURE, SCOPE AND EFFECTIVENESS OF ANY PROGRAMS AND PRACTICES THAT ASSESS AND MANAGE THE IMPACTS OF OPERATIONS ON COMMUNITIES, INCLUDING ENTERING, OPERATING AND EXITING

We view the community as our partner and realize that they provide us with the license to operate. With regard to assessing and managing the impact of operations on communities, including entering, operating and exiting, Albemarle coordinates the requirements of entering and exiting a community with a special task force that is initiated upon the need for such action. The taskforce will be comprised of a multi-functional team to evaluate all aspects of such activities, including but not limited to financial, environmental, social and regulatory implications. In addition, for continuing operations within a community, Albemarle has instituted its emissions reduction program. Each site has specific issues that need addressing; therefore, each initiative has specific programs and practices that are derived and executed by the Albemarle team for each situation or location.

Finally, each site has a Community Advisory Panel, or CAP, that is the conduit for open communication between the site and the community within which it operates. The CAP provides the plant with open perspective regarding the priorities for the community and an outlet for communications from Albemarle about the state of the company and HSE related initiatives.

SO2 PERCENTAGE AND TOTAL NUMBER OF BUSINESS UNITS ANALYZED FOR RISKS RELATED TO CORRUPTION

Each of Albemarle's three business units have been analyzed for risks related to corruption, resulting in a 100% risk evaluation.

Realignment. As previously announced on September 23, 2013, we realigned our operating segments effective January 1, 2014. As a result of this realignment:

- The Catalyst Solutions segment will include Refinery Catalysts Solutions, Performance Catalysts Solutions and Antioxidants;
- The Performance Chemicals segment will include Fire Safety Solutions, Specialty Chemicals and Fine Chemistry Services

SO3 PERCENTAGE OF EMPLOYEES TRAINED IN ORGANIZATION'S ANTI-CORRUPTION POLICIES AND PROCEDURES

All employees, upon hire, are required to complete training with respect to the Company's Code of Conduct — Albemarle's principal document and philosophy for the prevention of corruption. Following hire, 80% employees completed Code of Conduct training in 2013.

SO4 ACTIONS TAKEN IN RESPONSE TO INCIDENTS OF CORRUPTION

During 2013, no Albemarle employee was terminated for corruption-related behavior, and no Albemarle employee was formally disciplined for corruption-related behavior.

SO5 PUBLIC POLICY POSITIONS AND PARTICIPATION IN PUBLIC POLICY DEVELOPMENT AND LOBBYING

Albemarle has a strong commitment to participating in public policy debates as well as communicating our positions with government entities around the world. We dedicate time and personnel to interacting with a variety of groups and officials in areas where we believe we can make a difference to the debate. These areas include:

- U.S. federal legislation requiring mandatory security standards for chemical facilities which will protect not only our employees but the surrounding community

- Active participation in producing a more effective chemical management system by modernizing the U.S. federal Toxic Substances Control Act (TSCA)
 - Dialogue with country-specific agencies on fire safety standards for consumer and professional products that will save lives
 - Federal standards that provide safe pharmaceutical products
-
- Active participation with U.S. EPA initiatives in the following areas:
 - Design for Environment (DfE) alternatives assessment programs for printed circuit boards, Deca-BDE, and HBCD
 - Catalysts for clean fuel technology
-
- Active participation with European initiatives in the following areas:
 - Ecolabels
 - Risk assessments and risk reduction strategies
 - EU legislative developments
-
- Global harmonization of chemical management policies that follow the guidelines of the EU REACH program to provide the public with the most scientific knowledge of our products, as well as a confidence in the safety of our products
 - Activity at the state and federal government level as well as academia toward a commitment to Green Chemistry principles and a systematic, science-based chemical regulatory system that has stimulated our research of new products into areas of innovative chemical processes and products that make the world an environmentally safer and healthier place to live
 - Development and leadership of working groups comprised of industry, government, end user and NGO participants working toward development of chemicals policy and product safety in various end markets.

