

BMO 32nd Global Metals, Mining & Critical Minerals Conference

Kent Masters – CEO & Chairman, Albemarle Corporation

February 27, 2023



Forward-Looking Statements

This presentation, conference call and discussions that follow contain statements concerning our expectations, anticipations, intentions, beliefs or strategies regarding the future, which constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements, which are based on assumptions that we have made as of the date hereof and are subject to known and unknown risks and uncertainties that could cause actual results, conditions and events to differ materially from those anticipated, often contain words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “should,” “would,” “will” and variations of such words and similar expressions. Forward-looking statements may include, without limitation, statements regarding future or expected: financial and operating results, production capacity, volumes, and pricing, demand for Albemarle’s products, capital projects, acquisition and divestiture transactions, market and economic trends, and all other information relating to matters that are not historical facts. Factors that could cause Albemarle’s actual results to differ materially from the outlook expressed or implied in any forward-looking statement include, without limitation: changes in economic and business conditions; product development; financial and operating performance of major customers; the timing and magnitude of orders received from customers; the gain or loss of significant customers; fluctuations in lithium market pricing; production volume shortfalls; increased competition; changes in the demand for its products; availability and cost of raw materials and energy; technological change and development; fluctuations in foreign currencies; changes in laws and government regulation; regulatory actions, proceedings, claims or litigation; cyber-security breaches, terrorist attacks, industrial accidents or natural disasters; hazards associated with chemicals manufacturing; the inability to maintain current levels of insurance; political unrest; changes in accounting standards; changes in monetary policies, inflation or interest rates; volatility in the debt and equity markets; intellectual property infringement; future acquisition and divestiture transactions, including the ability to successfully integrate acquisitions; timing and success of active and proposed projects; the duration and impact of the coronavirus (COVID-19) pandemic; performance of Albemarle’s partners in joint ventures and other projects; changes in credit ratings; and the other factors detailed from time to time in the reports Albemarle files with the SEC, including those described under “Risk Factors” in Albemarle’s most recent Annual Report on Form 10-K and any subsequently filed Quarterly Reports on Form 10-Q, which are filed with the Securities and Exchange Commission (the “SEC”) and available on the investor section of Albemarle’s website (investors.albemarle.com) and on the SEC’s website at www.sec.gov. These forward-looking statements speak only as of the date they are presented. Albemarle assumes no obligation to provide any revisions to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws.

Non-GAAP Financial Measures

It should be noted that adjusted net (loss) income attributable to Albemarle Corporation, adjusted diluted earnings per share (“EPS”), non-operating pension and other post-employment benefit (“OPEB”) items per diluted share, non-recurring and other unusual items per diluted share, adjusted effective income tax rates, EBITDA, adjusted EBITDA, EBITDA margin and adjusted EBITDA margin are financial measures that are not required by, or presented in accordance with, accounting principles generally accepted in the United States, or GAAP. These non-GAAP measures should not be considered as alternatives to Net income attributable to Albemarle Corporation (“earnings”) or other comparable measures calculated and reported in accordance with GAAP. These measures are presented here to provide additional useful measurements to review the company’s operations, provide transparency to investors and enable period-to-period comparability of financial performance. The company’s chief operating decision maker uses these measures to assess the ongoing performance of the company and its segments, as well as for business and enterprise planning purposes.

A description of other non-GAAP financial measures that Albemarle uses to evaluate its operations and financial performance, and reconciliation of these non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP can be found on the following pages of this press release, which is also available on Albemarle’s website at <https://investors.albemarle.com>. The company does not provide a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP, as the company is unable to estimate significant non-recurring or unusual items without unreasonable effort. The amounts and timing of these items are uncertain and could be material to the company’s results calculated in accordance with GAAP.

Leading the World in Transforming Essential Resources

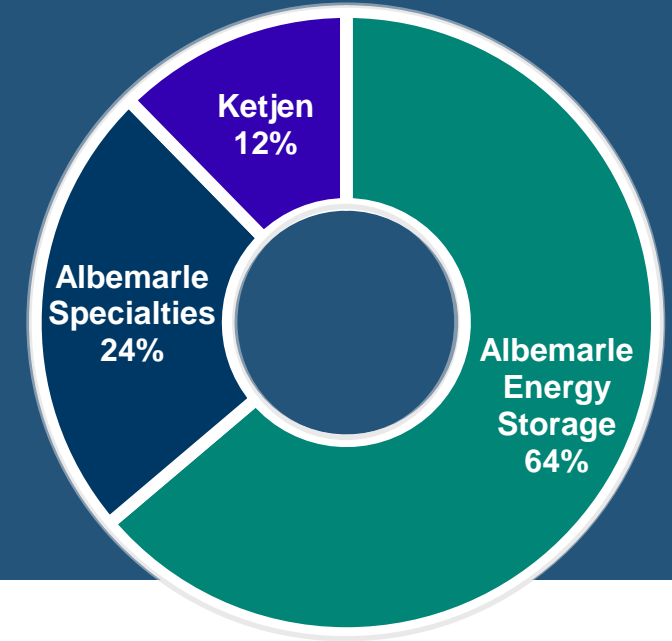
2022 Net Sales

Albemarle by the Numbers¹

Employees ²	~7,400
Customers	~1,900
Countries	~70
Active Patents	>2,100

FY 2022 Financial Highlights

Net Sales	\$7.3B
Net Income ³	\$2.7B
Adj. EBITDA ⁴	\$3.5B
Adj. EBITDA Margin ⁴	47%



- Clear strategy to **achieve profitable growth** and **enhance sustainability**
- **A global leader** with durable competitive advantages
- Track record of **strong financial and operating performance**
- Strong growth expected to continue in 2023 – **+55-75% net sales Y/Y**
- Capitalizing on growth opportunities in **electric vehicles and beyond** - mobility, energy, connectivity, health

¹ As of December 31, 2022 ² Includes employees of consolidated JVs ³ Attributable to Albemarle Corporation ⁴ Non-GAAP measure; see Appendix for definition and reconciliations of historical measures to most directly comparable GAAP measure

Providing Critical Ingredients for Mobility, Energy, Connectivity and Health



MOBILITY

Advancing the future of movement by being the leading provider of materials that make mobility better and cleaner.



ENERGY

Powering the energy transition to meet the rising needs so we can ensure the world has critical resources for years to come.



CONNECTIVITY

Enabling an always-on world to make technology more consistent and reliable, so we can continue to innovate more efficient.



HEALTH

Improving quality of life by making health safer and more attainable today, so the planet and future generations can continue to thrive.

Clear Strategy to Deliver Enduring Value

Grow Profitably

- Expand capacity to meet customer needs and generate value
- Partner with strategic customers and stakeholders to facilitate innovation and mutual growth

Maximize Productivity

- Deploy operating model to build a scalable platform for growth
- Grow high-performance culture with best-in-class capabilities
- Optimize earnings, cash flow and cost structure

Invest with Discipline

- Allocate capital and manage portfolio to generate long-term value
- Maintain Investment Grade credit rating and support our dividend

Advance Sustainability

- Build competitive advantage through industry-leading ESG performance
- Accelerate sustainability ambitions of customers and communities

Durable Competitive Advantages Differentiate Albemarle as an Industry Leader

DEVELOPING



Customer-centric collaboration



R&D expertise for next generation materials



Capital project execution expertise



Enhanced sustainability performance



Comprehensive operating model to achieve operational excellence

DEEPLY EMBEDDED



Portfolio of **best-in-class assets and resources** around the globe



Industry-leading **safety performance**



Process technology and product applications knowledge



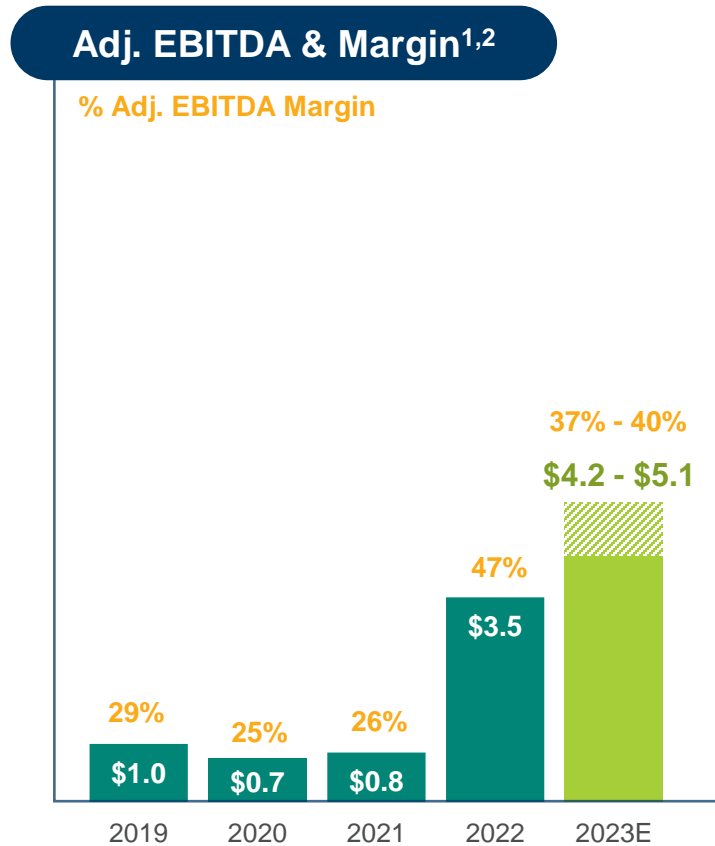
Solid balance sheet, cash flow & portfolio management, create **maximum financial flexibility**

Continuing to develop and embed our competitive advantages

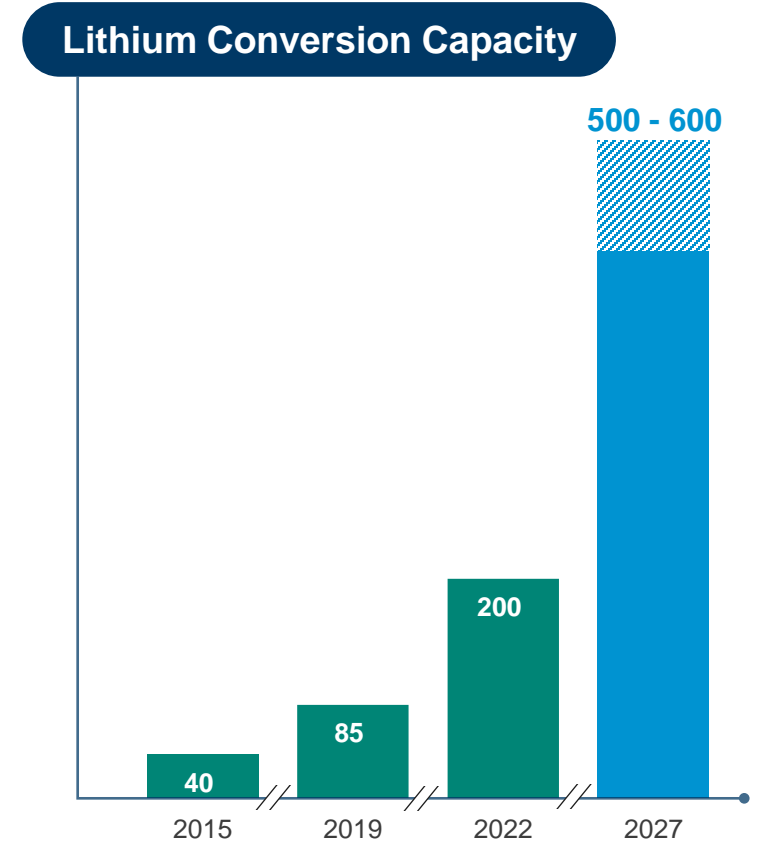
Strong Track Record of Financial and Operating Performance

