

# Albemarle Investor Presentation

March 2024





# Forward-Looking Statements

This presentation contains statements concerning our expectations, anticipations and beliefs 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, often contain words such as “anticipate,” “believe,” “estimate,” “expect,” “guidance,” “intend,” “may,” “outlook,” “scenario,” “should,” “would,” and “will”. Forward-looking statements may include statements regarding: our 2024 company and segment outlooks, including expected market pricing of lithium and spodumene and other underlying assumptions and outlook considerations; expected capital expenditure amounts and the corresponding impact on cash flow; market pricing of lithium carbonate equivalent and spodumene; anticipated timing of the commissioning of the Meishan, China lithium conversion facility; expectations as to Energy Storage sales volumes; expected uses of the proceeds of our mandatory convertible preferred stock offering; plans and expectations regarding other projects and activities, cost reductions and accounting charges, 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: changes in economic and business conditions; financial and operating performance of customers; timing and magnitude of customer orders; fluctuations in lithium market prices; production volume shortfalls; increased competition; changes in product demand; 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; political unrest; changes in inflation or interest rates; volatility in the debt and equity markets; acquisition and divestiture transactions; timing and success of projects; 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 SEC and available on the investor section of Albemarle’s website ([investors.albemarle.com](http://investors.albemarle.com)) and on the SEC’s website at [www.sec.gov](http://www.sec.gov). These forward-looking statements speak only as of the date of this presentation. 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 (on a consolidated basis), 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 press release announcing the results discussed in this presentation, which is 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.

**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.**

# Leading the World in Transforming Essential Resources

FY 2023 Net Sales

## Albemarle by the Numbers<sup>1</sup>

## FY 2023 Financial Highlights

Employees<sup>2</sup>

~9,000

Net Sales

\$9.6B

Customers

~1,900

Net Income<sup>3</sup>

\$1.6B

Countries

~70

Adj. EBITDA (ex. LCM)<sup>4</sup>

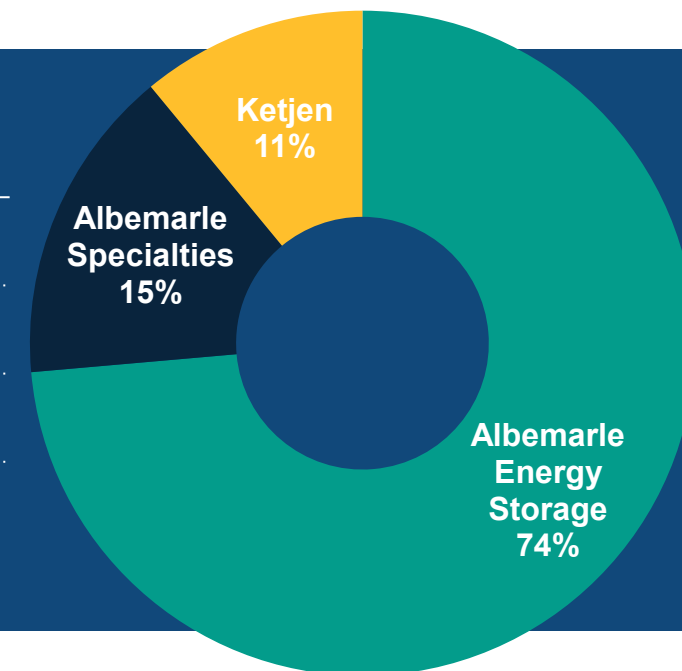
\$3.4B

Active Patents

>1,600

Adj. EBITDA Margin (ex. LCM)<sup>4</sup>

35%



- Clear strategy to **achieve profitable growth** and **enhance sustainability**
- **A global leader** with durable competitive advantages
- Track record of **strong financial and operating performance** – **~23% 5-year net sales CAGR**
- Growth expected to continue in 2024 – **+10-20% Energy Storage volumes Y/Y**
- Capitalizing on growth opportunities in **electric vehicles and beyond** — mobility, energy, connectivity, health

<sup>1</sup> As of December 31, 2023 <sup>2</sup> Includes employees of consolidated JVs <sup>3</sup> Attributable to Albemarle Corporation <sup>4</sup> Non-GAAP measure; excludes \$604 LCM charge, see Appendix for definition and reconciliations of historical measures to most directly comparable GAAP measure



# A Leading Provider of Lithium, Bromine and Other *Essential Elements*



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



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

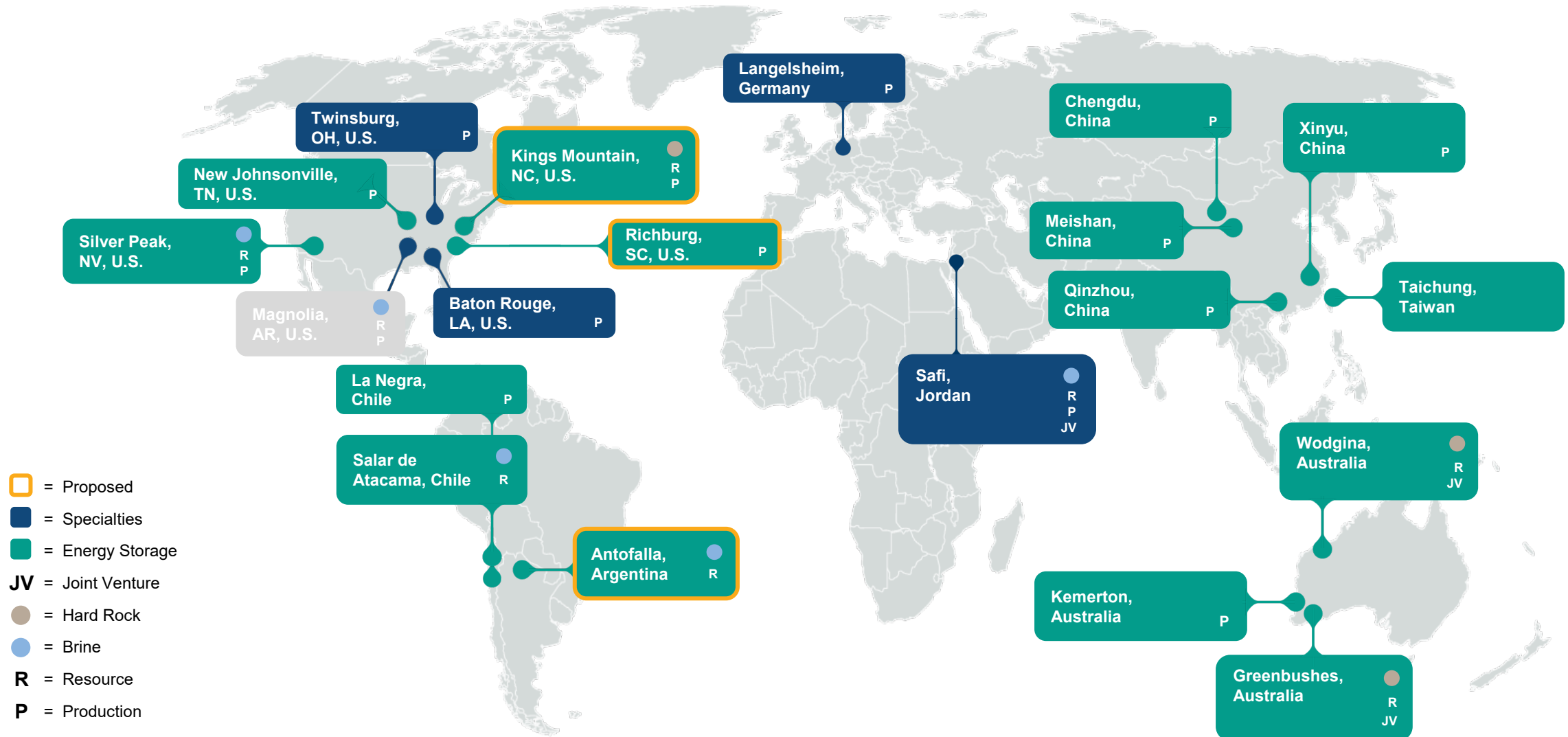


Enabling an always-on world to make technology more consistent and reliable, so we can *continue to innovate more efficiently.*