SO6 TOTAL VALUE OF FINANCIAL AND IN-KIND CONTRIBUTIONS TO POLITICAL PARTIES, POLITICIANS AND RELATED INSTITUTIONS BY COUNTRY

Albemarle actively participates in the political process with the ultimate goal of advancing and protecting the best interests of the company and our stockholders and employees. We are fully committed to conducting our political activities in compliance with all applicable campaign finance laws and reporting requirements and in accordance with the Albemarle Political Contribution Policy.

Albemarle supports transparency in the political process and beginning in 2014 we will on an annual basis publicly disclose our corporate political contributions and political contributions by the Albemarle Political Action Committee (Albemarle PAC). Below are the contributions made by Albemarle Corporation and Albemarle PAC in 2013.

Albemarle Corporation POLITICAL CONTRIBUTIONS

(January 1, 2013 - December 31, 2013)
No political contributions

Albemarle PAC POLITICAL CONTRIBUTIONS

(January 1, 2013 - December 31, 2013)

Candidate/Organization	Party	State	Date	Amount
Mark Pryor / Mark Pryor for US Senate	D	Arkansas	3/5/13	\$5,000
Tom Cotton / Cotton for Congress	R	Arkansas	3/5/13	\$2,500
Mary Landrieu / Friends of Mary	D	Louisiana	5/2/13	\$5,000
Kay Hagan / Hagan for US Senate	D	North Carolina	5/10/13	\$1,000
Tom Udall / Udall for Us All	D	New Mexico	11/21/13	\$2,500
Lindsey Graham / Team Graham	R	South Carolina	11/21/13	\$1,000
Gene Green / Gene Green	D	Texas	11/21/13	\$2,500

SO8 MONETARY VALUE OF SIGNIFICANT FINES AND TOTAL NUMBER OF NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH LAWS AND REGULATIONS

During 2013, there were no material monetary fines or non-monetary sanctions for non-compliance with laws and regulations.

PRODUCT RESPONSIBILITY

DISCLOSURE OF MANAGEMENT APPROACH (DMA) - PRODUCT RESPONSIBILITY

Product responsibility encompasses many activities and programs with the overall goal of safe handling, distribution and use of our products. It is important for us as stewards of our environment, as stewards of the health of our employees and as stewards of the health of the communities that we operate in, as well as those that use our products, that we are responsible for all those areas across our products. Albemarle meets all local and international requirements for the safe shipment of our products. We conduct risk assessments on the products themselves, as well as on their distribution life cycle. We communicate the hazards to all involved in the manufacture, distribution or use of our products. We register our products according to the applicable local, national or international regulations. For our most hazardous materials, we develop specific product stewardship manuals to ensure that each aspect of responsible manufacture and use are clearly defined. All U.S. and two international sites are certified to the Responsible Care 14001 standard. Responsible Care is a very important part of Albemarle's product stewardship program. It does provide the foundation, a very robust foundation, for us to create and maintain a sustainable product stewardship program.



Karen Narwold, Sr. Vice President & General Council

PRODUCT RESPONSIBILITY

PR1 LIFE CYCLE STAGES IN WHICH HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES ARE ASSESSED FOR IMPROVEMENT, AND PERCENTAGE OF SIGNIFICANT PRODUCTS AND SERVICES CATEGORIES SUBJECT TO SUCH PROCEDURES

All of Albemarle's products and services are subject to and assessed for improvement opportunities as part of the Albemarle HSE Product Risk Characterization Process. Albemarle has both our products and our facilities certified.

	YES	NO
Development of product concept	X	
R & D	X	
Certification	X	
Manufacturing and production	X	
Marketing and promotion	X	
Storage distribution and supply	X	
Use and service	X	
Disposal, reuse or recycling	X	

PR2 TOTAL NUMBER OF INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND VOLUNTARY CODES CONCERNING HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES DURING THEIR LIFE CYCLE, BY TYPE OF OUTCOMES

Albemarle tracks all incidents involved in the transport and use of our products. In 2013 there were six incidents involving our products during transportation. Of these, one was associated with a total fine of \$1,500.