Deliberate, transformational steps to position for growth

(in billions)



Nameplate Conversion Capacity (in ktpa LCE)



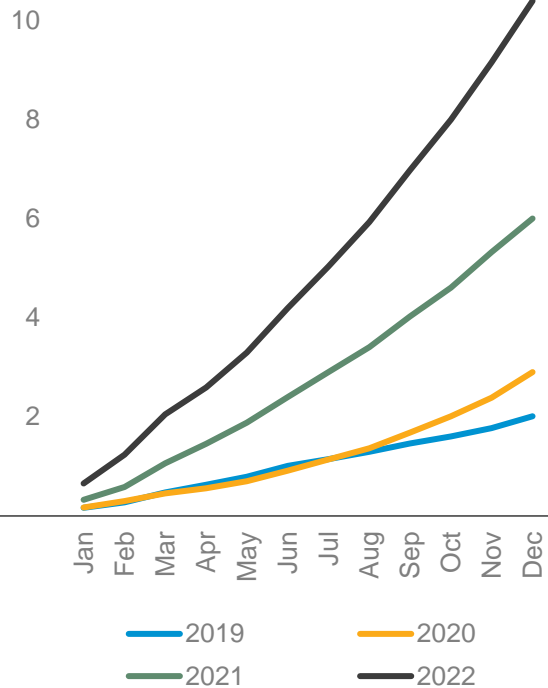
¹ Historical and prospective financial information excludes divestiture of FCS ² Non-GAAP measure, see appendix for definition and reconciliations of historical measures to most directly comparable GAAP measure

Increasing Our Lithium Market Demand Outlook: 5x Growth by 2030

Global EV

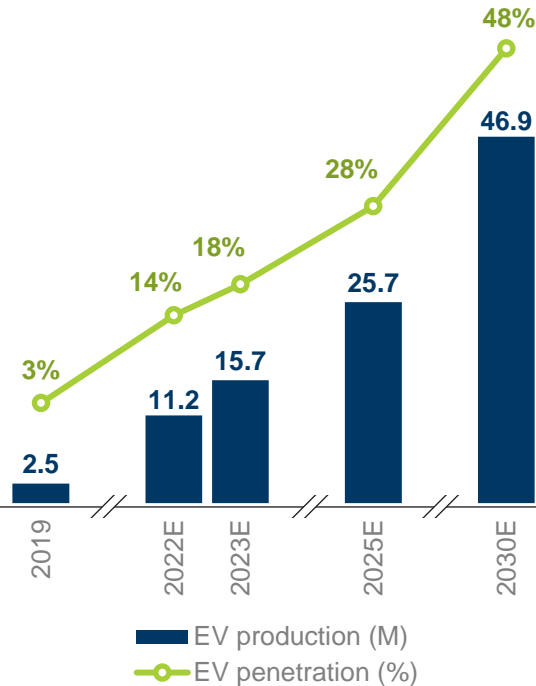
Cumulative Sales by Year¹ (M units)

2022 vs. 2021:
+64%



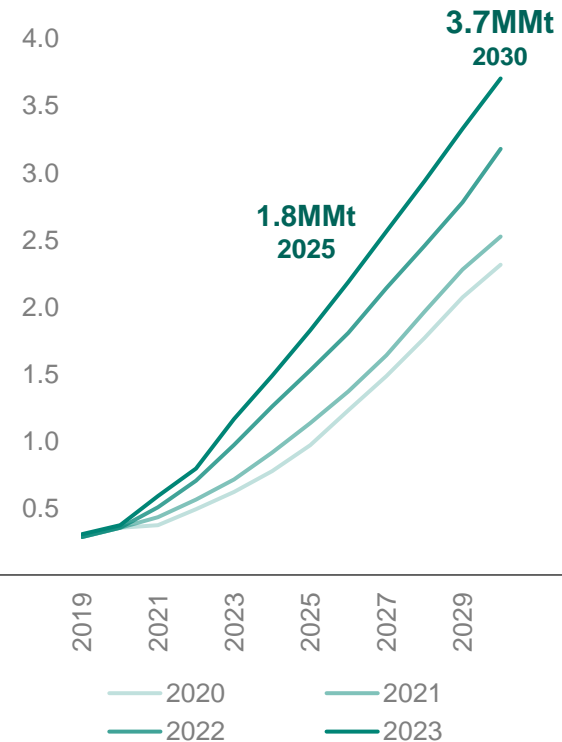
Production / Market Penetration²

2022-2027
CAGR: 25-30%



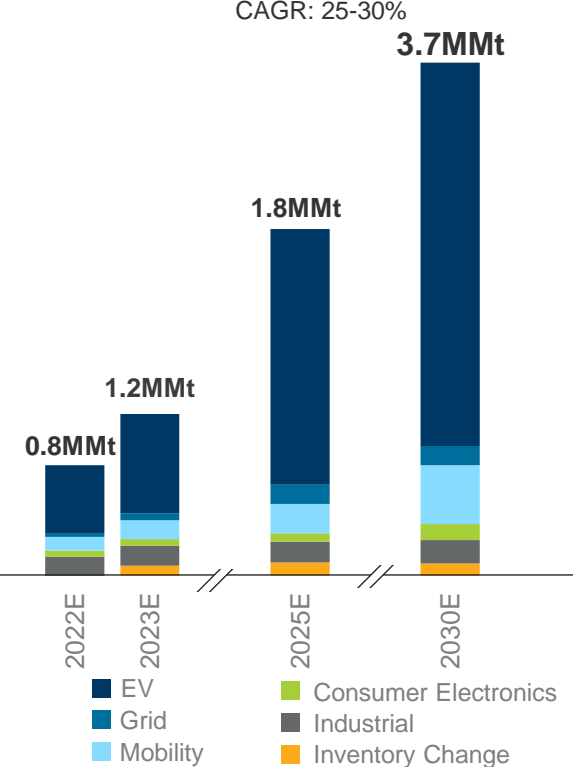
Lithium Demand

ALB Projections³ (MMt LCE)



by Application³ (MMt LCE)

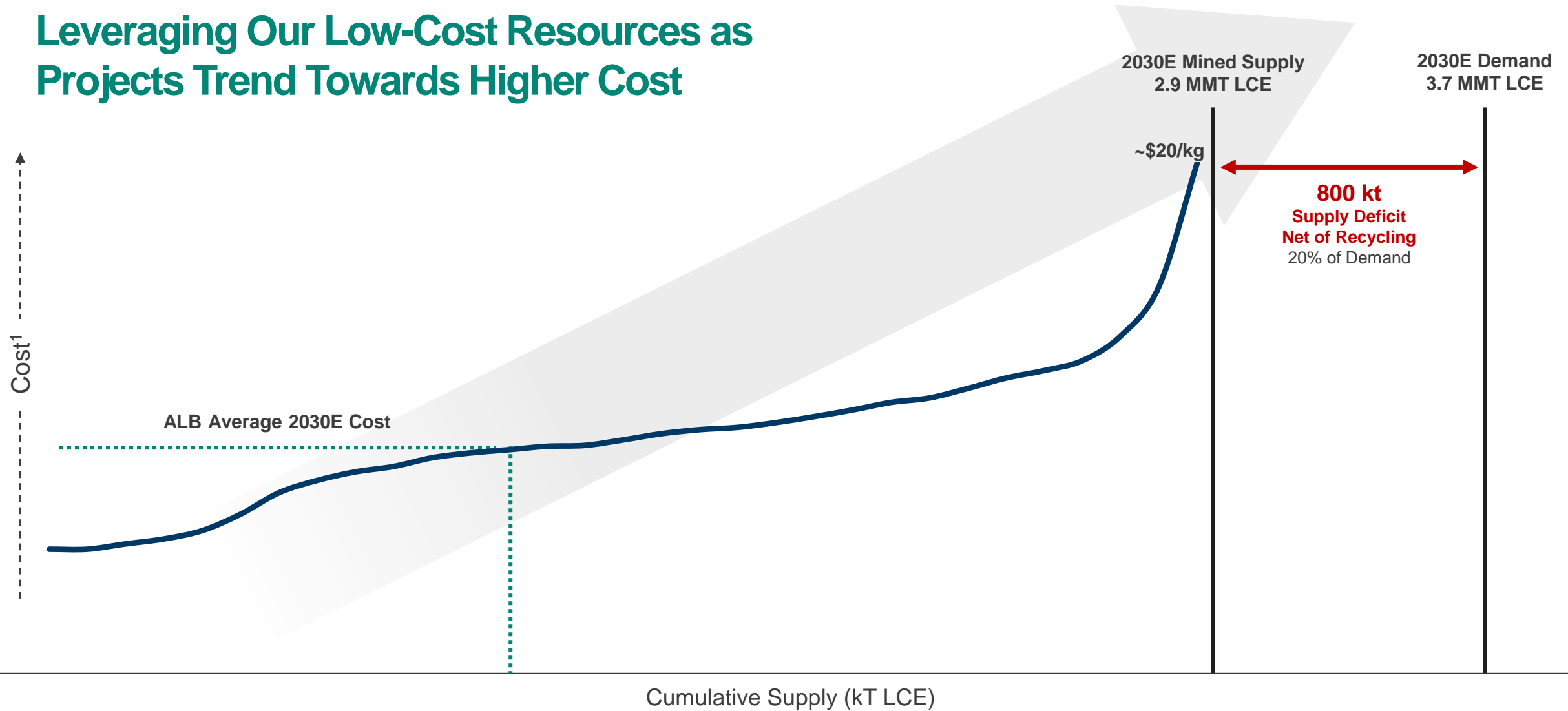
2022-2027
CAGR: 25-30%



2030E lithium demand of 3.7MMt LCE +15% from previous forecast due to IRA and strong EV demand

