

Albemarle Corporation

Investor Presentation

Goldman Sachs

Chemicals Intensity Days Conference

March 9, 2021



Forward-Looking Statements

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

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

Non-GAAP Financial Measures

It should be noted that Adjusted net income attributable to Albemarle Corporation ("Adjusted earnings"), Adjusted diluted earnings per share attributable to Albemarle Corporation, Adjusted effective income tax rates, segment operating profit, segment income, pro-forma net sales, net sales excluding the impact of foreign exchange translation ("ex FX"), EBITDA, Adj. EBITDA, Adj. EBITDA by operating segment, EBITDA margin, Adj. EBITDA margin, pro-forma Adj. EBITDA, pro-forma Adj. EBITDA margin, Adj. EBITDA excluding the impact of foreign exchange translation ("ex FX"), Adj. EBITDA margin excluding the impact of foreign exchange translation ("ex FX"), net debt to Adj. EBITDA, gross debt to Adj. EBITDA, free cash flow, and Adjusted free cash flow are financial measures that are not required by, or presented in accordance with, accounting principles generally accepted in the United States, or GAAP. These measures are presented here to provide additional useful measurements to review our operations, provide transparency to investors and enable period-to-period comparability of financial performance. The Company's chief operating decision 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 these and other non-GAAP financial measures that we use to evaluate our operations and financial performance, and reconciliation of these non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP, can be found in the Appendix to this presentation. The Company does not provide a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP, as the Company is unable to estimate significant non-recurring or unusual items without unreasonable effort. The amounts and timing of these items are uncertain and could be material to the Company's results calculated in accordance with GAAP.

Albemarle: Accelerating Growth to Create Value

1 Industry leading businesses that power a sustainable future

2 Invest in accelerating EV story through proven, integrated lithium player

3 Best-in-class resource and diversified asset base, with identified projects to drive growth

4 Industry-leading conversion facilities and chemistry expertise to meet needs of evolving innovation

5 Capital discipline and strong financial performance delivering growth

Diversified Portfolio with Above-Market Margin

KEY STATS

Founded	1887 134 years
Global Employees ¹	~5,600
Countries	~75

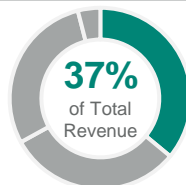
FINANCIAL HIGHLIGHTS²

Net Sales	\$3.1B
Net Income ³	\$376M
Adj. EBITDA	\$819M
Adj. EBITDA Margin	26%

BUSINESS OVERVIEW

Making the World Safe and Sustainable by Powering the Potential of People

Lithium



34%
Adj. EBITDA Margin²

~20%
Industry Growth⁴

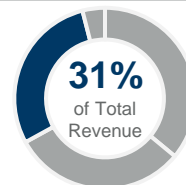
Catalysts



16%
Adj. EBITDA Margin²

GDP
Industry Growth⁵

Bromine Specialties



34%
Adj. EBITDA Margin²

GDP+
Industry Growth⁵

REVENUE BY GEOGRAPHY

26%
North America

24%
EMEA

48%
Asia (14% in China)

2%
RoW

Clear Strategy Drives Sustainable Growth

Grow Profitably

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

Maximize Productivity

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






















Invest with Discipline

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

Advance Sustainability

- Enable our customers sustainability ambitions
- Continue to implement and improve ESG performance across all of our businesses

>50% of Net Sales from Products that Enable Reduced GHG-emissions / Increased Resource Efficiency¹

