

Name: Environmental Policy

Category: 01 Health Safety and Environment

Sub Category: 01-000 HSE Governing Policies

Functional Area: [Functional Area]

Document ID: 01-000-0016

Site: Corporate – Global

Country: All

Effective Date: March 8, 2024

Next Review Due: March 8, 2027

Policy

Environmental Policy

Purpose

Albemarle Corporation (the Company) is a global leader in transforming essential resources, such as lithium and bromine, into critical ingredients for mobility, energy, connectivity, and health. Together with our world-class resources, technical and process knowledge, and safety and sustainability performance, we partner with our customers to pioneer new ways to move, power, connect, and protect. We aim to build a more resilient world where people and planet thrive.

Commitments

We acknowledge our responsibility to address the impact of our operations on the environment and we act in accordance with our Core Values to address climate change. We are committed to meeting or exceeding our sustainability targets including for greenhouse gas (GHG), water, and air emissions. We work to continuously improve our environmental performance.

We engage with our stakeholders including our customers, investors, communities, employees, suppliers, and government partners to affect positive change and mitigate negative environmental impacts. We are committed to the United Nations (UN) Sustainable Development Goals, are a member of the UN Global Compact, and are a signatory of the UN Global Compact CEO Water Mandate. We leverage global chemicals and mining industry best practices such as Responsible Care®, ISO, and the Initiative for Responsible Mining Assurance (IRMA) in environmental management systems throughout our sites.

We are a member of IRMA and conduct independent assessments of our environmental management in our mining operations against IRMA's Standard for Responsible Mining. We submit annual Climate Change and Water Security questionnaires to the Carbon Disclosure Project, CDP, and disclose our responses publicly on the CDP website. For more information, our sustainability reports and other materials are located on the sustainability page of our website.

Our sustainability report content and disclosures reference the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI) standards, and we report using the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, including climate-related scenario analysis. We conduct materiality assessments every three to five years, and more often if needed, which guide the development of our sustainability strategy and annual sustainability reporting.

We embed environmental awareness and sustainability throughout the Company, and work to ensure that our employees understand their roles and responsibilities around our environmental commitments. We present on sustainability matters and progress at business-wide town halls and conduct sustainability report launch activities for internal and external audiences. Additionally, we provide sustainability-related training throughout the year, as appropriate. We also actively partner with non-governmental organizations (NGOs) on environmental work through the Albemarle Foundation and our corporate giving.

Governance

Our CEO and Chairman of the Board of Directors (Board) takes ownership of our environmental targets and our progress towards these goals. Our Board oversees our sustainability programs and committees of the Board take the lead in discrete areas of oversight within their areas of responsibility.

The Safety, Sustainability & Public Policy Committee (formerly known as the Health, Safety & Environment Committee) is responsible for overseeing progress on sustainability initiatives including environmental topics such as energy and GHG emissions, water, air quality, and waste. The Safety, Sustainability & Public Policy Committee meets quarterly and our VP, Sustainability and Investor Relations reviews progress toward our public environmental targets. The Audit & Finance Committee reviews our enterprise risk management (ERM) at least annually, including sustainability and environmental risks.

Our Sustainability Steering Committee (SSC) consists of a diverse group of experienced professionals across the Company and is chaired by the VP, Sustainability and Investor Relations. The SSC sets and drives the achievement of our global corporate sustainability strategy. The SSC aims to create value and recognition by embedding sustainability throughout our business.

We apply the double materiality lens to evaluate both the impacts of the environment and communities in which we operate on Albemarle's businesses, and how our business activities impact the environment and society. We also assess the impacts – both risks and opportunities – of climate change on our business operations using scenario analysis, as recommended by TCFD. We manage the identified risks through our ERM program.

The CEO and his executive leadership team allocate long-term budget resources in our financial planning for sustainability initiatives, including those required to meet our environmental targets. We work toward upholding the highest levels of ethics and integrity in complying with all applicable laws and regulations of the jurisdictions in which we operate.