¹ Marklines data as of 01/25/2023 ² S&P Global Mobility, Global Production based Alternative Propulsion Forecast, November 2022 ³ Albemarle analysis

Leveraging Our Low-Cost Resources as Projects Trend Towards Higher Cost



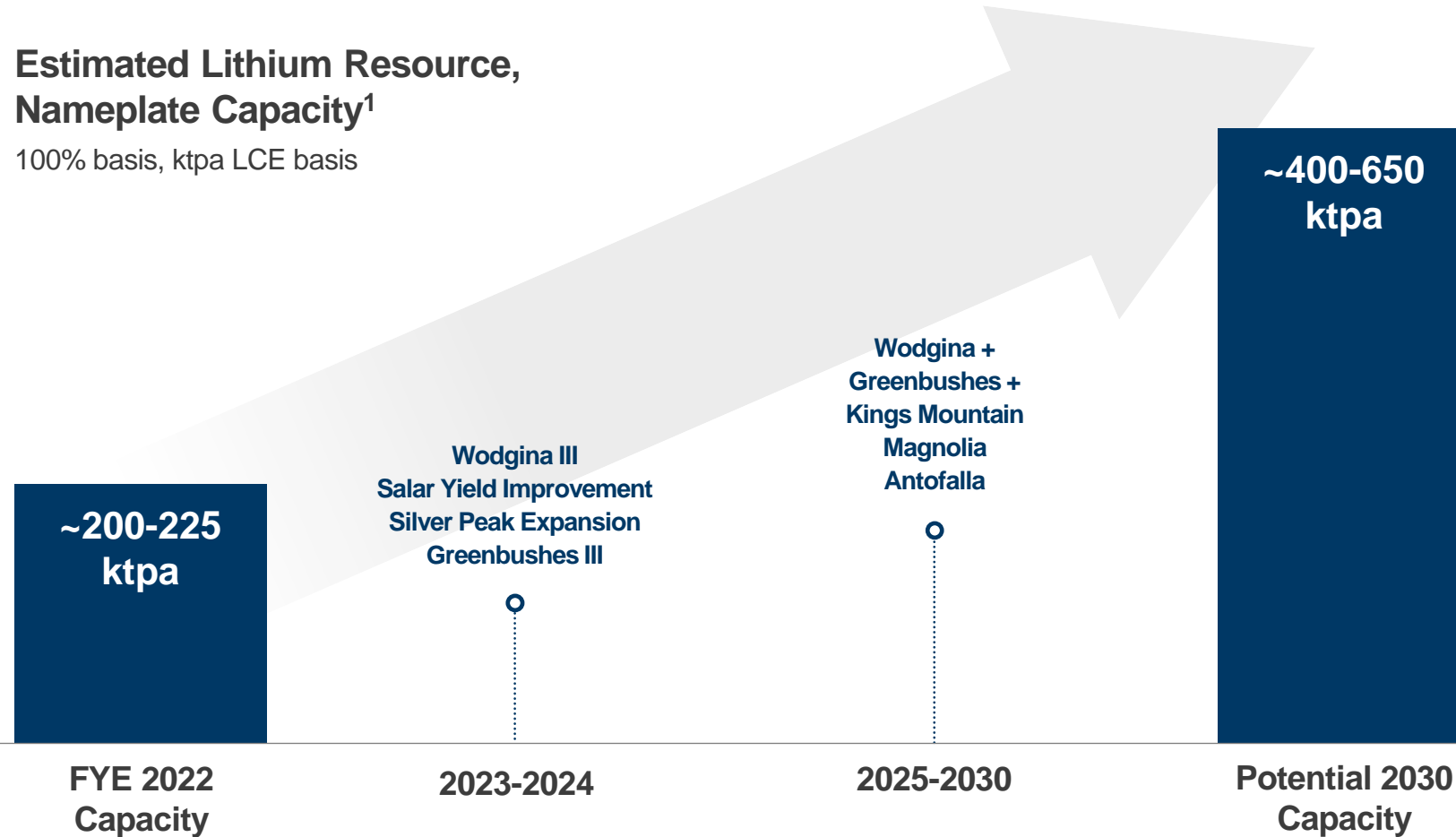
Prices >\$20/kg required over next decade to support >100 new projects² needed to support demand

¹ Albemarle analysis ² Assuming 2022 average project production of ~20 kT LCE

Diversified Portfolio of World-Class Resources in Multiple Jurisdictions

Estimated Lithium Resource, Nameplate Capacity¹

100% basis, ktpa LCE basis



Highlights

- Strong resource position enables capital-efficient expansions, profitability through cycle
- Greenbushes has significant long-term potential
- Kings Mountain opens significant US supply; \$150M DOE grant helps de-risk project
- M&A can help fill the resource gap - dependent on market conditions
- Recycling can help fill the resource gap as the market matures
- On average resources cost \$5-25k per annual ton of capacity (brownfield - greenfield)

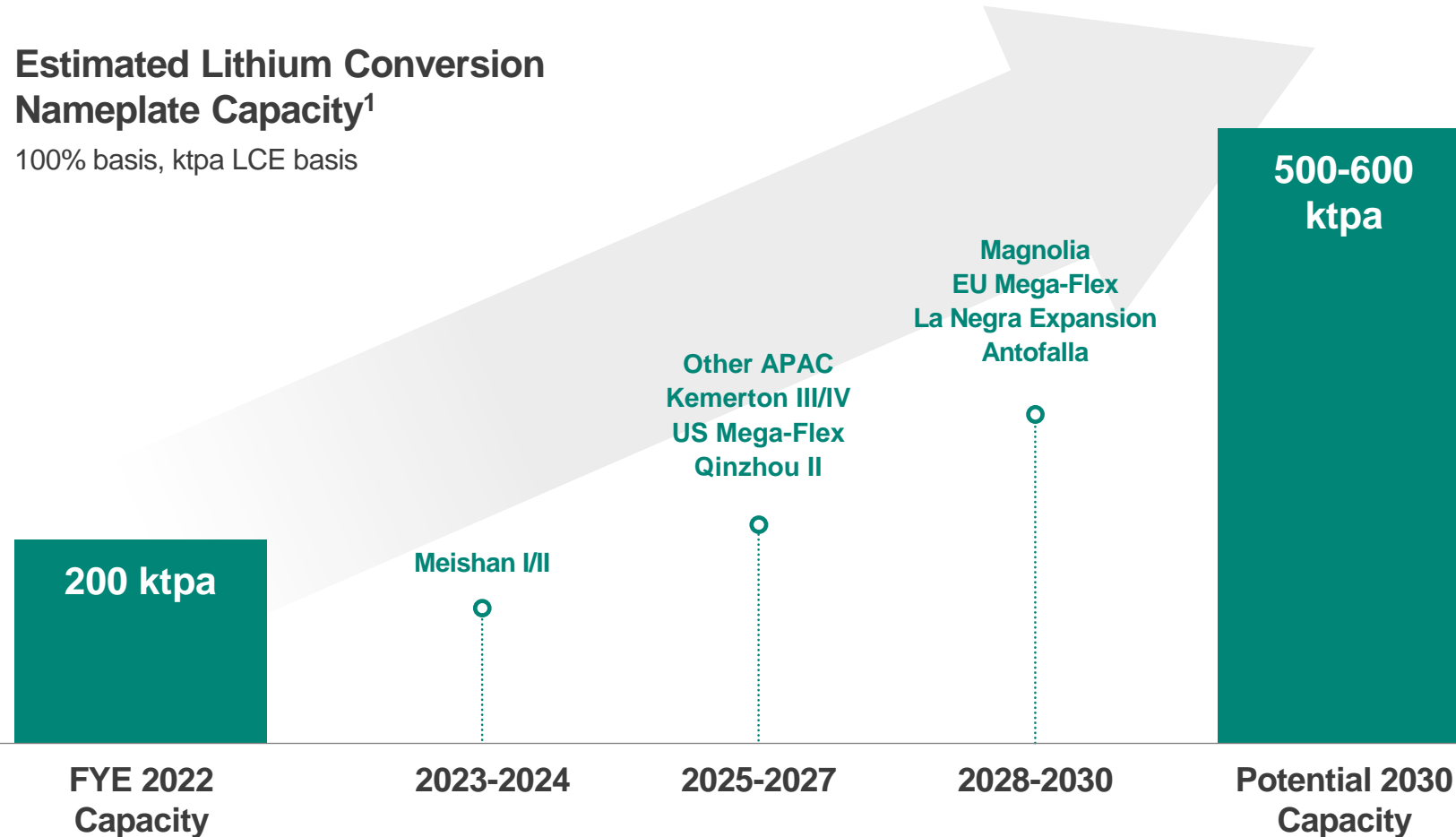
Strategy to remain vertically integrated from resources to advanced materials

¹ All figures shown on 100% basis; as of April 1, 2022, ALB's attributable share of Wodgina is 50% (pending regulatory approvals); ALB attributable share of Greenbushes is 50%