	Applications ²	Primary End-Market(s)	Primary Driver(s)
	~60% Energy Storage	 Automotive  Grid Storage  Electronics	Electrification, EV Sales
	~20% Industrial	 Specialty Glass  Lubricants  Health	Consumer Spending Industrial Production
	~20% Specialties	 Tires  Pharma  Agriculture	Consumer Spending Industrial Production
	~60% FCC	 Refinery Fluid Cracking Catalysts	Miles Driven, Transportation Fuel Consumption, Chemicals Output
	~40% CFT (HPC)	 Refinery Clean Fuel Technology	Environmental Sulfur Regulations, Miles Driven, Transportation Fuel Consumption
	~60% Fire Safety Solutions	 Appliances  Automotive  Buildings  Telecom/5G	Electronics, Auto, Internet of Things ("IoT")
	~10% Oilfield	 Completion Fluid	Offshore Drilling
	~30% Other	 PET  Ag/Pharma/Other	PET Plastics, Chemical Synthesis, Auto

All Three Segments Driven by Growing Sustainability Measures

Lithium Snapshot

Financials | FY 2020

\$1.1B

Net Sales

\$393M

Adj. EBITDA¹

34%

Adj. EBITDA Margin¹

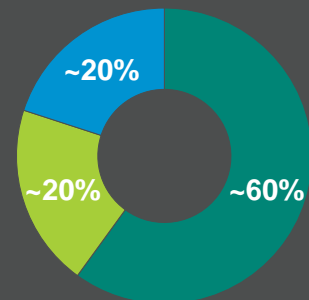
Segment Characteristics

- A leader in battery, industrial and specialty grade lithium
- Vertically integrated from natural resource to specialty performance products
- High-quality product portfolio / low-cost position
- Technological differentiation in resource extraction, conversion and derivatization

Business Environment

- Volume growth driven by energy storage
- Public policy accelerating e-mobility / renewables
- Battery cost declining + performance improving = need for higher-quality lithium and innovation
- Highly dynamic, emerging supply chain
- Security of supply essential to underwrite global auto OEM investment in vehicle electrification

Applications²

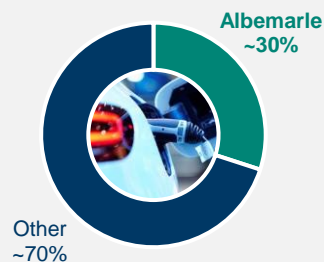


- **Energy Storage**
Automotive, Grid Storage, Electronic
- **Industrial**
Specialty Glass, Lubricants, Health
- **Specialties**
Tires, Pharma, Agriculture

Well Positioned to Remain a Leader as Growth Continues

Lithium Enables the EV Revolution

ALBEMARLE



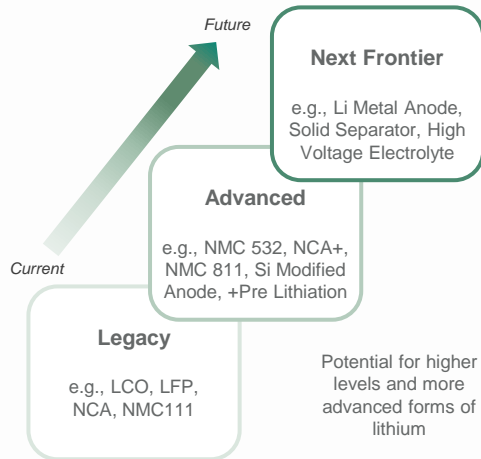
Global Lithium Position¹

Representative Lithium Ion Battery Manufacturers

CATL
Panasonic

LG Chem
SAMSUNG

Battery Technology Evolution



Representative Automotive OEMs



From Legacy to Next Frontier Technologies, EV Batteries Require Lithium

Lithium Demand Fundamentals Supported by Regulatory Environment Shifts and Recent OEM Announcements



Vision of **3TWh battery production by 2030**

Announced Sep-2020



...plans to **become carbon neutral** in its **global products** and **operations** by **2040**...aspires to **eliminate tailpipe emissions** from new light-duty vehicles **by 2035**...

Announced Jan-2021

40% of [GM's] **US entries** to be **BEVs by 2025**...announced **increase** in...**financial commitment to EVs and AVs**...to **\$27B through 2025**

Announced Nov-2020

DAIMLER

...**€70 billion**...**2021-2025 investment plan** focusing on **electrification and digitization**...