PRODUCT RESPONSIBILITY

PR3 TYPE OF PRODUCT AND SERVICE INFORMATION REQUIRED BY PROCEDURES, AND PERCENTAGE OF SIGNIFICANT PRODUCTS AND SERVICES SUBJECT TO SUCH INFORMATION REQUIREMENTS

Per our corporate procedures, Albemarle follows all pertinent regional, national and global regulations for product service information and labeling for all Albemarle products. We generally do not list the source of the raw materials used in our finished products. The following product and service information is required by the organization's procedures for product and service information and labeling:

	YES	NO
The sourcing of components of the product or service		X
Content, particularly with regard to substances that might produce an environmental or social impact	X	
Safe use of the product or service	X	
Disposal of the product and environmental/social impacts	X	

PR4 TOTAL NUMBER OF INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND VOLUNTARY CODES CONCERNING PRODUCT AND SERVICE INFORMATION AND LABELING, BY TYPE OF OUTCOMES

In 2013, Albemarle had 37 (46 in 2012) self-identified labeling non-conformances. None involved regulatory authorities nor did they result in a fine, penalty or warning.

PR5 PRACTICES RELATED TO CUSTOMER SATISFACTION, INCLUDING RESULTS OF SURVEYS MEASURING CUSTOMER SATISFACTION

In order to provide world-class customer service, Albemarle must be able to demonstrate care and responsiveness to a customer's concerns as well as continually drive efficiency and effectiveness in order management. The process and tool that facilitate both needs are the Customer Feedback Process and its associated database.

Any input from a customer is important in that it communicates a concern that needs to be addressed. That concern may be a disappointment in Albemarle's products or services that is a result of a failure somewhere within the direct control of Albemarle. Or it may be a disappointment resulting from a failure that is the result of actions (or inactions) by one of Albemarle's third party service providers (or otherwise outside the direct control of the Company). Ultimately, to the

PRODUCT RESPONSIBILITY

customer and within the intent of the Customer Feedback philosophy, there is no distinction. In the spirit of demonstrating care and responsiveness, both circumstances require an investigation into the cause and a timely response back to the customer.

While the primary point of contact for information from customers is most often the Sales Service Specialist, the Customer Feedback System is available to anyone within Albemarle to originate issues for follow-up. Once entered, incidents are assigned to a coordinator defined for the area in which the issue resides. The coordinator classifies the incident by business process and issue, along with function and location. Then the coordinator assigns the incident to a designated champion. The champion is tasked with investigating the incident to determine the root cause, identifying appropriate corrective actions and summarizing the overall response in the system. This response is forwarded to the customer advocate, who then reviews the response for follow-up with appropriate customer contacts. When successfully resolved, the incident is officially closed in the system.

The global tool is also used to resolve incidents internal to Albemarle. "Internal Incidents" are defined as any failure in the order fulfillment process that generated waste (time or material) or could result in a failure to meet customer expectations. By identifying these incidents, we strive to drive out shortcomings in the order fulfillment work process that, if unresolved, might ultimately lead to customer disappointment and potentially loss of business.

Much like external issues, internal incidents are also categorized by business process, business sub-process and the location where the incident took place.

The classification of all incidents is used for metrics and trends across organizations. A weekly report of customer complaints is published and distributed to senior management. This elevates any external issues across the organization and captures the event by responsible location, either internal or external. In 2013, Albemarle logged in 1,849 (3,966 in 2012) customer complaints into the Customer Feedback System. Of these, 97% (96% in 2012) were resolved and closed by year end.

PR6 PROGRAMS FOR ADHERENCE TO LAWS, STANDARDS AND VOLUNTARY CODES RELATED TO MARKETING COMMUNICATIONS, INCLUDING ADVERTISING, PROMOTION AND SPONSORSHIP

Albemarle utilizes the services of external consultants for strategic communications and marketing communications initiatives with support and direction from internal specialists. Adherence to laws and standards is addressed in the Corporate Graphic Standards manual which is posted in the Employee Communications section of the company's Intranet.