Potential to Triple Lithium Conversion Capacity by 2030

Estimated Lithium Conversion Nameplate Capacity¹

100% basis, ktpa LCE basis



Highlights

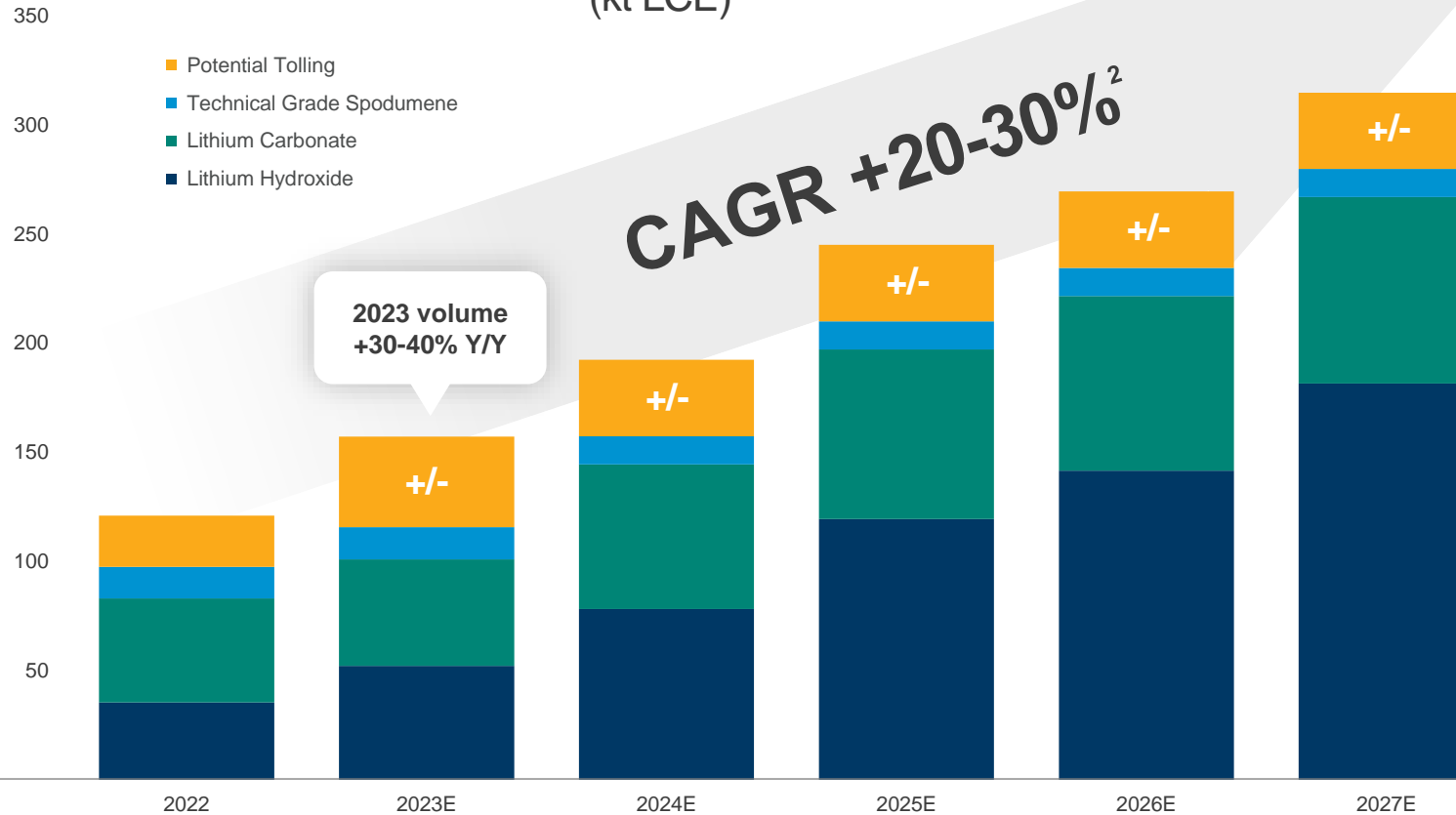
- Globally diversified portfolio of vertically integrated lithium conversion assets
- Building from Albemarle's presence in major markets
- A train of capacity is ~25ktpa; economies of scale with multiple trains at each location
- Sell or toll excess resources to bridge to new conversion assets
- Capital costs per annual ton of capacity varies by region:
 - \$25 - \$30k in Australia, N. America, EU
 - ~\$20k in Latin America
 - ~\$10-15k in China

Further accelerating growth; potential 2030 capacity up ~15% from previous target

¹ All figures shown on 100% basis; as of April 1, 2022, ALB's attributable share of Kemerton is 85% (pending regulatory approvals)

Executing Our Strategy to Deliver Volumetric Growth

Expected Lithium Sales Volumes
(kt LCE)



- Assumes ~2 years to ramp a new conversion plant
- Includes expansions at Silver Peak, La Negra, Kemerton, Qinzhou, and Meishan
- Technical-grade spodumene sales (~10 ktpa) and tolling (0-70 ktpa) included
- Further upside potential from:
 - Additional tolling volumes as bridge to further conversion expansions
 - Additional conversion assets

¹ All figures shown on 100% basis in LCE, volumes include ALB/MRL JV (50% ownership of Wodgina, 85% ownership of Kemerton as of April 1, 2022, pending regulatory approvals), excludes specialty products ² Approximate 5-yr CAGR based on 2022 to 2027E

Committed to Building a More Resilient World

CEO Water Mandate Signatory

New in 2022



IRMA third-party audit at Salar de Atacama; Self-assessments at Greenbushes and Wodgina

New in 2022



CDP Reporting: First year scored Climate (B) and Water (C)

New in 2022



Eight Responsible Care Awards, including two Sustainability awards at Silver Peak, Nevada

New in 2022



7th Straight Year



4th Straight Year



4th Straight Year



2nd Straight Year



Our focus on sustainability is gaining recognition



Key Takeaways

Strong growth expected in 2023: net sales +55-75% YoY, adj. EBITDA +20-45% YoY

A global leader with world-class assets and a diversified product portfolio; long-term supply with reliable, consistent quality

Capitalizing on tremendous growth opportunities in electric vehicles and beyond - mobility, energy, connectivity, health

Innovating to deliver advanced solutions tailored to customer needs

Clear strategy with disciplined operating model to scale and innovate, accelerate profitable growth, and advance sustainability

An aerial photograph showing a dense, vibrant green forest on the left side of the frame, transitioning into a modern city skyline on the right. The city features numerous high-rise buildings with glass facades and flat roofs, set against a clear sky. The text is overlaid on the forest side in white, bold, sans-serif font.

Albemarle leads the world in transforming essential resources into critical ingredients for mobility, energy, connectivity and health.

We partner to pioneer new ways to move, power, connect and protect with people and planet in mind.

We are committed to building a more resilient world.

Transforming Essential Resources to Better Serve People and Planet



Sustainability Framework Aligns with Strategy

Sustainability is not just doing the right thing, but doing it the right way

Natural Resource Management

Responsibly manage our use of resources and materials

Sustainable Shareholder Value

Foster the conditions that create sustainable value for shareholders



People, Workplace & Community

Build an inclusive and diverse workplace focused on safety, mutual respect, development and wellbeing

Actively collaborate and engage in the communities in which we work

Diverse and Dedicated Leadership Team Focused on Delivering Shareholder Value



Kent Masters

Chairman & CEO
Experience: 30+ years



Scott Tozier

Chief Financial Officer
Experience: 30+ years



Eric Norris

President, Energy Storage
Experience: 25+ years



Netha Johnson

President, Specialties
Experience: 25+ years



Raphael Crawford

President, Ketjen
Experience: 20+ years



Melissa Anderson

Chief Human Resources Officer
Experience: 30+ years



Kristin Coleman

General Counsel
Experience: 30+ years



Jac Fourie

Chief Capital Projects Officer
Experience: 20+ years



Sean O'Hollaren

Chief External Affairs Officer
Experience: 30+ years

Engaged, Diverse, and Accountable Board of Directors



Laurie Brlas
Former EVP & CFO,
Newmont Mining



Glenda Minor
Former SVP & CFO,
Evraz North America



Ralf Cramer
Former President and CEO,
Continental China



Diarmuid O'Connell
Former VP, Corp &
Business Development,
Tesla Motors



Kent Masters
Chairman & CEO,
Albemarle



Jim O'Brien
Former Chairman & CEO,
Ashland



Dean Seavers
Former President,
National Grid U.S.



Jerry Steiner
Former EVP, Sustainability
& Corporate Affairs,
Monsanto



Holly Van Deursen
Former Group Vice President,
Petrochemicals, BP



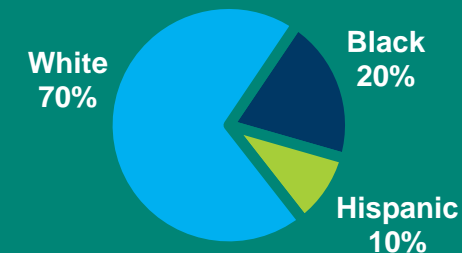
Alex Wolff
Former U.S.
Ambassador to Chile



- Nominating & Governance Committee
- Audit & Finance Committee
- Executive Compensation Committee
- Capital Investment Committee

- Health, Safety & Environment Committee
- Chairman of the Board
- Lead Independent
- Committee Chairperson

Racial Diversity



Gender Diversity



Average Tenure

~ 5 years

Prioritizing Capital Allocation to Support Growth Strategy

Objectives

Invest in High-Return Growth

- Growth remains the primary capital allocation priority
- Strategically grow Energy Storage and Specialties to leverage low-cost resources
- Position Ketjen for long-term stability
- Maintain capital discipline and operational excellence

Portfolio Management

- Actively assess portfolio; reinvest proceeds
- Bolt-on acquisitions to accelerate growth at attractive returns
- Build and maintain our top-tier resource base

Maintain Financial Flexibility

- Committed to Investment Grade rating
- Strong balance sheet offers optionality to fund growth
- Leverage expected to remain <1.0x near-term to preserve flexibility
- Long-term target leverage between 2.0x and 2.5x to maintain investment grade

Dividends & Share Repurchases

- Continue to support our dividend
- Limited cash flow available for repurchase as we invest in growth
- Expected 29th year of dividend growth

Ability to Adapt to Changing Economic Conditions

- Slow non-critical / non-growth capital expenditures
- Accelerate partnering / tolling arrangements

- Position company to take advantage of low-price acquisition targets in a downturn

- Enable continuation of growth
- Slow hiring, T&E, and other discretionary costs
- Shift production volumes to support highest demand markets

- Excess cash flow to support dividend growth and potential repurchases

Financial Flexibility to Execute Growth Strategy

High-return organic growth and potential M&A to complement existing portfolio

- Build and maintain world-class resource base
- Specialized, next-gen technology and/or materials
- Customer partnerships to accelerate growth, improve sustainability, and develop technologies
- Bolt-on assets (buy vs build)

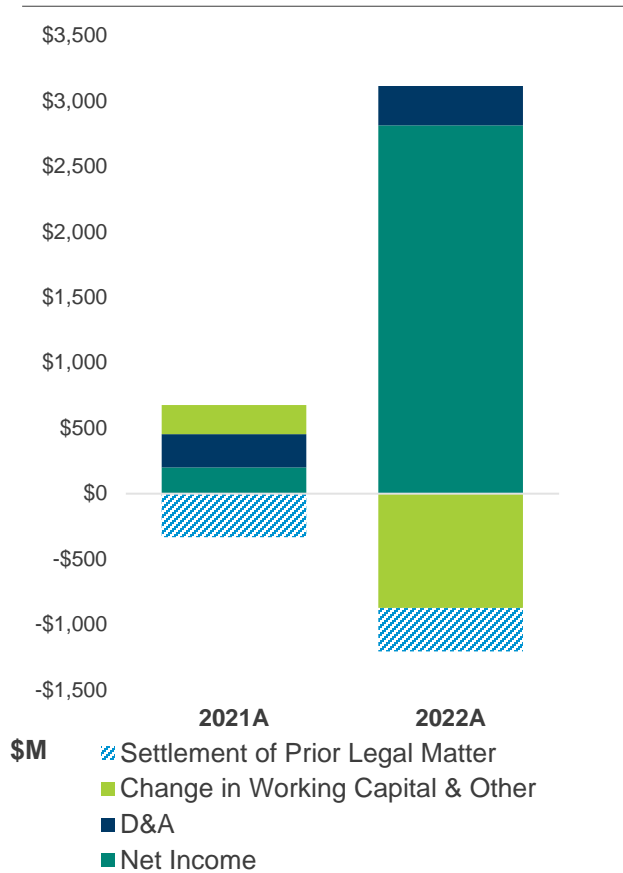
Committed to disciplined investment

- Ability to accelerate high-return growth
- Target $>2x$ WACC at mid-cycle pricing; minimum $>1x$ WACC at trough pricing
- Ability to maintain Investment Grade credit rating and support dividend
- Accretive to shareholders