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

# Expanding Global Footprint – Strong Presence in Major Markets<sup>1</sup>



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

# Diverse and Dedicated Leadership Team Focused on Delivering Shareholder Value



**Kent Masters**

Chairman & CEO  
Experience: 30+ years



**Neal Sheorey**

Chief Financial Officer  
Experience: 20+ years



**Eric Norris**

President, Energy Storage  
Experience: 25+ years



**Netha Johnson**

President, Specialties  
Experience: 25+ years



**Melissa Anderson**

Chief People Officer  
Experience: 30+ years



**Kristin Coleman**

General Counsel  
Experience: 30+ years



**Mark Mummert**

Senior Vice President, Capital Projects  
and Integrated Supply Chain  
Experience: 30+ years



**Cynthia Lima**

Chief External Affairs & Communications Officer  
Experience: 25+ 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



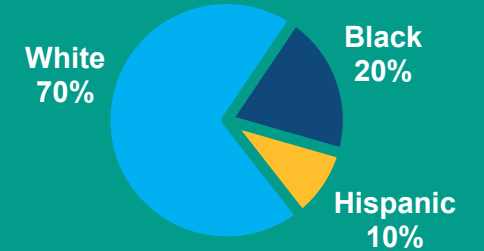
**Holly Van Deursen**  
Former Group Vice President,  
Petrochemicals, BP



**Alex Wolff**  
Former U.S.  
Ambassador to Chile



## Racial Diversity



## Gender Diversity



## Average Tenure

~ 6 years

Audit & Finance Committee

Executive Compensation & Talent Development Committee

Nominating & Governance Committee

Capital Investment Committee

Sustainability, Safety & Public Policy Committee

Chairman of the Board

Lead Independent

\* Committee Chairperson

# Resilient Competitive Strengths to Navigate Market Conditions

## World-Class Resources >

- Diversified portfolio of best-in-class assets and resources around the globe
- Low-cost position with vertical integration into large, high-grade resources

## Leading Process Chemistry >

- Deep technical and operational know-how to transform essential resources
- Process know-how to build and operate large scale conversion assets safely

## High-Impact Innovation >

- Advanced solutions tailored to customer and market needs
- New products, e.g. MercLok and lithium sulfide

## Customer-Centricity >

- Reliable and trusted partner with global expertise and local experience
- Partnerships to facilitate innovation and mutual growth

## People & Planet Steward >

- Responsible corporate citizen focused on sustainability, community engagement, and industry-leading best practices



# Adapting to Changing Market Conditions While Maintaining Growth

Capital Expenditures	Costs	Portfolio Management	Working Capital
<ul style="list-style-type: none"><li>▪ Re-phasing of large projects to focus on those that are significantly progressed, near completion, or in startup</li><li>▪ 2024 planned capex decrease of \$300M-\$500M Y/Y</li></ul>	<ul style="list-style-type: none"><li>▪ Reducing annualized operating costs by approximately \$95M, largely in SG&amp;A</li><li>▪ Reducing headcount and lowering spending on contracted services</li></ul>	<ul style="list-style-type: none"><li>▪ Evaluating the sale of non-core investments</li><li>▪ Monetized Lontown shareholdings</li></ul>	<ul style="list-style-type: none"><li>▪ Harvesting cash from working capital of approximately \$250M</li><li>▪ Working capital typically averages ~25% of net sales</li></ul>



Proactive measures to ensure long-term financial flexibility and unlock expected >\$750M of cash flow in the near-term

# Realigning Capital Allocation Priorities to Current Environment

## 1 High-Return Growth

- Strategically grow Energy Storage and Specialties
- Maintain capital discipline and operational excellence
- Flexibly re-phase investments with market
- Target >2x WACC at mid-cycle pricing; >1x WACC at trough

## 2 Financial Flexibility

- Committed to Investment Grade credit profile
- Ample liquidity (~\$1.8B) to maneuver with market dynamics
- Target long-term net debt to adj. EBITDA ratio<sup>1</sup> of < 2.5x

## 3 Shareholder Remuneration

- Continue to support our dividend; grow dividend as free cash flow expands
- Lower near-term focus on share repurchase as free cash flow pointed toward attractive growth investments

## 4 Portfolio Management

- Pursue suite of organic investments as key catalyst for growth
- Actively assess portfolio
- Reduced focus on M&A as a growth accelerant

<sup>1</sup> Under bank covenant definition as revised in February 2024 amendment to credit agreement, see Appendix



# Our Operating Model: How We Execute & Accelerate Our Strategy



Significantly exceeded 2023 productivity target with over \$300M in benefits

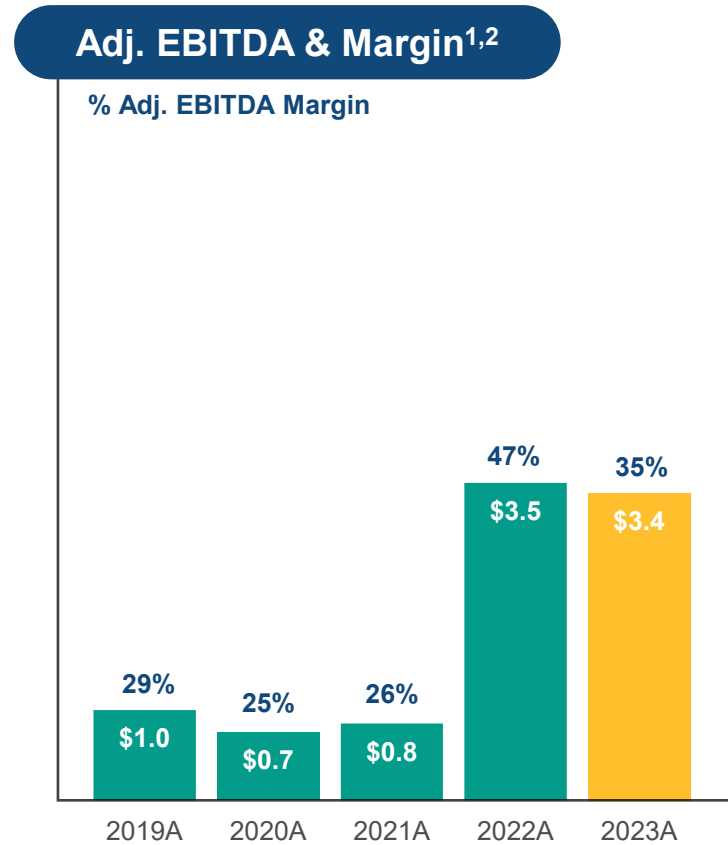
On track to exceed \$280M in productivity benefits in 2024:

- **Manufacturing** - target of \$80M in 2024, via:
  - Increased utilization, OEE<sup>1</sup> improvements
  - Project AI, leveraging machine learning on our manufacturing operations globally
- **Procurement** - target of \$150M for 2024, via:
  - Strategic sourcing to capture deflation in raw materials and ocean freight
  - Targeted logistics supplier/supply management efficiency enhancements
  - Optimizing corporate services, e.g., pooling spends
- **Back-Office** - target of \$50M for 2024