Reported Dec-2020



...**will invest ~€35bn** in BEVs over the **next five years**, targeting production of **~26mm BEVs by 2030**

Announced Nov-2020



...**will invest \$55bn in electrification**...and other green energy and mobility services by 2025... **looking to sell 560k EVs annually...by 2025**

Announced Dec-2020



...[teamed together] to **install two 110MWh standalone battery storage projects** in Texas...

Announced Jan-2021



...**increasing** [Nevada factory] **total capacity** by some 10% **to 38-39 GWh** a year by around **2022**

Announced Sep-2020



...**launched** the innovative **Battery as a Service subscription model** and announced the **establishment of a supporting JV Battery Asset Company**...

Announced Aug-2020

Regulatory Environment Measures



Biden's commitment to increase federal procurement by \$400 billion in his first term will be purchasing the key **clean energy inputs** like **batteries and electric vehicles**...

Published Jun-2019

Biden to **transition** the entire **US Gov. fleet to EVs**...

Announced Jan-2021



China's organization of auto experts announced its **road map for new-energy vehicles**...Setting a goal of **raising the ratio of hybrids to 75%** of all gasoline cars **by 2030** and **100% by 2035**...

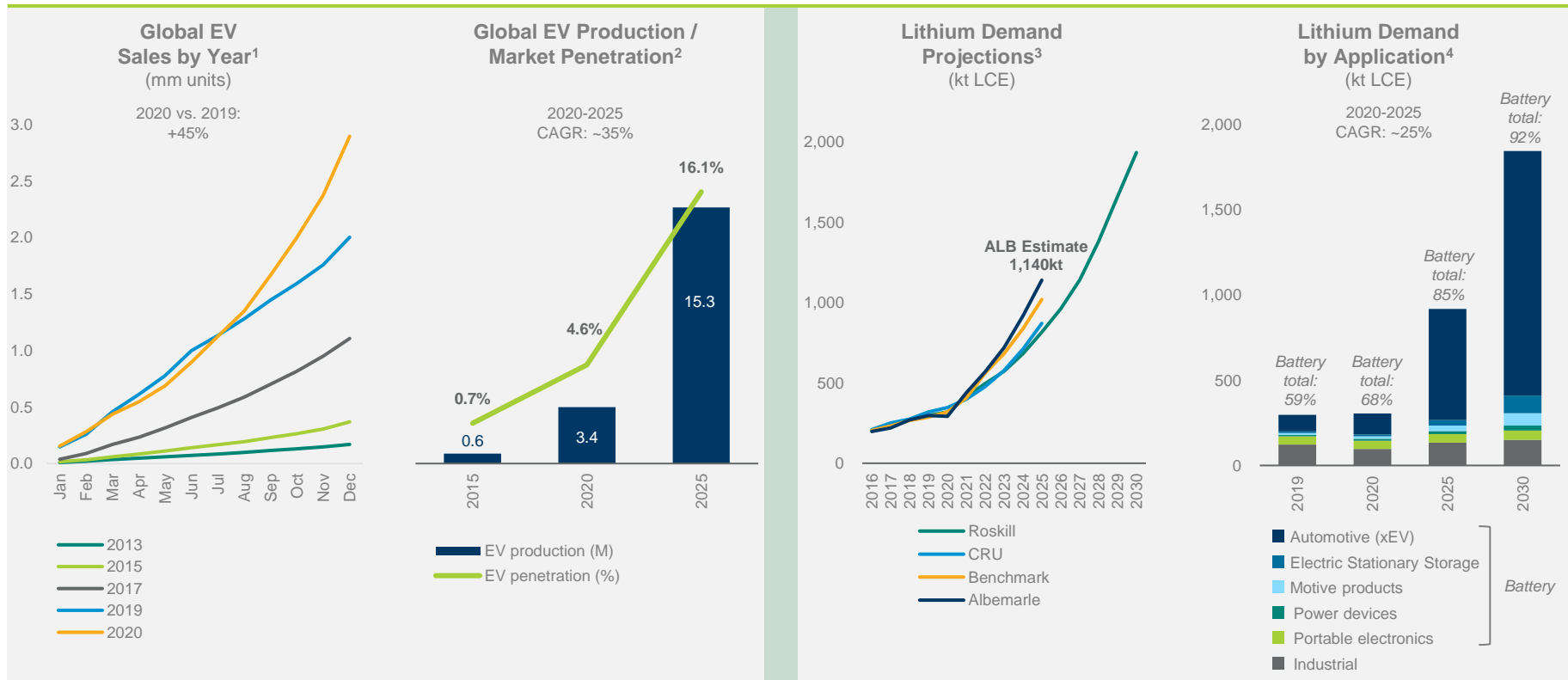
Announced Oct-2020



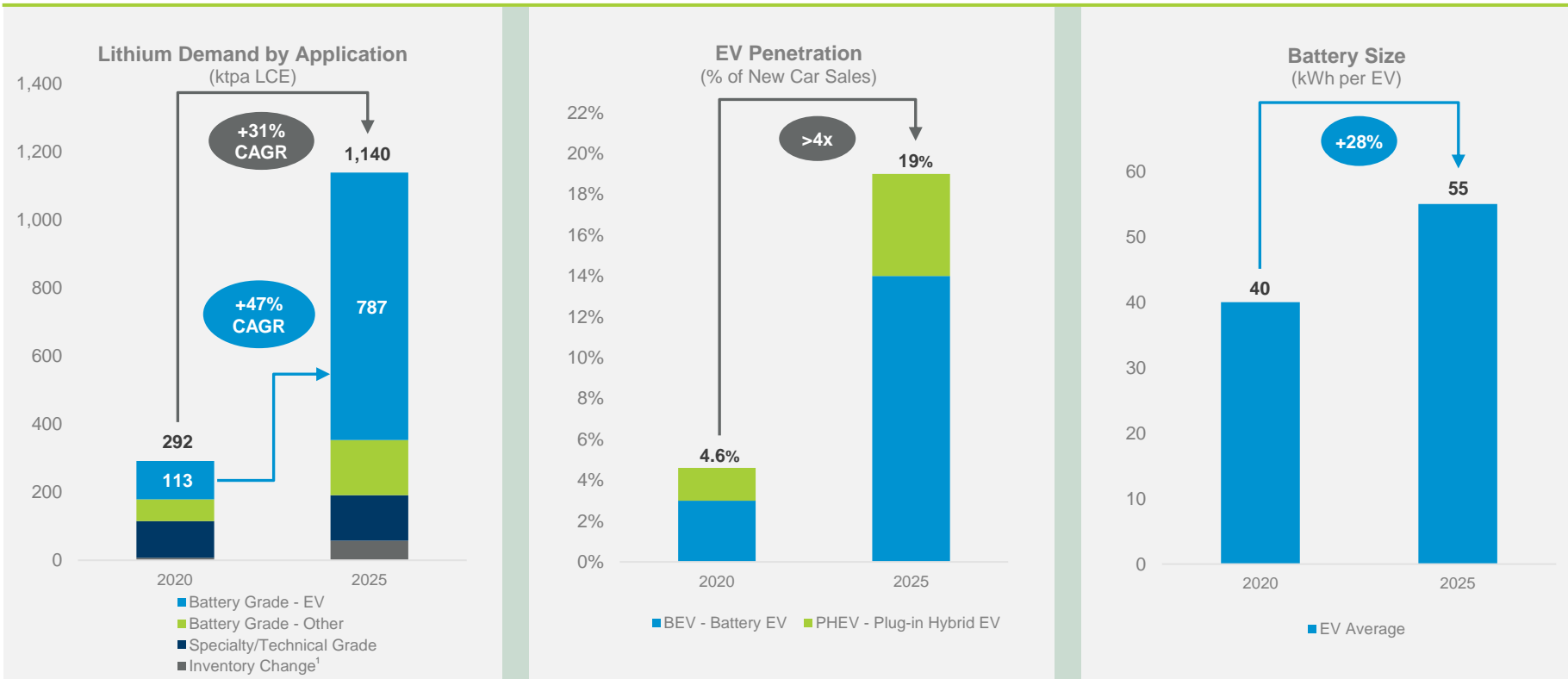
European Commission seeks...**30 million electric vehicles** on the region's roads by the **end of the decade**...requiring the **auto industry** to massively **accelerate its transformation**