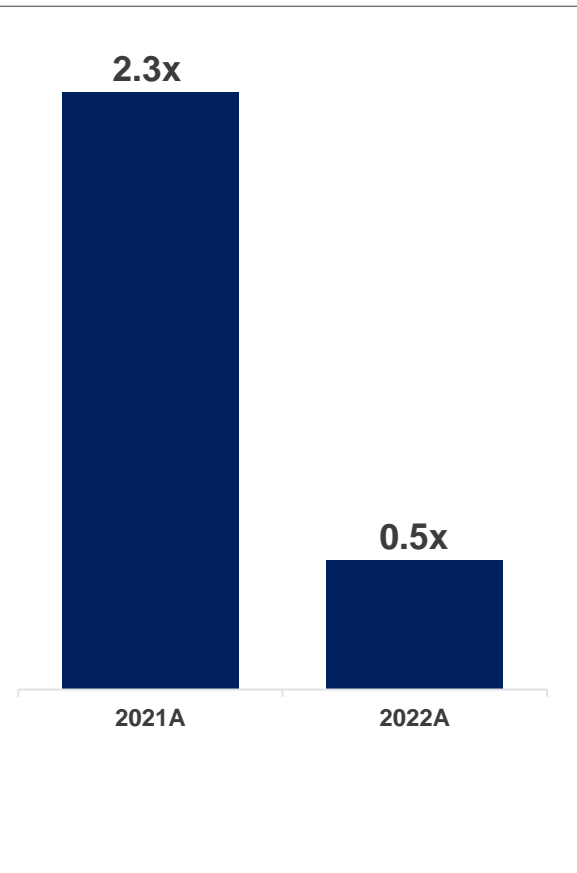


Strong Financial Position and Ample Liquidity (As of 12/31/22, \$M)

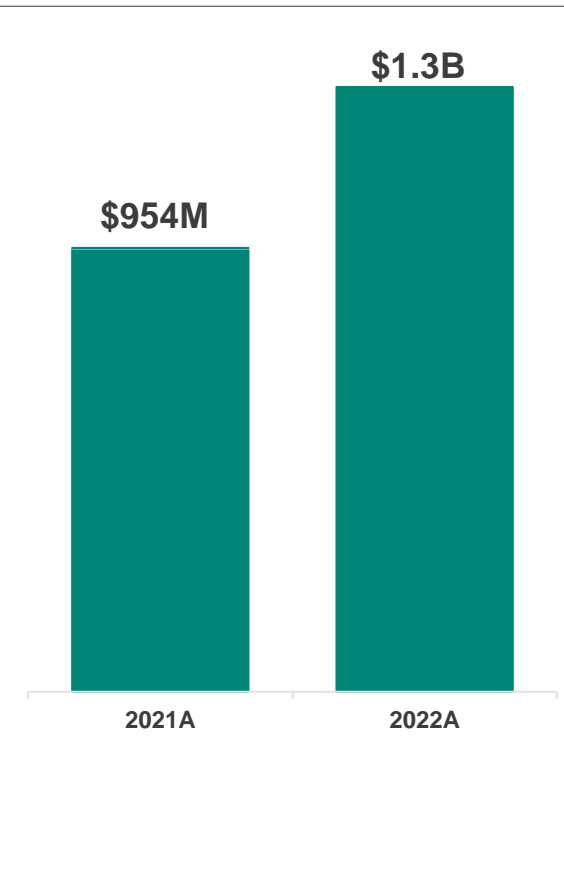
FY 2022 NET CASH FROM OPERATIONS \$1.9B



LEVERAGE¹ (x)



CAPITAL EXPENDITURES (\$M)



- Committed to maintaining Investment Grade credit rating
- \$1.7B debt issuance in 2022 strengthens liquidity and reduces repayment risk in a volatile environment.
- \$1.5B cash and cash equivalents
- \$3.2B total debt (99% fixed rate)
- Weighted average interest of 4.0%
- Q4 2022 Net Debt to Adj. EBITDA² of 0.5x
- Working capital typically averages ~25% of net sales

Free cash flow positive in 2022, significant operating cash flow to fund accelerated growth investments

¹ Leverage defined as consolidated net funded debt to consolidated EBITDA ratio ² Bank covenant definition, see Appendix

Continued Growth in a Turbulent Macro Environment

2023E Forecast Cost Breakdown:

Royalties

- Progressive commissions paid in Chile, increases with price to customer
- For every \$1 over \$10/kg LCE, ALB pays \$0.40 to CORFO

Materials / Services

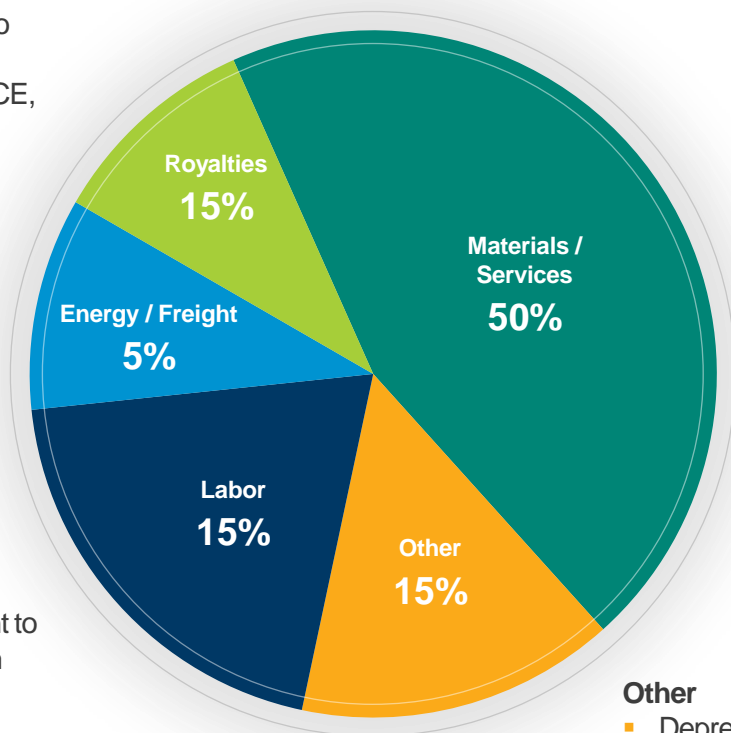
- Nearly 20% spodumene is company-owned
- Other major inputs include BPA, chlorine, molybdenum, caustic soda, soda ash
- Other services includes warehousing

Energy/ Freight

- Includes natural gas and utilities
- Notable increases in freight, continued supply chain issues

Labor (incl GSA)

- Increasing headcount to prepare for long-term growth, plus inflation impacts



Other

- Depreciation
- Other standard cost components

Economic Conditions Vary By Segment

Energy Storage

- Expect continued secular growth related to the shift to clean transportation supported by OEM EV investments and public policy
- Key economic indicators include global EV production
- Battery grade demand lags EV production ~1 to 2 quarters
- Contribution margin ~60%

Specialties

- Diverse end markets – ability to divert product to highest margin operations; demand typically rebounds quickly post recession
- Key economic indicators include consumer confidence, total automotive production, building and construction
- ~1 to 3 quarter lag in supply chain
- Contribution margin ~65%

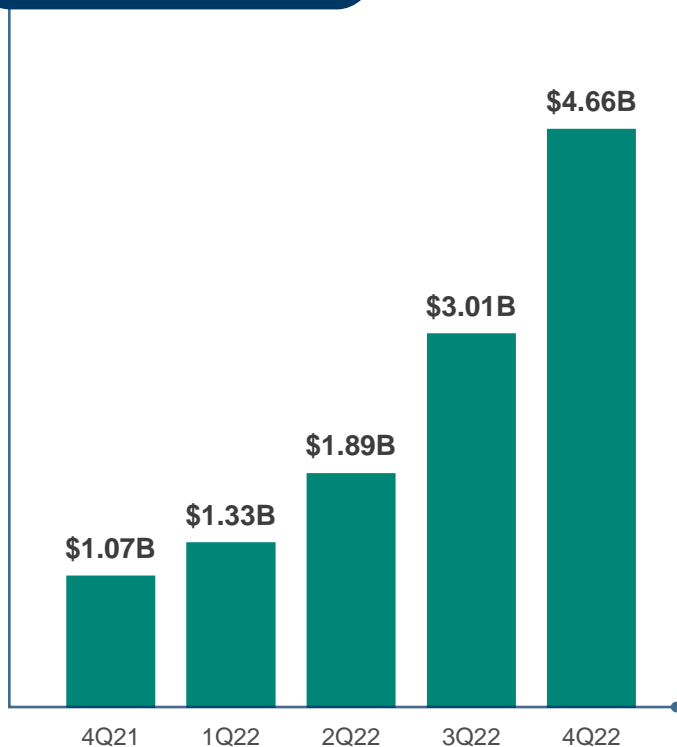
Ketjen

- Demand relatively resilient in previous recessions; lower oil prices have historically led to higher demand and lower raw materials costs
- Key economic indicators include transportation fuel demand
- FCC demand changes with fuel consumption with little to no lag
- HPC demand lags multiple quarters as refineries push out turnarounds
- Contribution margin ~40%

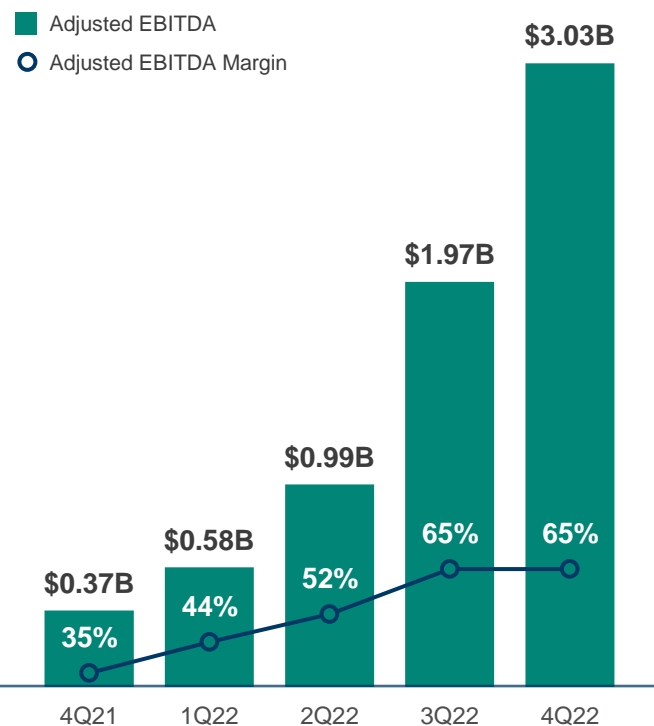
Energy Storage Overview

Historical Trend (in billions)