All Marketing communications programs and materials are reviewed by Albemarle legal and regulatory staff.

PR9 MONETARY VALUE OF SIGNIFICANT FINES FOR NON-COMPLIANCE WITH LAWS AND REGULATIONS CONCERNING THE PROVISION AND USE OF PRODUCTS AND SERVICES

During 2013, there were no material monetary fines or non-monetary sanctions for non-compliance with laws and regulations.

Contact Information:

Albemarle Corporation
451 Florida Street
Baton Rouge, Louisiana 70801
United State of America
Tel +1-225-388-7015

www.albemarle.com



GRI Indicators according to GRI- G3 Guidelines

STANDARD DISCLOSURES PART I: Profile disclosures

1. Strategy and Analysis			
		Level of reporting	Location of disclosure
1.1	Statement from the most senior decision-maker of the organization.	Fully	page 1
1.2	Description of key impacts, risks, and opportunities.	Fully	page 3
2. Organizational Profile			
Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
2.1	Name of the organization.	Fully	page 11
2.2	Primary brands, products, and/or services.	Fully	page 11
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	page 21
2.4	Location of organization's headquarters.	Fully	page 22
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	page 22
2.6	Nature of ownership and legal form.	Fully	page 22
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	page 27
2.8	Scale of the reporting organization.	Fully	page 28
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	page 28
2.10	Awards received in the reporting period.	Fully	page 30
3. Report Parameters			
Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	page 30
3.2	Date of most recent previous report (if any).	Fully	page 30
3.3	Reporting cycle (annual, biennial, etc.)	Fully	page 30
3.4	Contact point for questions regarding the report or its contents.	Fully	page 31
3.5	Process for defining report content.	Fully	page 31
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	page 31
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	page 32
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	page 32
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	page 32
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	page 32
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	page 32
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	page 33
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	page 33
4. Governance, Commitments, and Engagement			
Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	page 34
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	page 36
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Fully	page 37
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	page 37
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Fully	page 37
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	page 37
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	Fully	page 41
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	page 42

4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	page 46
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	page 47
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	page 47
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	page 48
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	page 49
4.14	List of stakeholder groups engaged by the organization.	Fully	page 51
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	page 51
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	page 52
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Fully	page 54

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

G3 DMA	Disclosure	Level of reporting	Location of disclosure
DMA EC			
Disclosure on Management Approach EC			
Aspects	Economic performance	Fully	page 57
	Market presence	Fully	page 63
	Indirect economic impacts	Partially	page 68
DMA EN			
Disclosure on Management Approach EN			
Aspects	Materials	Fully	page 70
	Energy	Partially	page 70
	Water	Partially	page 74
	Biodiversity	Partially	page 75
	Emissions, effluents and waste	Partially	page 78
	Products and services	Fully	page 86
	Compliance	Fully	page 91
	Transport	Fully	page 91
Overall	Not		
DMA LA			
Disclosure on Management Approach LA			
Aspects	Employment	Fully	page 93
	Labor/management relations	Fully	page 97
	Occupational health and safety	Partially	page 99
	Training and education	Fully	page 100
	Diversity and equal opportunity	Partially	page 103
DMA HR			
Disclosure on Management Approach HR			
Aspects	Investment and procurement practices	Fully	page 106
	Non-discrimination	Fully	page 106
	Freedom of association and collective bargaining	Fully	page 106
	Child labor	Fully	page 107
	Forced and compulsory labor	Fully	page 107
	Security practices	Fully	page 108
	Indigenous rights	Fully	page 108
DMA SO			
Disclosure on Management Approach SO			
Aspects	Community	Fully	page 110
	Corruption	Fully	page 111
	Public policy	Fully	page 111
	Anti-competitive behavior	Not	
	Compliance	Fully	page 114
DMA PR			
Disclosure on Management Approach PR			
Aspects	Customer health and safety	Fully	page 116
	Product and service labelling	Fully	page 117
	Marketing communications	Partially	page 119
	Customer privacy	Not	
	Compliance	Fully	page 119