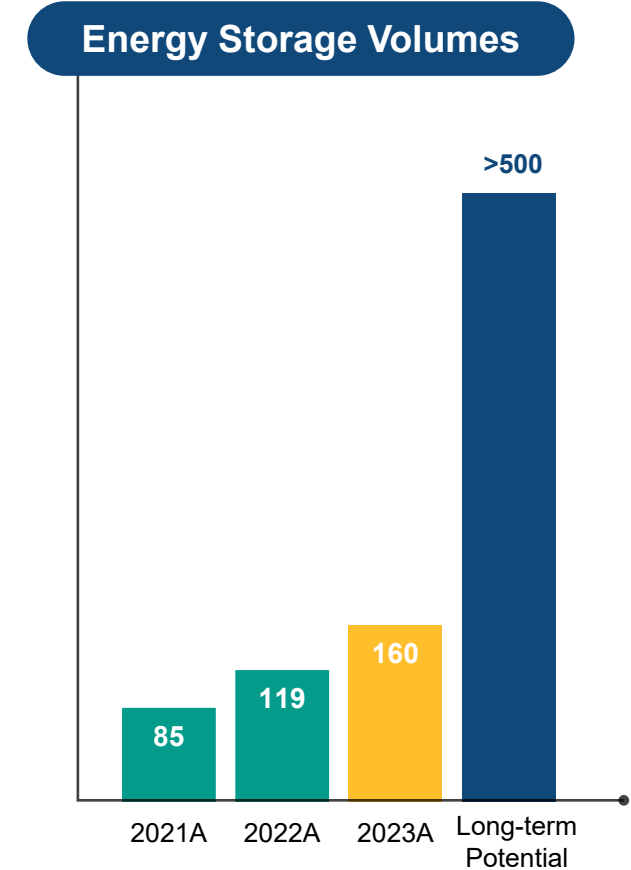
# Strong Track Record of Financial and Operating Performance

Deliberate, transformational steps to position for growth

(in billions)



Sales Volumes (in ktpa LCE)



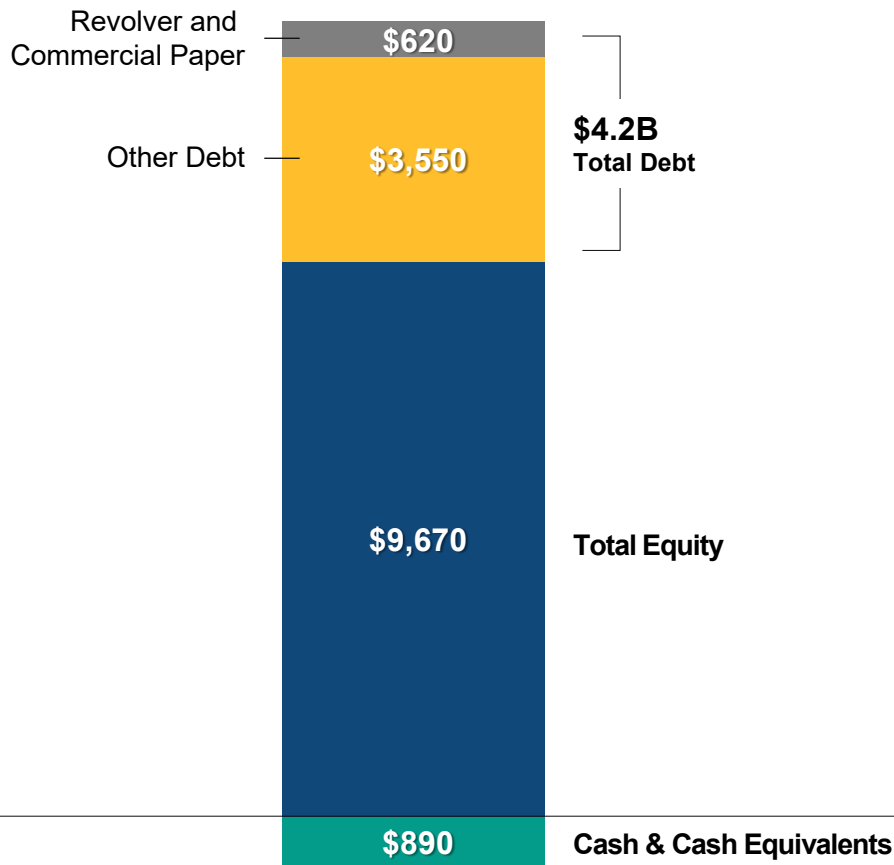
<sup>1</sup> Historical and prospective financial information excludes divestiture of FCS

<sup>2</sup> Non-GAAP measure; 2023A excludes \$604 LCM charge, see Appendix for definition and reconciliations of historical measures to most directly comparable GAAP measure

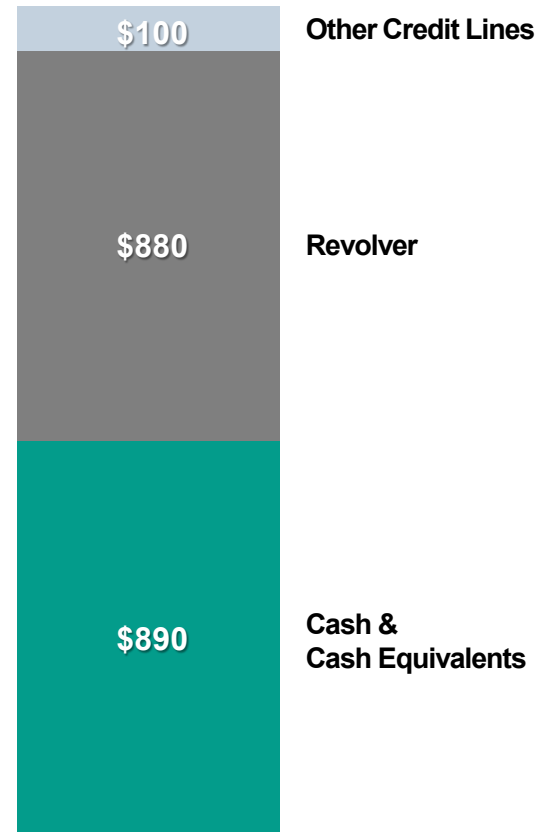


# Committed to Maintaining Investment Grade Credit Rating<sup>1</sup>

## Capital Structure



## Total Liquidity: \$1.8B



- \$890M cash and cash equivalents
- \$4.2B total debt
- YE 2023 net debt to adjusted EBITDA is 1.1x<sup>2</sup>
- Weighted average interest rate of 3.9% (85% fixed)
- On Feb. 9, completed amendment to our credit agreement to ensure on-going financial flexibility
- Amendment uses revised adjusted EBITDA definition, which includes Talison equity income on a pre-tax basis

<sup>1</sup> As of 12/31/2023

<sup>2</sup> Under bank covenant definition as revised in February 2024 amendment to credit agreement, see Appendix

# Upsized \$2.0B Mandatory Convertible Preferred Offering on Strong Investor Demand

## Offering Details

Securities	Mandatory Convertible Preferred Stock
Offering size (composition)	\$2.0 billion (100% primary)
Greenshoe	15% (100% primary)
Dividend	7.25%
Conversion premium	20.0% / \$131.28
Maturity	3 years (March 1, 2027)
Use of proceeds	Growth capex; general corporate purposes (including de-levering in short term)

## Offering Rationale

- Capital infusion allows Albemarle to complete strategic high-return growth projects, strengthen our competitive position, and ensure financial flexibility through the current cycle
- Albemarle is executing proactive measures designed to optimize our cost and capital structure given current dynamic end-market conditions – particularly for the lithium industry
- Near-term capital spending is focused on completing projects that are significantly progressed or in startup to deliver volumetric growth and cash flow generation
- Albemarle remains committed to maintaining our Investment Grade credit rating – an important metric for the company, our investors, and our value-chain partners

# 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



# Current Public Environmental Targets: GHG, Water, Air Quality

		STATUS
GHG	Grow our Energy Storage in a scope 1 + 2 carbon-intensity neutral manner through 2030 (vs 2019)	On track
	Reduce scope 1 + 2 carbon-intensity of Specialties by 35% by 2030 (vs 2019) in alignment with science-based targets	On track
	Reduce scope 1 + 2 carbon-intensity of Ketjen by 35% by 2030 (vs 2019) in alignment with science-based targets	Behind on an intensity basis; in line on an absolute basis
	Engage with suppliers to collect primary data for 75% (by 2023) and 90% (by 2024) of our raw material carbon footprint in preparation for a scope 3 reduction target	New
Water/ Air Quality	Reduce the intensity of freshwater usage by 25% by 2030 (vs 2019) in Chile and Jordan	On track
	Reduce the SO <sub>x</sub> emissions by 90% by 2027 (vs 2022)	New
Diversity	Engage in holistic diversity, equity, and inclusion initiatives to drive equal opportunity for all employees including additional:	
	<ul style="list-style-type: none"> <li>Gender diversity, with a focus on women in global manufacturing, engineering, and mining roles — 2.5% increase from 2022 to 2023</li> </ul>	New
	<ul style="list-style-type: none"> <li>Gender diversity in global director level and above positions—1.5% increase from 2022 to 2023</li> </ul>	New
	<ul style="list-style-type: none"> <li>Racial diversity in U.S. director level and above positions—1.5% increase from 2022 to 2023</li> </ul>	New