Net Sales¹ (TTM)



Adj. EBITDA & Margin¹(TTM)



Q4 2022 Performance

(in millions)	Q4 2022	Y/Y
Net Sales ¹	\$1,981	+493%
Adj. EBITDA ¹	\$1,178	+915%
Adj. EBITDA Margin ¹	60%	+2,472 bps

Y/Y Q4 Performance Drivers

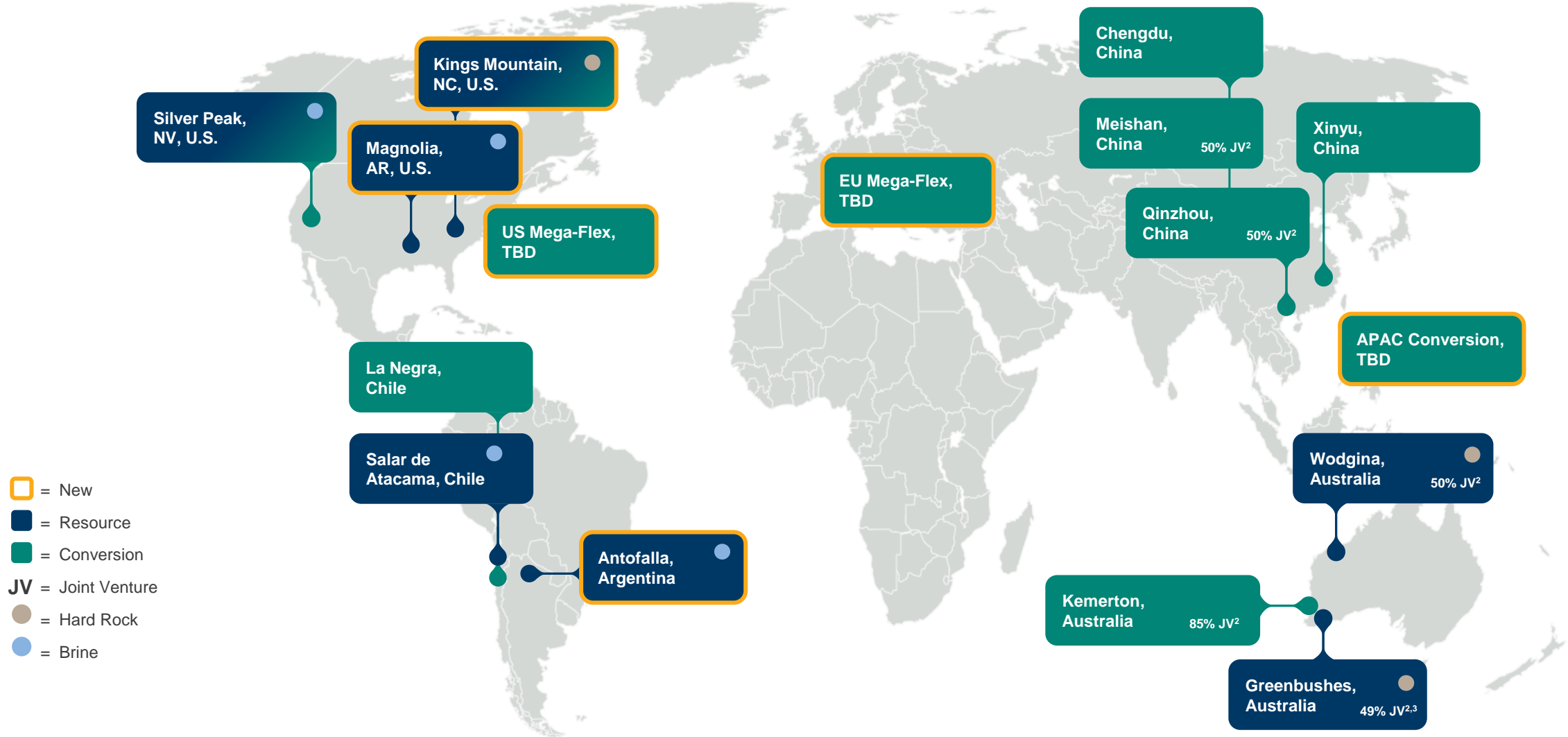
- Increased sales due to renegotiated fixed and index-referenced variable price contracts and increased market pricing

FY 2023 Outlook

- FY 2023 volume expected to be up 30-40% YoY, price expected up 55-65% YoY
- Energy Storage outlook range reflects flat YE22 realized price

Note: Numbers may not reconcile due to rounding

Expanding Global Footprint – Strong Presence in Major Markets¹

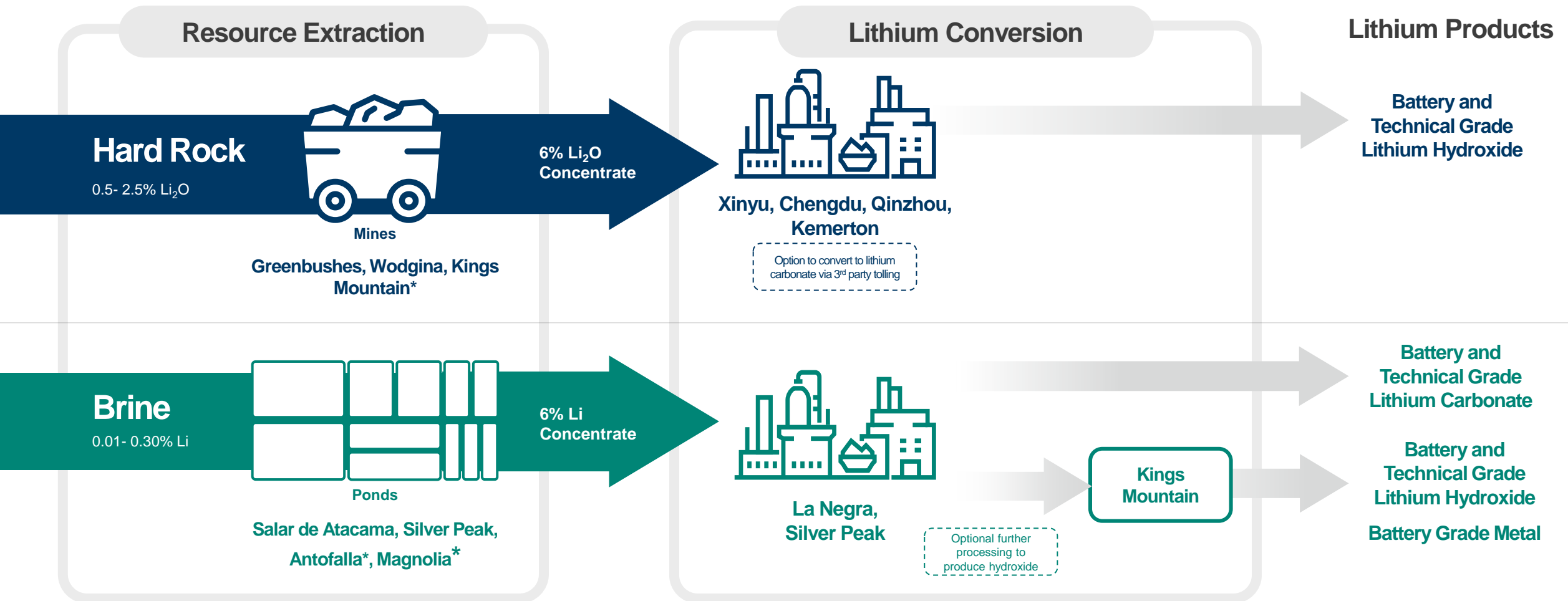


¹ Map is representative of Albemarle's global reach; not inclusive of all the company's sites ² Joint venture ownership interest as of 4/1/2022, pending regulatory approvals

³ Joint venture ownership interest, with right to 50% of the offtake

Established Processes for Conventional Resources

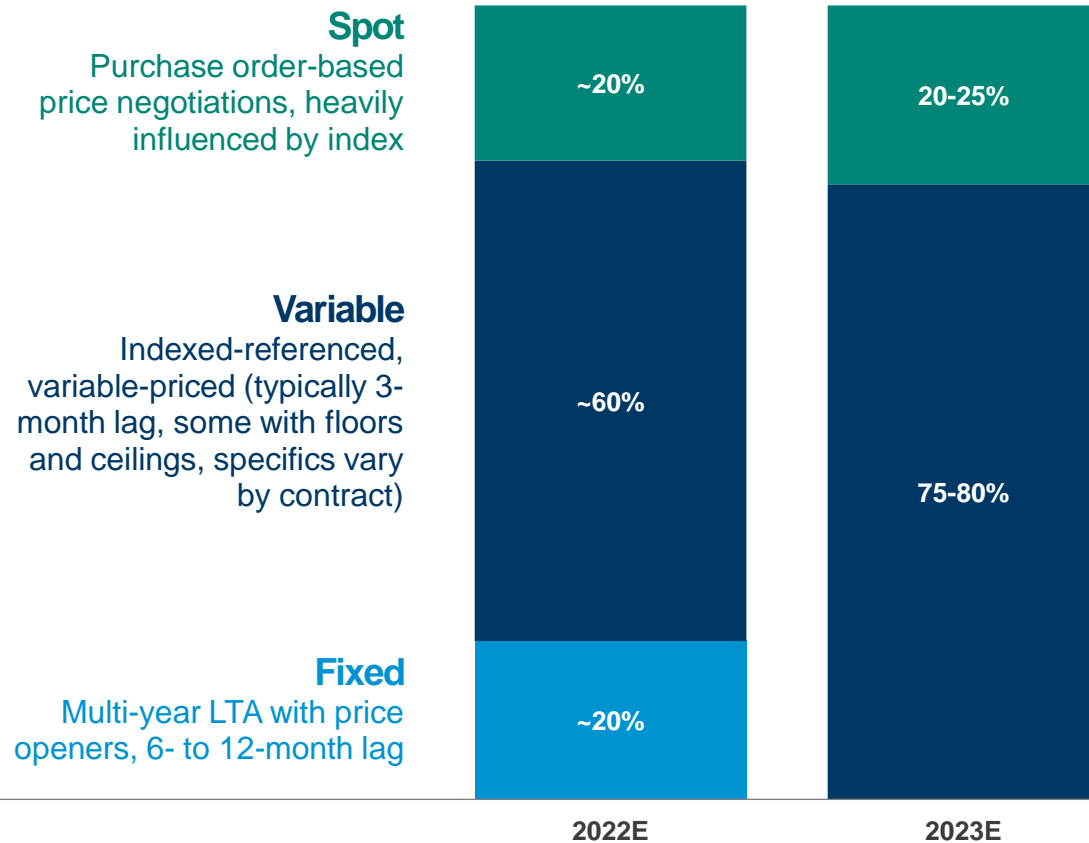
Continuous improvement through optimization, efficiency, technology advancements