This policy covers Albemarle's direct operations and its value chain, as applicable. This policy was approved by our CEO and we will review this policy at least every 5 years and revise as needed.

Energy Consumption and Greenhouse Gases

As stated in our [Climate Strategy](#), we support the goals of the Paris Agreement - to avoid dangerous climate change by limiting global warming to well below 2°C (WB2C) - and are pursuing efforts to limit it to 1.5°C. We have an ambition to be net-zero in our operations by 2050.

We strive to reduce our energy consumption throughout the Company. We invest in technological innovations such as energy-efficient equipment and implement energy efficiency in the design of our facilities. We understand that renewable energy is essential to reach our climate goals. As such, we pursue renewable energy options at Albemarle sites globally. We work to identify opportunities to reduce GHG emissions across all our operations. We assess the impact of capital investments on our GHG emissions and make decisions accordingly.

We identify and collect relevant data to calculate GHG emissions according to the GHG protocol and publish the results in our annual sustainability report. We also disclose energy and GHG management and progress through our annual CDP Climate Change response. We conduct external assurance on our energy consumption and scope 1 and 2 emissions. We prioritize data quality management and are working to automate our environmental data collection processes. We are committed to meeting or exceeding our climate targets:

Grow our Energy Storage business in a scope 1 + 2 carbon-intensity neutral manner through 2030 (2019 baseline).

Reduce scope 1 + 2 carbon intensity of our Specialties business by 35% by 2030 in alignment with science-based targets (2019 baseline).

Reduce scope 1 + 2 carbon intensity of Ketjen by 35% by 2030 in alignment with science-based targets (2019 baseline).

Water

Responsible management of water resources is a core component of Albemarle's sustainability strategy. We are committed to maintaining water affected by our operations to a quality that enables safe use for current purposes and for the potential future uses that have been identified in collaboration with relevant stakeholders. We recognize the human right to clean drinking water and sanitation as critical to all communities and are working to ensure 100% access to clean drinking water in all our facilities.

We aim to conserve freshwater resources and invest in advanced technologies to reduce our freshwater footprint. We commit to action and continuous improvement of our water management across six focus areas (direct operations, supply chain and watershed management, collective action, public policy, community engagement, and transparency) as part of our endorsement of the UNGC CEO Water Mandate. We disclose water management actions per the transparency tenant of the UNGC CEO Water Mandate through our annual CDP Water Security response.

We acknowledge our responsibility to manage potential impacts our operations may have on other water users. We work to identify, assess, analyze, and manage potential impacts to water quality and quantity. We develop adaptive water management plans and review on a regular basis. We seek to collaborate with stakeholders at a local and regional level to address shared water challenges and to contribute to water stewardship outcomes.

We work to establish credible water monitoring programs and welcome the participation of affected communities in the water monitoring programs. We share publicly our water quantity and quality data, as well as the results of our water monitoring programs with our stakeholders, where possible. Our operations have procedures for rapidly communicating with relevant stakeholders

All hardcopies of this document are considered to be

UNCONTROLLED COPY

if there are changes in water quantity or quality that pose an imminent threat to human health or safety, or commercial or natural resources.

We identify and collect relevant data to calculate water metrics using guidance from SASB and the World Resources Institute (WRI) and publish the results in our annual sustainability report. We conduct external assurance on our water withdrawal, consumption, and percentage of freshwater consumed in regions with high or extremely high overall water risk metrics. We consider the overall water risk framework of the WRI Water Risk Atlas tool to report the percentage of freshwater consumed in relation to the region's overall water risk metrics. We report water consumed in the two highest categories, high (our Chilean sites) and extremely high (our Jordan site), and our overall water consumption. We are committed to meeting or exceeding our water target:

Reduce the intensity of freshwater usage by 25% by 2030 in Chile and Jordan (2019 baseline).