# Recent Announcements and Recognition

- Recognized by TIME as one of the 100 Most Influential Companies
- Newsweek named Albemarle One of America's Greatest Workplaces for Diversity
- Named one of America's 100 Most JUST Companies by JUST Capital and CNBC
- First lithium producer to complete an independent IRMA audit, achieving an IRMA 50 level of performance at its site in the Salar de Atacama, Chile
- Established a strategic agreement with Ford Motor Company to deliver battery-grade lithium hydroxide to support Ford's electric vehicle production
- Albemarle and Caterpillar Inc. announced collaboration on solutions to support the full circular battery value chain and sustainable mining operations
- Received 10 American Chemistry Council (ACC) Responsible Care® Awards
- Won a 2024 BIG Innovation Award for MerckLok™



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## Strong value proposition

A global leader with vertical integration strength, world-class assets and a diversified product portfolio

Capitalizing on long-term secular growth opportunities in the clean energy transition and beyond – mobility, connectivity, health

Taking action to preserve long-term growth and financial flexibility

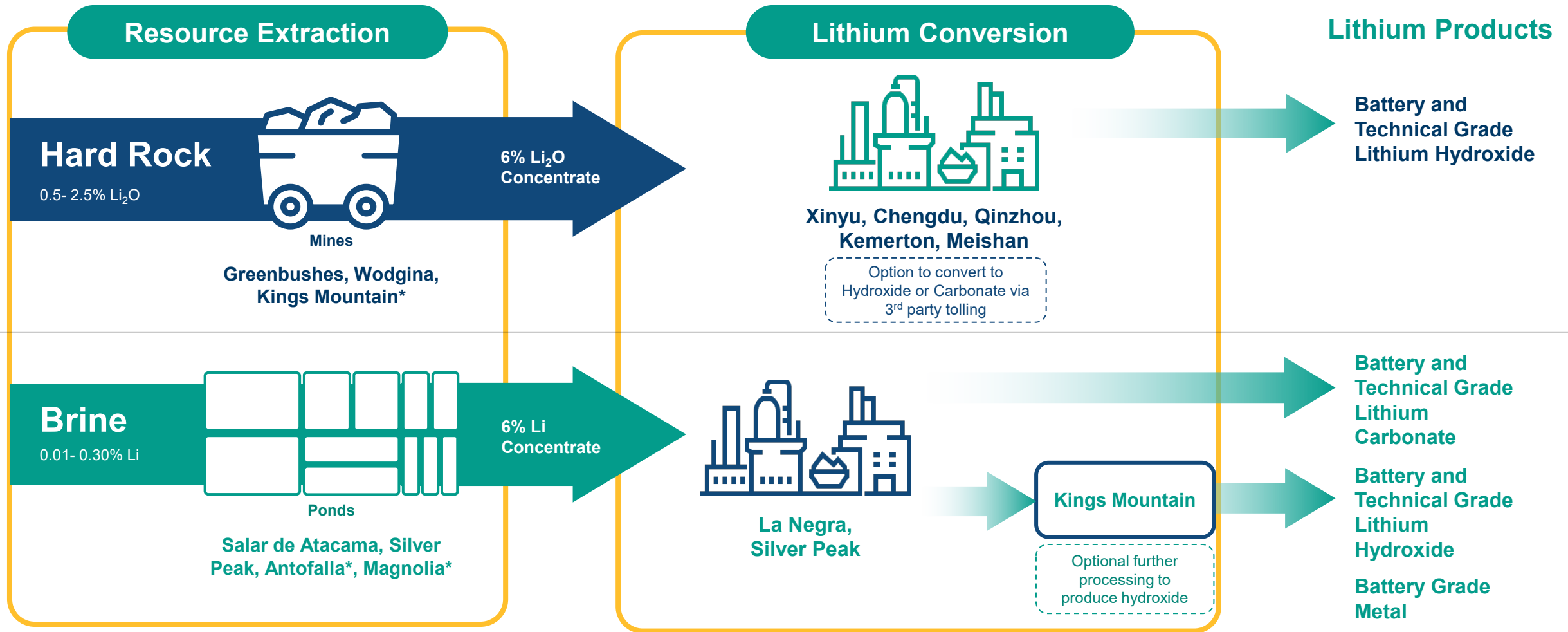
Innovating to deliver advanced solutions tailored to customer needs

Disciplined operating model to scale and innovate, accelerate profitable growth, and advance sustainability



# Leader in Lithium Processes

Continuous improvement through optimization, efficiency, technology advancements

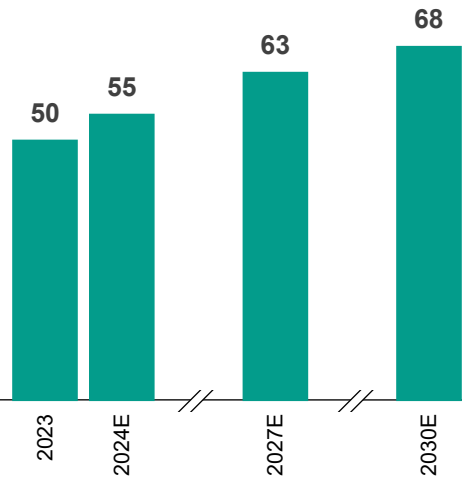


\*Not currently in operation

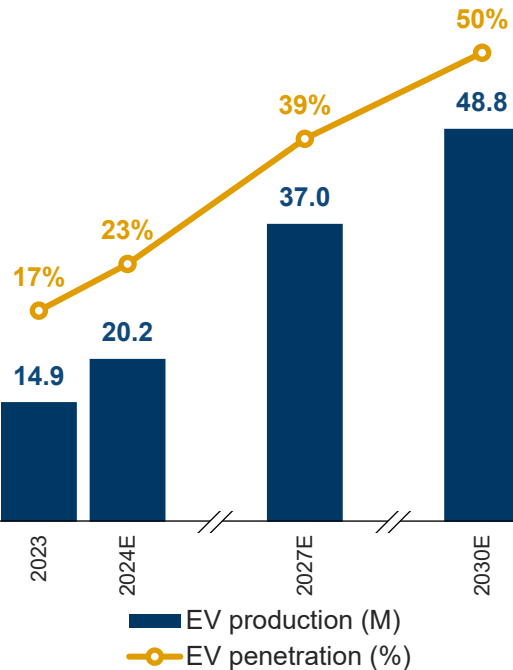
# Lithium Market Demand Outlook: 2.5x Growth 2024-2030

## Global EV Outlook

**Battery Size (Global EV Average)<sup>1</sup>**  
(kWh per EV)

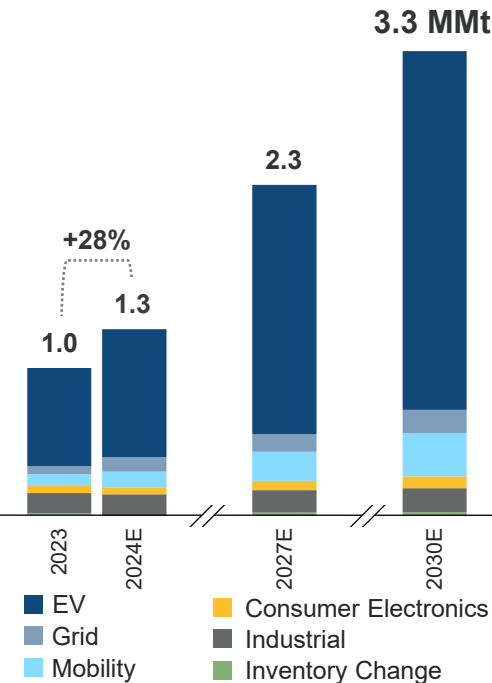


**Production / Market Penetration<sup>1</sup>**  
2024-2030  
CAGR: 15-20%



## Lithium Demand

**by Application<sup>2</sup>**  
(MMt LCE)  
2024-2030  
CAGR: 15-20%



2030E lithium demand down ~10% vs previous forecast due to:

- OEM announcements
- Moderated battery size growth
- Reductions in downstream Li salt inventory

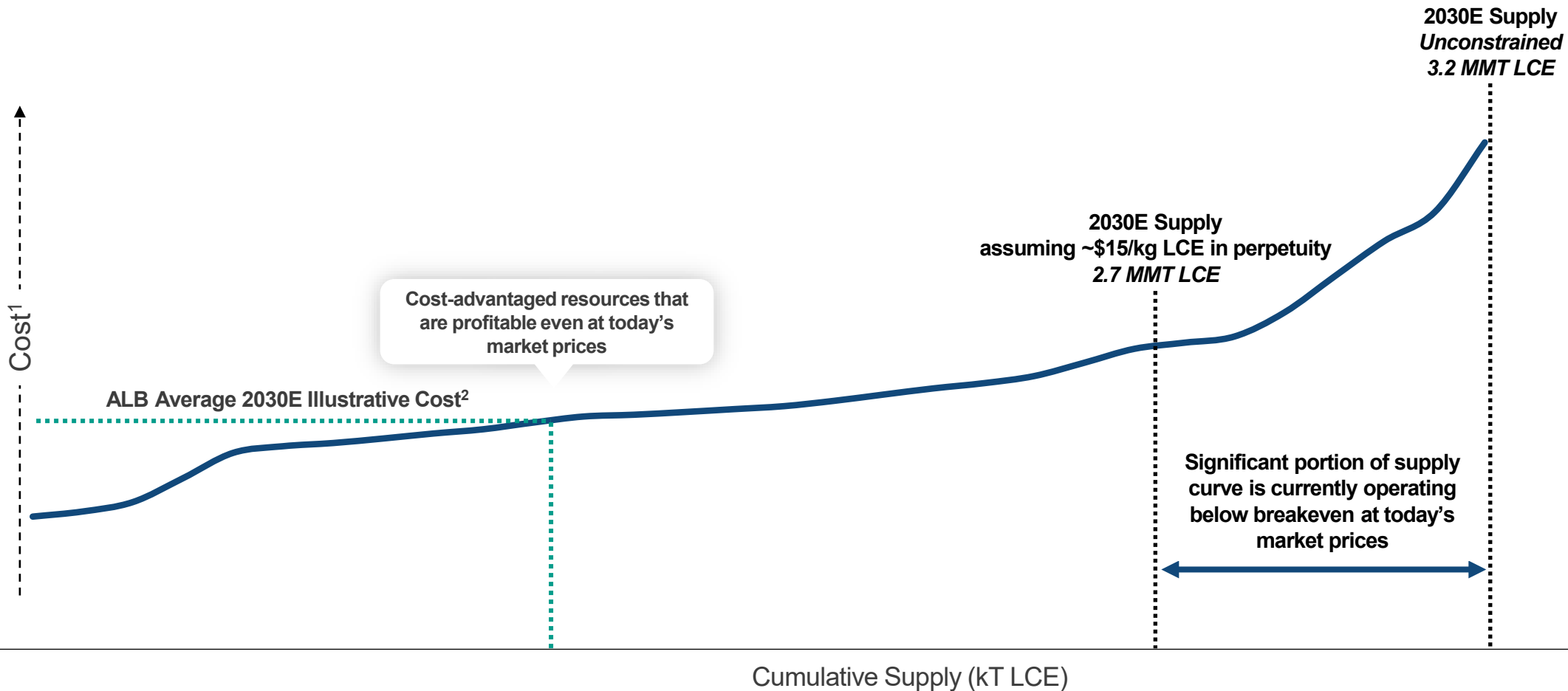
Supply expected to remain in balance given recently announced and on-going curtailments, start-up delays, and expansion delays

Incentivizing growth to meet demand requires long-term prices at or above re-investment economics

**Near-term outlook remains strong with lithium demand expected +28% Y/Y in 2024**

# Current Market Prices Are Well Below Re-Investment Economics

Substantial part of the cost curve operating below breakeven



Higher prices required over next decade to support >100 new projects<sup>3</sup> needed to meet demand

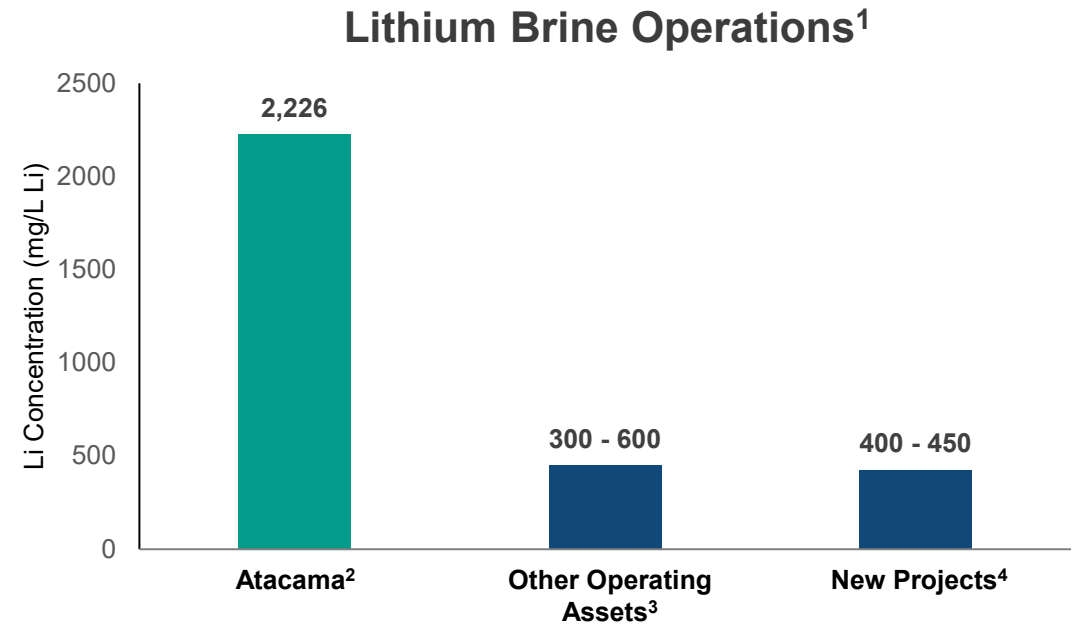
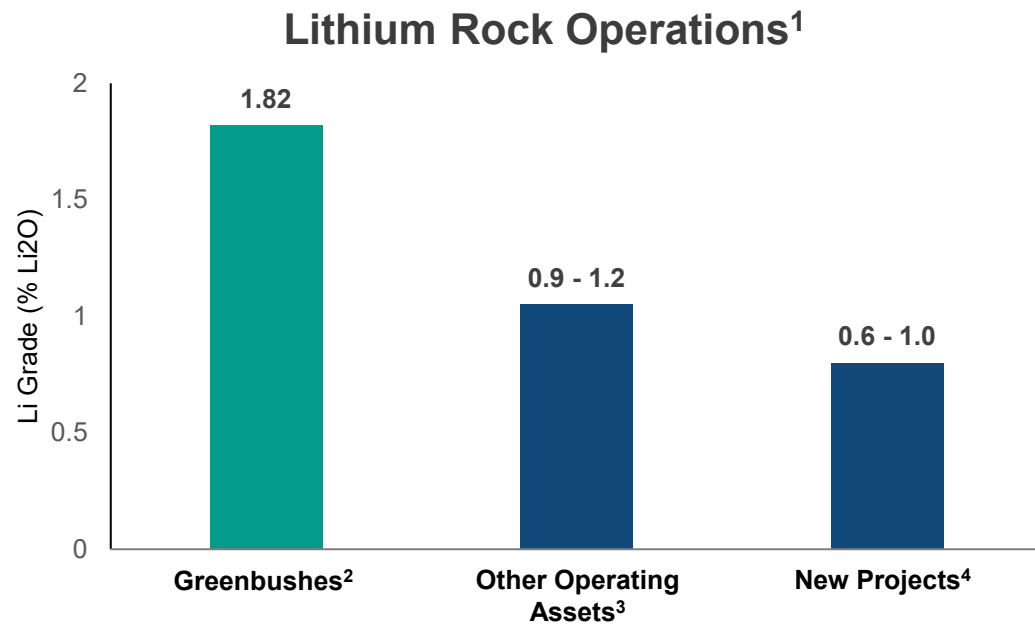
<sup>1</sup> Albemarle analysis based on industry sources