*Not currently in operation

Evolving Energy Storage Customer Partnerships and Contract Pricing

Energy Storage Net Sales¹ (by Contract Type)



Leverage to Continued Strong Market Prices

- Majority of volumes sold under long-term contracts (typically 2-5 years duration) with strategic customers
- Partnerships across the value chain including major cathode, battery, and OEM customers
- Moving to predominantly index-referenced and variable pricing; moving floors higher - negotiations continue to progress for 2023 onward
- Assuming a \pm \$10/kg change in full-year 2023 market indices equates to a \pm \$5-7/kg change in Albemarle's average full-year 2023 realized pricing²
- Net sales split varies with market price and contract changes
- Changes from previous outlook reflect updated index pricing and new Energy Storage segmentation

¹ As of December 31, 2022; excludes technical grade spodumene and by-product net sales

² Assumes prevailing market pricing and Albemarle contract book as of December 31, 2022

Industry-Leading Technology Innovations from Mine to Market

Resource and Conversion

- Maximizing recovery at the wellhead, pond, and conversion stage, **+>70 ktpa potential**
- Improving existing resources and accessing non-conventional with **Direct Lithium Extraction (DLE)**
- More sustainable resource management with lower energy, water, and GHG

Battery Materials

- Developing differentiated lithium for safer, higher performance applications, with **2-3x higher contribution margin**
- Maximizing use of Li through more efficient battery technology: lithium metal anode, prelithiation, lithium sulfide

Customer Alignment

- Breakthrough OEM opportunities for **>50% more EV range** with battery material innovation
- Close collaborations and co-development partnerships for tailored materials and faster time-to-market

Albemarle Technology Park

Advanced Process Development

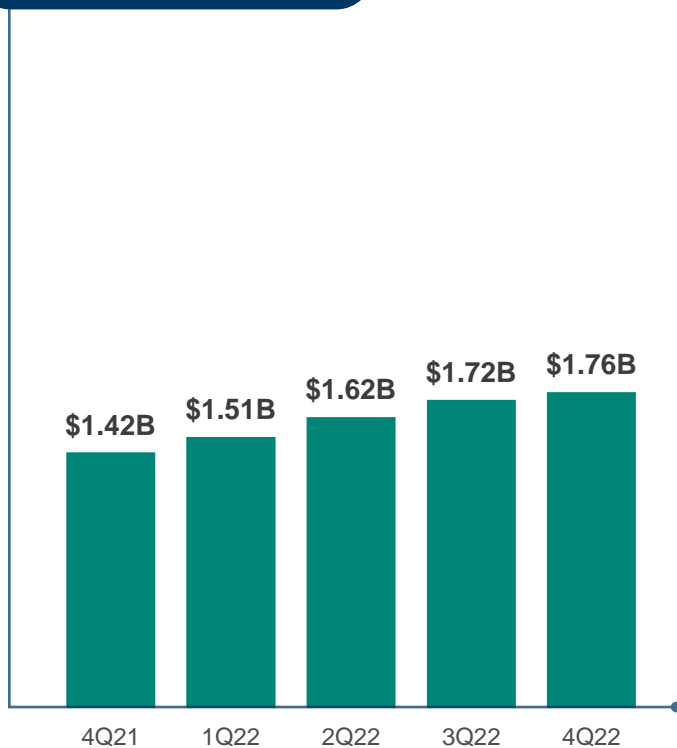
Novel Materials Research

Acceleration To Market

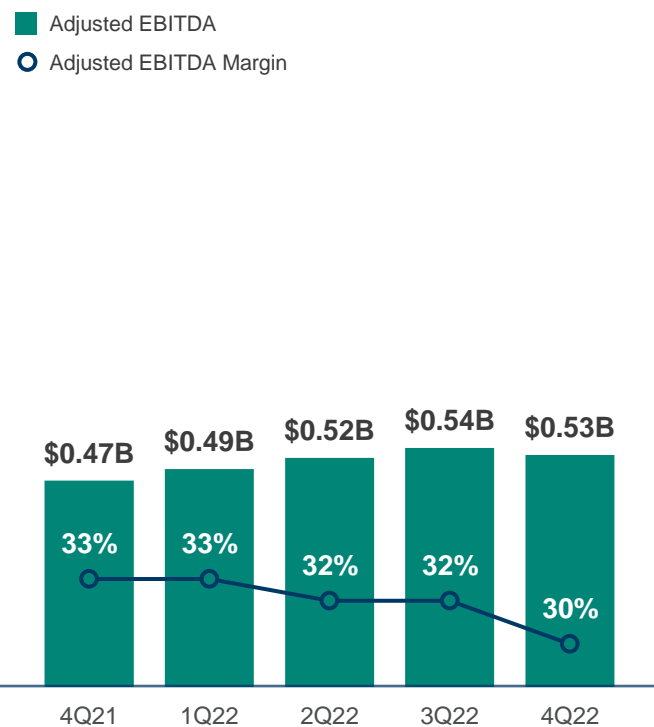
Specialties Overview

Historical Trend (in billions)

Net Sales¹ (TTM)



Adj. EBITDA & Margin (TTM)



Q4 2022 Performance

(in millions)	Q4 2022	Y/Y
Net Sales ¹	\$405	+12%
Adj. EBITDA ¹	\$94	-14%
Adj. EBITDA Margin ¹	23%	-714 bps

Y/Y Q4 Performance Drivers

- Increase in net sales partially offset by higher costs for raw materials and freight

FY 2023 Outlook

- Diverse end markets – ability to divert product to highest margin operations
- Cost discipline and selective investment for growth
 - Delivering volumetric growth
 - Launching new products

Note: Numbers may not reconcile due to rounding

Albemarle Specialties – Strong Presence in Major Markets¹



¹ Map is representative of Albemarle's global reach; not inclusive of all the company's sites

Access to Highly Concentrated Bromine is a Low-Cost Advantage

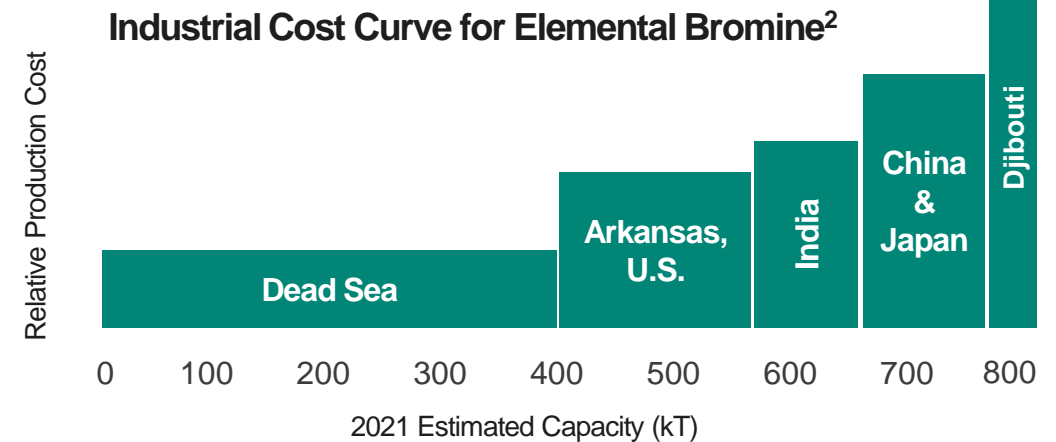
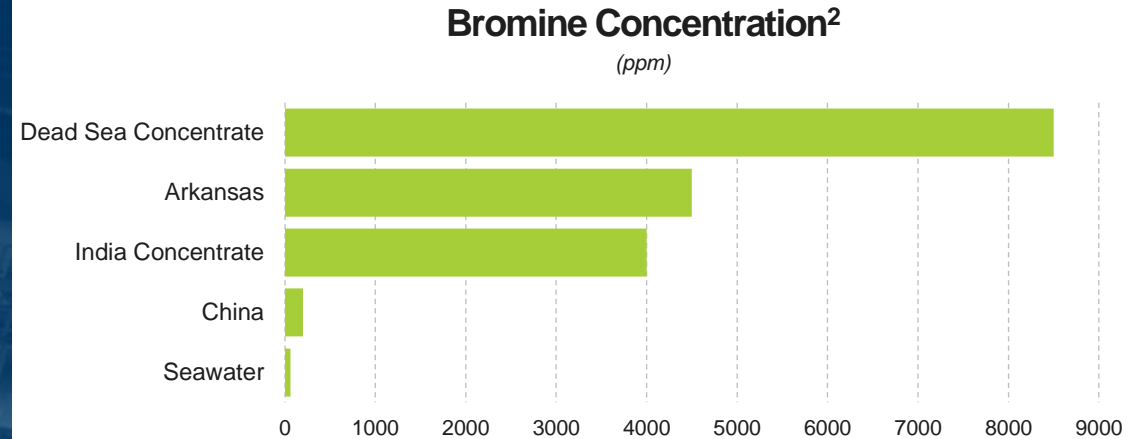
Albemarle Operates from Two World-Class Bromine Resources:

Dead Sea, Jordan

Jordan Bromine Company¹ (JBC) - operated and marketed by Albemarle

Arkansas, U.S.

Highly integrated and specialty focused - drives product flexibility and profitability



¹ Joint Venture with Arab Potash Company (APC). ² Based on management estimates.