STANDARD DISCLOSURES PART III: Performance Indicators

Economic			
Indicator	Disclosure	Level of reporting	Location of disclosure
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	page 57

EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Fully	page 60
EC3	Coverage of the organization's defined benefit plan obligations.	Fully	page 62
EC4	Significant financial assistance received from government.	Fully	page 63
Market presence			
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Fully	page 64
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	page 66
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	page 67
Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	page 68
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Not	
Environmental			
Indicator	Disclosure	Level of reporting	Location of disclosure
Materials			
EN1	Materials used by weight or volume.	Fully	page 70
EN2	Percentage of materials used that are recycled input materials.	Fully	page 70
Energy			
EN3	Direct energy consumption by primary energy source.	Fully	page 70
EN4	Indirect energy consumption by primary source.	Fully	page 72
EN5	Energy saved due to conservation and efficiency improvements.	Not	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Not	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Not	
Water			
EN8	Total water withdrawal by source.	Fully	page 74
EN9	Water sources significantly affected by withdrawal of water.	Fully	page 74
EN10	Percentage and total volume of water recycled and reused.	Not	
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Fully	page 75
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	page 76
EN13	Habitats protected or restored.	Not	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Not	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not	
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	page 78
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	page 78
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Not	
EN19	Emissions of ozone-depleting substances by weight.	Fully	page 80
EN20	NOx, SOx, and other significant air emissions by type and weight.	Fully	page 80
EN21	Total water discharge by quality and destination.	Fully	page 82
EN22	Total weight of waste by type and disposal method.	Fully	page 83
EN23	Total number and volume of significant spills.	Fully	page 86
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not	
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	page 86
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	page 91
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	page 91
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Fully	page 91
Overall			
EN30	Total environmental protection expenditures and investments by type.	Not	

Social: Labor Practices and Decent Work			
Indicator	Disclosure	Level of reporting	Location of disclosure
Employment			
LA1	Total workforce by employment type, employment contract, and region.	Fully	page 93
LA2	Total number and rate of employee turnover by age group, gender, and region.	Fully	page 93
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	page 94
Labor/management relations			
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	page 97
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	page 98
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Not	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Partially	page 99
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	page 100
LA9	Health and safety topics covered in formal agreements with trade unions.	Not	
Training and education			
LA10	Average hours of training per year per employee by employee category.	Partially	page 101
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	page 102
LA12	Percentage of employees receiving regular performance and career development reviews.	Fully	page 103
Diversity and equal opportunity			
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Partially	page 103
LA14	Ratio of basic salary of men to women by employee category.	Fully	page 104
Social: Human Rights			
Indicator	Disclosure	Level of reporting	Location of disclosure
Investment and procurement practices			
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Fully	page 106
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Fully	page 106
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Fully	page 106
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken.	Fully	page 106
Freedom of association and collective bargaining			
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Fully	page 106
Child labor			
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Fully	page 107
Forced and compulsory labor			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Fully	page 107
Security practices			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Fully	page 108
Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	page 108
Social: Society			
Indicator	Disclosure	Level of reporting	Location of disclosure
Community			
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Fully	page 110
Corruption			
SO2	Percentage and total number of business units analyzed for risks related to corruption.	Fully	page 111

SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	page 111
SO4	Actions taken in response to incidents of corruption.	Fully	page 111
Public policy			
SO5	Public policy positions and participation in public policy development and lobbying.	Fully	page 111
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	page 113
Anti-competitive behavior			
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Not	
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	page 114
Social: Product Responsibility			
Indicator	Disclosure	Level of reporting	Location of disclosure
Customer health and safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Fully	page 116
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Fully	page 116
Product and service labelling			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	page 117
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Fully	page 117
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	page 117
Marketing communications			
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	page 119
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not	
Customer privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not	
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	page 119