<sup>2</sup> Illustrative cost based on current operations and operations at or near completion

<sup>3</sup> Assuming 2022 average project production of ~20 kT LCE



# Albemarle's Access to Large, High-Quality Lithium Assets Supports Our Low-Cost Position



## Albemarle assets benefit from multiple factors that drive low-cost operations

- ✓ Grade
- ✓ FTA-compliant jurisdictions
- ✓ Hydrogeology
- ✓ Mine scale
- ✓ Reserve size
- ✓ Climate
- ✓ Chemical composition
- ✓ Sustainability
- ✓ Utility requirements / infrastructure

<sup>1</sup> Reserves concentration and grade data sourced from S&P Capital IQ

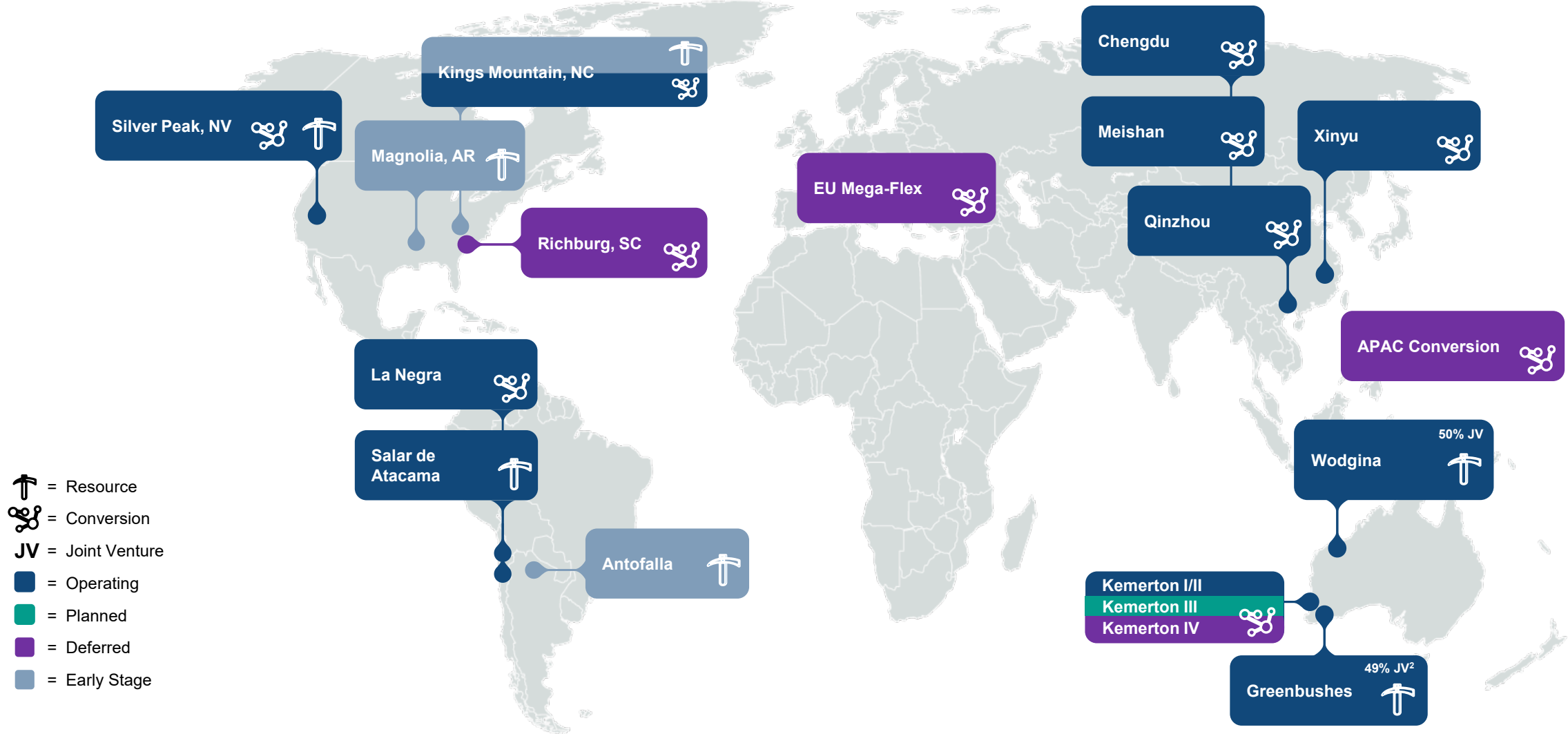
<sup>2</sup> Represents total mineral reserves as of 12/31/2023

<sup>3</sup> Average of existing/in construction projects, excluding Albemarle

<sup>4</sup> Average of announced projects not yet in construction

# Albemarle Energy Storage: Global Presence in Major Markets<sup>1</sup>

Growth investments focused on significantly progressed or near-completion projects