Operational Discipline: Manufacturing Excellence & Capital Project Execution

- Dedicated Manufacturing Excellence program (higher volumes, lower cost, safer operation) with a focus on continuous improvement, maintenance, and reliability
- Allocating capital to highest return opportunities in sustainability and productivity – **consistently achieving returns above 2x WACC target**
- Track record of delivering projects on time and within budget

Track Record of Delivering Innovative Expansion

2022 Plant Expansion - Magnolia, AR

- On-time and on-budget expansion of the flagship fire safety solutions product line
- Delivered expanded rates and improved quality

2022 Brinefield Expansion - Magnolia, AR

- Adding new technology to ensure our brine quality is improved
- Results in incremental capacity without adding new wells

2022 JBC NEBO Investment - Safi, Jordan

- Increases plant capacity: converts by-product HBr to a higher value-added product
- Delivers improved sustainability: 11% water and 6% energy reduction expected
- Expected to reduce production costs by >\$2M in first year after completion

Competitive Capabilities: Research & Technology

New Product Innovation

- Market research driven
- Strong IP positions
- World-class collaborators
- Platform approach
- Expanded applications capabilities in targeted areas

MercLok™

Diverse and Healthy New Product Pipeline

MercLok™

- Remediates mercury in contaminated soils and sediments
- Large market opportunity (~\$200M in the US alone)
- Multiple field pilots completed
- Commercially launched in US market December 2022
- Potential platform for additional environmental remediation products

SAYTEX ALERO™

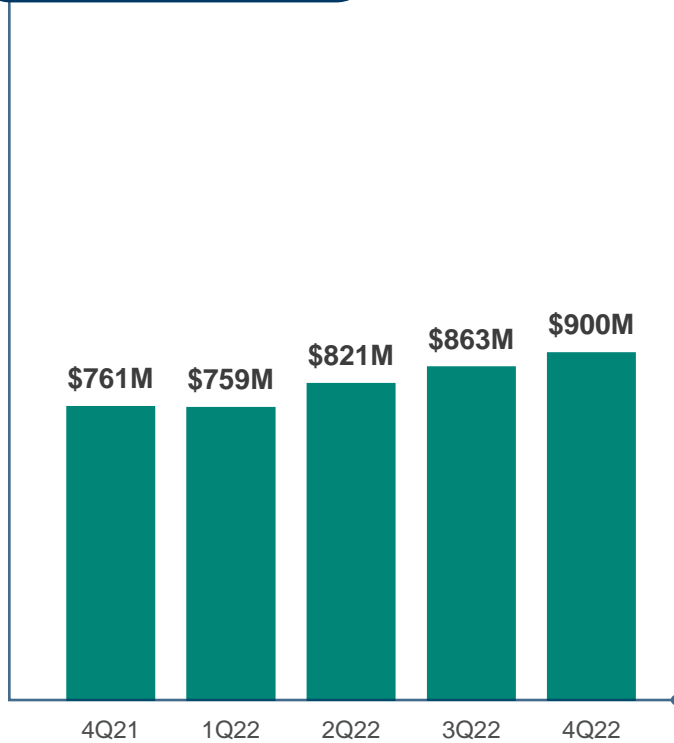
- Polymeric flame retardant (stable, large molecule)
- Excellent stability improves recyclability of flame-retardant plastic
- Superior environmental profile
- Broad and growing target end markets including electronics, appliances, automotive
- Initial customer qualifications complete – expected to be fully commercial in 2023

Lithium Specialties integration expected to bring new synergistic programs

Ketjen Overview

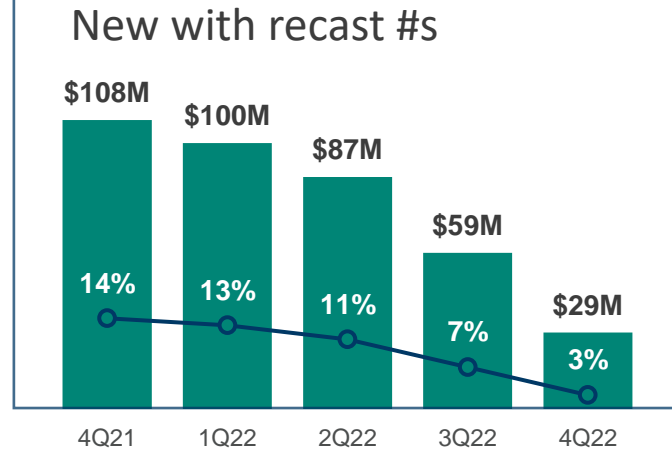
Historical Trend (in millions)

Net Sales (TTM)



Adj. EBITDA & Margin (TTM)

■ Adjusted EBITDA
○ Adjusted EBITDA Margin



Q4 2022 Performance

(in millions)	Q4 2022	YY
Net Sales	\$236	+18%
Adj. EBITDA	-\$3	-110%
Adj. EBITDA Margin	-1%	-1479 bps

YY Q4 Performance Drivers

- Increase in net sales more than offset by continued cost pressures from increasing raw materials, energy and freight costs

FY 2023 Outlook

- Higher volumes across product segments; higher pricing primarily for FCC products
- Inflation in material costs expected to remain a headwind, energy costs expected to moderate in 2023

Note: Numbers may not reconcile due to rounding ¹ Net of FX impacts ² Includes FX impact

Appendix: Non-GAAP Reconciliations

Definitions of Non-GAAP Measures

NON-GAAP MEASURE	DESCRIPTION
Adjusted Net Income	Net income attributable to Albemarle Corporation before non-recurring, other unusual and non-operating pension and OPEB.
Pro-forma Adjusted Net Income	Net income attributable to Albemarle Corporation before non-recurring, other unusual and non-operating pension and OPEB items, and the net impact of the divested business.
Adjusted Diluted EPS	Diluted EPS before non-recurring, other unusual and non-operating pension and OPEB.
Pro-forma Adjusted Diluted EPS	Diluted EPS before non-recurring, other unusual and non-operating pension and OPEB items, and the net impact of the divested business.
EBITDA	Net income attributable to Albemarle Corporation before interest and financing expenses, income taxes, and depreciation and amortization.
Adjusted EBITDA	EBITDA before non-recurring, other unusual and non-operating pension and OPEB.
Pro-forma Adjusted EBITDA	Adjusted EBITDA before the net impact of EBITDA of the divested business.
Pro-forma Net Sales	Net Sales before the impact of Net Sales from the divested business.
Adjusted Effective Income Tax Rate	Reported effective income tax rate before the tax impact of non-recurring, other unusual and non-operating pension and OPEB items.

Adjusted EBITDA - (twelve months ended)

(\$ in thousands)	Year ended December 31,			
	2019	2020	2021	2022
Net income attributable to Albemarle Corporation	\$ 533,228	\$ 375,764	\$ 123,672	\$ 2,689,816
Depreciation and amortization	213,484	231,984	254,000	300,841
Non-recurring and other unusual items (excluding items associated with interest expense)	117,243	42,781	481,194	28,671
Interest and financing expenses	57,695	73,116	61,476	122,973
Income tax expense	88,161	54,425	29,446	390,588
Non-operating pension and OPEB items	26,970	40,668	(78,814)	(57,032)
Adjusted EBITDA	\$ 1,036,781	\$ 818,738	\$ 870,974	\$ 3,475,857
Net impact of adjusted EBITDA from divested businesses	(49,628)	(76,325)	(28,415)	—
Adjusted EBITDA excluding impact from divested business	\$ 987,153	\$ 742,413	\$ 842,559	\$ 3,475,857
Net sales	\$ 3,589,427	\$ 3,128,909	\$ 3,327,957	\$ 7,320,104
Net impact of net sales from divested business	(165,224)	(201,311)	(65,648)	—
Net sales excluding impact from divested business	\$ 3,424,203	\$ 2,927,598	\$ 3,262,309	\$ 7,320,104
Adjusted EBITDA margin excluding impact from divested businesses	29 %	25 %	26 %	47 %

See above for a reconciliation of EBITDA, adjusted EBITDA and the non-GAAP financial measures, to Net income attributable to Albemarle Corporation, the most directly comparable financial measure calculated and reported in accordance with GAAP.

Adjusted EBITDA - (twelve months ended)

(\$ in thousands)	Twelve Months Ended				
	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
Net income attributable to Albemarle Corporation	\$ 2,689,816	\$ 1,553,547	\$ 263,551	\$ 281,378	\$ 123,672
Depreciation and amortization	300,841	283,515	267,884	258,314	254,000
Non-recurring and other unusual items (excluding items associated with interest expense)	28,671	215,768	885,605	478,490	481,194
Interest and financing expenses	122,973	104,240	79,685	45,428	61,476
Income tax expense	390,588	381,510	69,902	87,869	29,446
Non-operating pension and OPEB items	(57,032)	(77,752)	(78,196)	(78,629)	(78,814)
Adjusted EBITDA	\$ 3,475,857	\$ 2,460,828	\$ 1,488,431	\$ 1,072,850	\$ 870,974
Net impact of adjusted EBITDA from divested businesses	—	—	—	(6,990)	(28,415)
Adjusted EBITDA excluding impact from divested business	\$ 3,475,857	\$ 2,460,828	\$ 1,488,431	\$ 1,065,860	\$ 842,559
Net sales	\$ 7,320,104	\$ 5,593,330	\$ 4,332,091	\$ 3,626,394	\$ 3,327,957
Net impact of net sales from divested business	—	—	—	(21,191)	(65,648)
Net sales excluding impact from divested business	\$ 7,320,104	\$ 5,593,330	\$ 4,332,091	\$ 3,605,203	\$ 3,262,309
Adjusted EBITDA margin excluding impact from divested businesses	47 %	44 %	34 %	30 %	26 %

See above for a reconciliation of adjusted EBITDA and pro-forma adjusted EBITDA, the non-GAAP financial measures, to Net income attributable to Albemarle Corporation, the most directly comparable financial measure calculated and reported in accordance with GAAP.

See above for a reconciliation of pro-forma net sales, the non-GAAP financial measure, to net sales, the most directly comparable financial measure calculated and reported in accordance with GAAP.

Adjusted EBITDA supplemental¹

(\$ in thousands)

	Twelve Months Ended	Three Months Ended			
	Dec 31, 2022	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022
Adjusted EBITDA	\$ 3,475,857	\$ 1,243,752	\$ 1,189,966	\$ 610,209	\$ 431,930
Adjusted EBITDA of divested businesses	(28,415)	—	—	(6,990)	(21,425)
Net income attributable to noncontrolling interests	125,315	29,341	33,991	33,819	28,164
Equity in net income of unconsolidated investments (net of tax)	(772,275)	(322,799)	(258,884)	(128,156)	(62,436)
Dividends received from unconsolidated investments	801,239	450,344	193,931	117,796	39,168
Consolidated EBITDA	\$ 3,630,136	\$ 1,400,638	\$ 1,159,004	\$ 633,668	\$ 436,826
Total Long Term Debt (as reported)	\$ 3,217,100				
Off balance sheet obligations and other	142,300				
Consolidated Funded Debt	\$ 3,359,400				
Less Cash	1,499,142				
Consolidated Funded Net Debt	\$ 1,860,258				
Consolidated Funded Debt to Consolidated EBITDA Ratio	0.9				
Consolidated Funded Net Debt to Consolidated EBITDA Ratio	0.5				

¹ This supplemental is for net-debt-to-adjusted EBITDA ratio based on the bank covenant definition.

The image features a low-angle shot of several modern skyscrapers with glass facades, partially obscured by a dense canopy of vibrant green trees. The scene is bright and clear, suggesting a sunny day. Overlaid on this background is the Albemarle logo, which consists of a stylized white flame or leaf symbol to the left of the word "ALBEMARLE" in a white, serif, all-caps font. A registered trademark symbol (®) is positioned at the end of the word.

ALBEMARLE®