Air Quality

We operate our facilities in a responsible manner and commit to reducing air emissions and preventing pollution where feasible to minimize the impacts on the environment and local communities. We comply with air quality regulations in the areas where we operate and strive for additional voluntary reductions in air emissions, such as our investment in a sulfur oxide (SO_x) reduction project at our site in Magnolia, Arkansas. We publicly share our air emissions and compliance data with our stakeholders via government reporting tools (such as the EPA Toxic Release Inventory) and through interactive local Citizens Advisory Committees (CACs) where these forums exist (i.e., LaPorte and Pasadena CAC's in the Houston, Texas area).

We are committed to meeting or exceeding our air quality target:

Reduce SO_x emissions by 90% by 2027 (2022 baseline).

Biodiversity

We aim to take a leadership role in protecting, sustainably managing, and restoring biodiversity within and near our existing areas of operation. To better understand and fulfill our responsibility in achieving the Global Biodiversity Framework's goal to secure a nature-positive future by 2030, we are committed to developing a corporate wide biodiversity strategy. Our strategy will be built upon input from our affected and traditional stakeholders and will include an assessment of nature-related impacts, risks, and dependencies across our supply chain and operations. Details on our current biodiversity commitments can be found in our [Biodiversity Statement](#).

Waste and Circularity

We manage waste materials, including mine wastes such as tailings, in a responsible manner that eliminates, where possible, and otherwise minimizes risks to human health, safety, and the environment and communities where we operate. We design and manage our mines and plants with a by-product / co-product plan consistent with best available technologies (BAT) and best available/applicable practices (BAP).

We seek to minimize our waste through process improvements and to enable a circular economy through recycling initiatives and partnerships across the value chain. We strive to minimize the generation and disposal of hazardous waste, and to re-use and recycle materials whenever possible. We use technological innovations to find beneficial uses for waste products, such as tailings. Additionally, we include a contractual right to conduct waste audits on customers that buy our by-products.

We work to minimize the negative impacts of operations. For example, in Chile, the by-product bischofite is sold as a dust suppressant for dirt roads, thereby reducing waste and freshwater use. In China, our chemical tailings are reused in the cement industry. Both our Kemerton facility in Australia and Kings Mountain facility in the United States, divert tailings from landfill for use in aggregate and ceramic production.

Product Stewardship

We commit to ensuring that our products comply with international, national, and local regulatory requirements and that they are safe when used for their intended purpose. We educate our customers on how to safely handle and use our products. We limit the use of toxic substances in our products and processes and seek to find non-toxic substitutes, when possible. When possible, we use computer modeling in order to avoid animal testing (even if the law permits testing on animals). We have an internal policy that governs our testing procedures, and that is revised from time to time. We also ensure that our products have been rigorously tested and evaluated to help identify any product safety hazards or risks to human health and the environment, as noted in our [HSSE Policy Statement](#).

Engaging our Value Chain

In line with our core value of collaboration, we pride ourselves on building relationships with both our upstream and downstream partners that allow space for open dialogue and information sharing. We practice transparency by informing our stakeholders of our environmental goals and performance.

We emphasize strategic partnerships and joint developments with our customers in our research and development processes with the goal of improving our customers' sustainability performance. We prioritize knowledge sharing and seek to educate our value chain partners on environmental best practices. We are committed to expanding our life cycle assessment (LCA) capabilities to better understand the carbon footprint of our products in order to respond to our customers' requests. This work will help guide product and process innovation to reduce the environmental footprint of our products.

As part of our efforts to reduce our scope 3 emissions, we engage our suppliers on environmental topics and provide guidance on best practices. We use supplier environmental performance metrics as criteria in our raw material procurement process, as detailed in our [Responsible Sourcing Policy](#).

We are committed to meeting or exceeding our supplier engagement target:

Engage with suppliers to collect primary data for 75% (by 2023) and 90% (by 2024) of our raw material carbon footprint.