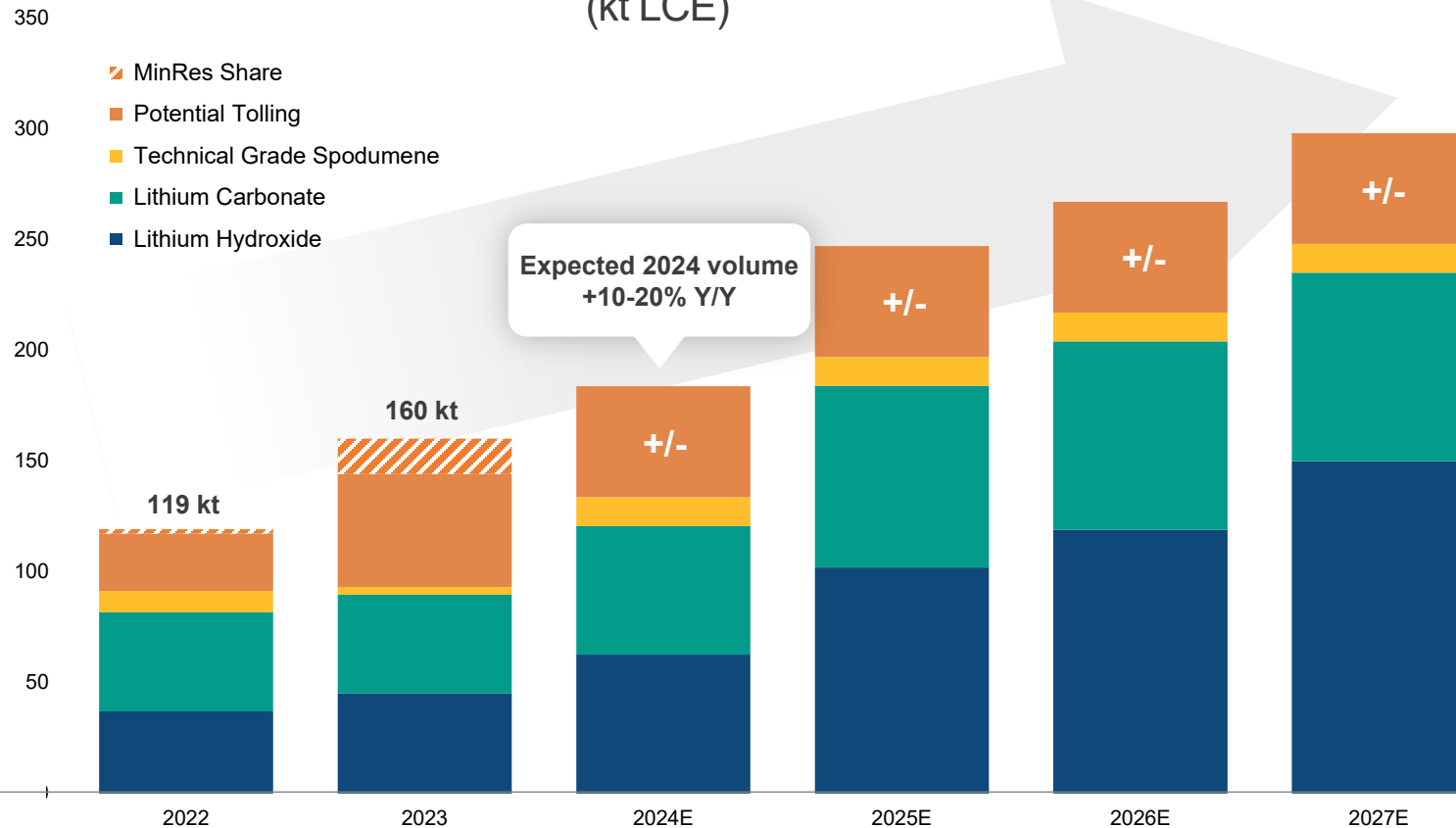


<sup>1</sup> Map is representative of Albemarle's global reach; not inclusive of all the company's sites

<sup>2</sup> Joint venture ownership interest, with right to 50% of the offtake

# Maintaining Strategy to Deliver Volumetric Growth

Expected Lithium Sales Volumes<sup>1</sup>  
(kt LCE)



- Assumes ~2 years to ramp a new conversion plant
- Includes expansions at Silver Peak, La Negra, Kemerton I/II, Qinzhou, and Meishan
- Technical-grade spodumene sales of 0-10 ktpa LCE included
- Flexible tolling volumes from 0-70 ktpa as bridge to further conversion expansions and based on market economics

**Volumetric growth with ~20% CAGR 2022-2027E**

<sup>1</sup> All figures shown on attributable basis in LCE, reflecting revised JV structure of Wodgina which excludes marketing post-2023, 50% ownership of Wodgina, 100% ownership of Kemerton, excludes specialty products.

# 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



# Access to Highly Concentrated Bromine

Albemarle operates from two world-class bromine resources:

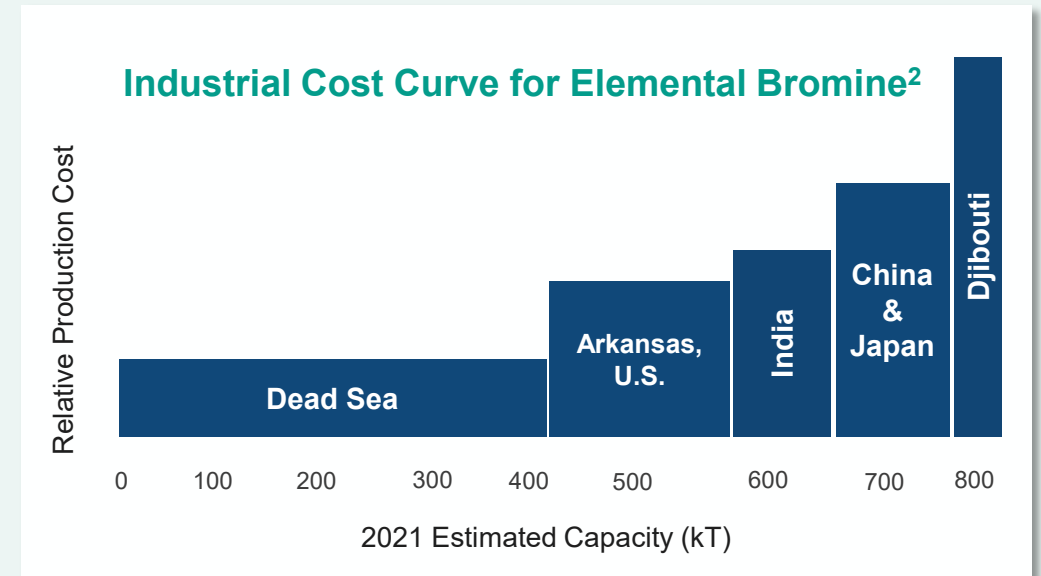
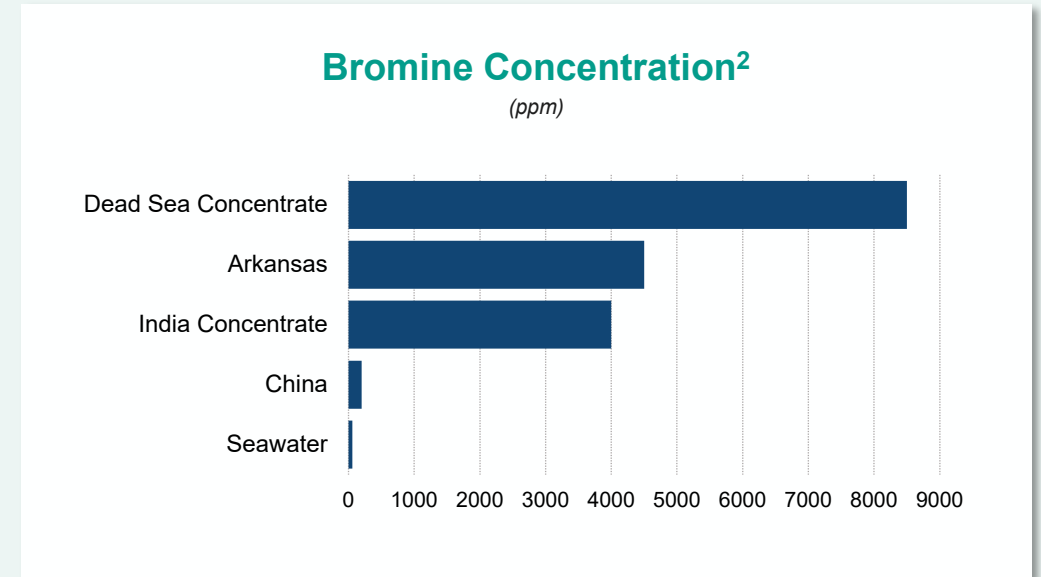
## Arkansas, U.S.

Highly integrated and specialty focused - drives product flexibility and profitability

## Dead Sea, Jordan

Jordan Bromine Company<sup>1</sup> (JBC) - operated and marketed by Albemarle

<sup>1</sup> Joint Venture with Arab Potash Company (APC). <sup>2</sup> 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**

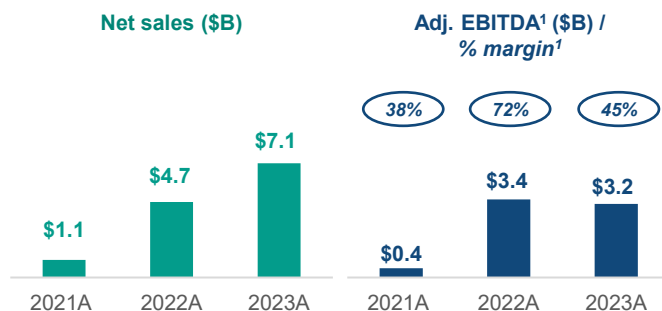
# Attractive Diversification Across the Portfolio



## Energy Storage

One of the world's largest producers of lithium for battery applications – including electric vehicles

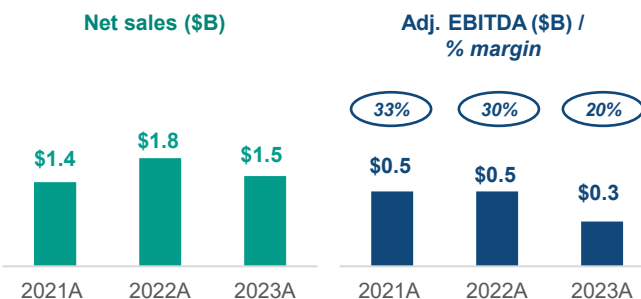
- World-class resources
- Long-term agreements with strategic partners
- Innovating mine-to-market; differentiating technology in extraction and conversion



## Specialties

Diverse portfolio of highly specialized lithium and bromine solutions

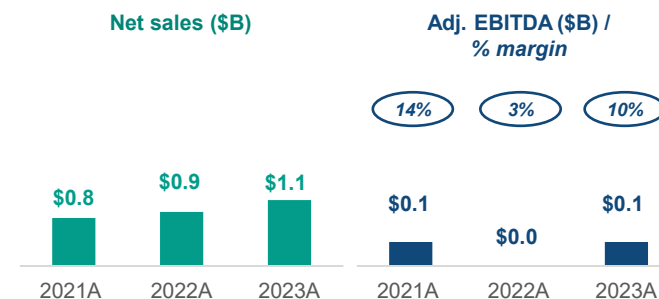
- World-class resources
- Diverse end-market demand
- Strong track record of capital project execution
- New product innovations offer added growth opportunities



## Ketjen

A leader in refining and petrochemical catalysts

- Global portfolio of best-in-class assets
- Extensive product application and technical know-how
- Sustainable solutions to improve resource efficiency (FCC) and reduce emissions (CFT)
- Strong, long-term relationships with customers, partners, and licensors



<sup>1</sup> Presented under updated adjusted EBITDA definition as of 2024 for comparative purposes, see Appendix for further details



# Appendix: Non-GAAP Reconciliations



# Definitions of Non-GAAP Measures

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

# EBITDA and Adjusted EBITDA

(\$ in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Net (loss) income attributable to Albemarle Corporation	\$ (617,680)	\$ 1,132,445	\$ 1,573,476	\$ 2,689,816
Add back:				
Interest and financing expenses	34,386	24,039	116,072	122,973
Income tax expense	118,878	24,102	430,277	390,588
Depreciation and amortization	144,143	85,561	429,944	300,841
<b>EBITDA</b>	(320,273)	1,266,147	2,549,769	3,504,218
Non-operating pension and OPEB items	(9,804)	(41,687)	(7,971)	(57,032)
Non-recurring and other unusual items	15,090	19,292	224,487	28,671
<b>Adjusted EBITDA</b>	(314,987)	1,243,752	2,766,285	3,475,857
Lower of cost or net realizable value (LCM)	604,099	—	604,099	—
<b>Adjusted EBITDA, excluding LCM</b>	<u>\$ 289,112</u>	<u>\$ 1,243,752</u>	<u>\$ 3,370,384</u>	<u>\$ 3,475,857</u>
<b>Net sales</b>	\$ 2,356,165	\$ 2,620,978	\$ 9,617,203	\$ 7,320,104
EBITDA margin	(13.6)%	48.3 %	26.5 %	47.9 %
Adjusted EBITDA margin	(13.4)%	47.5 %	28.8 %	47.5 %
Adjusted EBITDA margin, excluding LCM	12.3 %	47.5 %	35.0 %	47.5 %

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

# Adjusted EBITDA – Continuing Operations (twelve months ended)

(\$ in thousands)	Year ended December 31,				
	2019	2020	2021	2022	2023
Net income attributable to Albemarle Corporation	\$ 533,228	\$ 375,764	\$ 123,672	\$ 2,689,816	\$ 1,573,476
Depreciation and amortization	213,484	231,984	254,000	300,841	429,944
Non-recurring and other unusual items (excluding items associated with interest expense)	117,243	42,781	481,194	28,671	224,487
Interest and financing expenses	57,695	73,116	61,476	122,973	116,072
Income tax expense	88,161	54,425	29,446	390,588	430,277
Non-operating pension and OPEB items	26,970	40,668	(78,814)	(57,032)	(7,971)
<b>Adjusted EBITDA</b>	<b>\$ 1,036,781</b>	<b>\$ 818,738</b>	<b>\$ 870,974</b>	<b>\$ 3,475,857</b>	<b>\$ 2,766,285</b>
Net impact of adjusted EBITDA from divested businesses	(49,628)	(76,325)	(28,415)	—	—
<b>Adjusted EBITDA excluding impact from divested business</b>	<b>\$ 987,153</b>	<b>\$ 742,413</b>	<b>\$ 842,559</b>	<b>\$ 3,475,857</b>	<b>\$ 2,766,285</b>
Lower of cost or net realizable value (LCM)	—	—	—	—	604,099
<b>Adjusted EBITDA, excluding LCM and impact from divested business</b>	<b>\$ 987,153</b>	<b>\$ 742,413</b>	<b>\$ 842,559</b>	<b>\$ 3,475,857</b>	<b>\$ 3,370,384</b>
<b>Net sales</b>	<b>\$ 3,589,427</b>	<b>\$ 3,128,909</b>	<b>\$ 3,327,957</b>	<b>\$ 7,320,104</b>	<b>\$ 9,617,203</b>
Net impact of net sales from divested business	(165,224)	(201,311)	(65,648)	—	—
<b>Net sales excluding impact from divested business</b>	<b>\$ 3,424,203</b>	<b>\$ 2,927,598</b>	<b>\$ 3,262,309</b>	<b>\$ 7,320,104</b>	<b>\$ 9,617,203</b>
<b>Adjusted EBITDA margin excluding impact from divested businesses</b>	<b>29 %</b>	<b>25 %</b>	<b>26 %</b>	<b>47 %</b>	<b>29 %</b>

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 supplemental<sup>1</sup>

## Amended Credit Agreement

(\$ in thousands)

	Twelve Months Ended	Three Months Ended			
	Dec 31, 2023	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023
<b>Adjusted EBITDA</b>	<b>\$ 2,766,285</b>	<b>\$ (314,987)</b>	<b>\$ 453,287</b>	<b>\$ 1,032,266</b>	<b>\$ 1,595,719</b>
Equity in net income of unconsolidated investments (net of tax)	(1,854,082)	(436,537)	(470,306)	(551,051)	(396,188)
Equity in pre-tax Windfield Holdings income	2,619,413	620,594	665,616	779,919	553,284
Dividends received from non-Windfield Holdings unconsolidated investments	16,362	5,287	7,186	2,687	1,202
<b>Consolidated Windfield-Adjusted EBITDA</b>	<b>\$ 3,547,978</b>	<b>\$ (125,643)</b>	<b>\$ 655,783</b>	<b>\$ 1,263,821</b>	<b>\$ 1,754,017</b>
<b>Total ALB Long Term Debt (as reported)</b>	<b>\$ 4,166,763</b>				
49% Windfield Holdings debt	494,764				
Off balance sheet obligations and other	217,150				
<b>Consolidated Windfield-Adjusted Funded Debt</b>	<b>\$ 4,878,677</b>				
Less ALB Cash	889,900				
Less 49% Windfield Holdings cash	95,743				
<b>Consolidated Windfield-Adjusted Funded Net Debt</b>	<b>\$ 3,893,034</b>				
<b>Consolidated Leverage Ratio</b>	<b>1.1</b>				

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

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The image features a low-angle shot of several modern skyscrapers with glass facades and balconies, partially obscured by a dense canopy of vibrant green trees. The scene is bathed in soft, natural light, creating a sense of a green, urban environment. Overlaid on this background is the Albemarle logo, a stylized white symbol consisting of three upward-pointing, flame-like shapes, followed by the company name "Albemarle" in a large, white, serif typeface.

 Albemarle