Reported Dec-2020

Strong Lithium Demand Driven by EVs



Albemarle Lithium Demand Forecast Revised Upwards

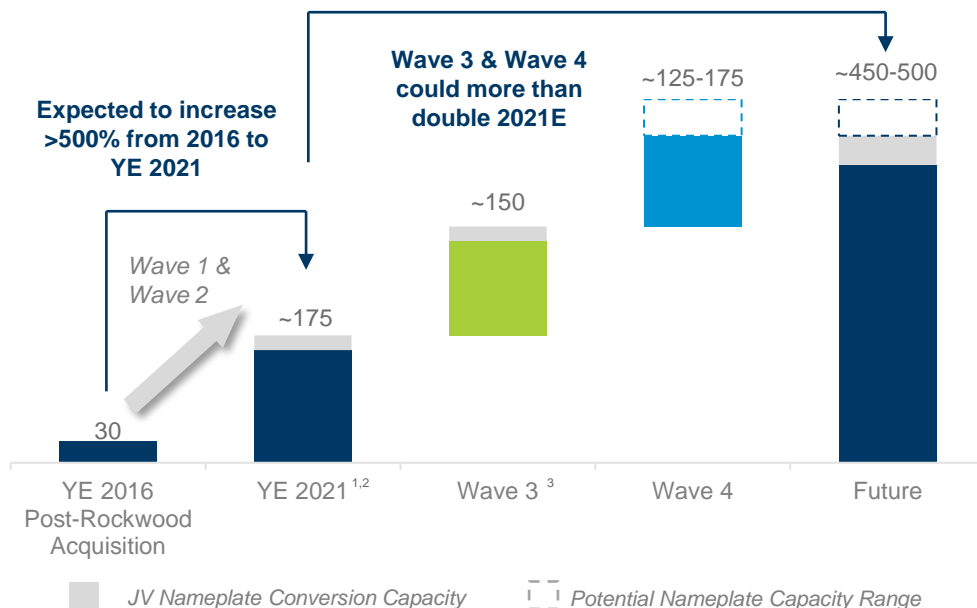


Albemarle FY 2025 Lithium Demand Forecast Revised Upward +14%

Investing to Align Capacity with Market Demand

Estimated Lithium Nameplate Conversion Capacity

Carbonate figures on kTpa LCE basis; hydroxide figures on kTpa LiOH basis



Wave 3 Potential Projects (3-5 years)

~\$1.5B CapEx

- China (MARBL)
- Silver Peak, Nevada
- China Greenfield
- Kemerton, Australia (III & IV)

Wave 4 Potential Project Options

Funded with Enhanced FCF

- Carbonate to Hydroxide
- Kemerton, Australia (V)
- Opportunities in Asia
- Kings Mountain, NC

New Capital Allocation Plan Enables Us to Enhance Utilization of Our Resource Base

New Investments are Strategically Located and Complementary to Existing Footprint



Leading Global Resource Base with Geographic Diversification

Conversion Facilities on Track for 2021 Completion

La Negra III / IV



New thermal evaporator significantly reduces fresh water intensity

- Conversion of low-cost, high-quality Chilean brine
- 40ktpa nameplate capacity – lithium carbonate
- 100% owned and 100% marketed by ALB
- Construction expected to be completed mid-2021, followed by ~6 month commissioning and qualification process

Kemerton I / II



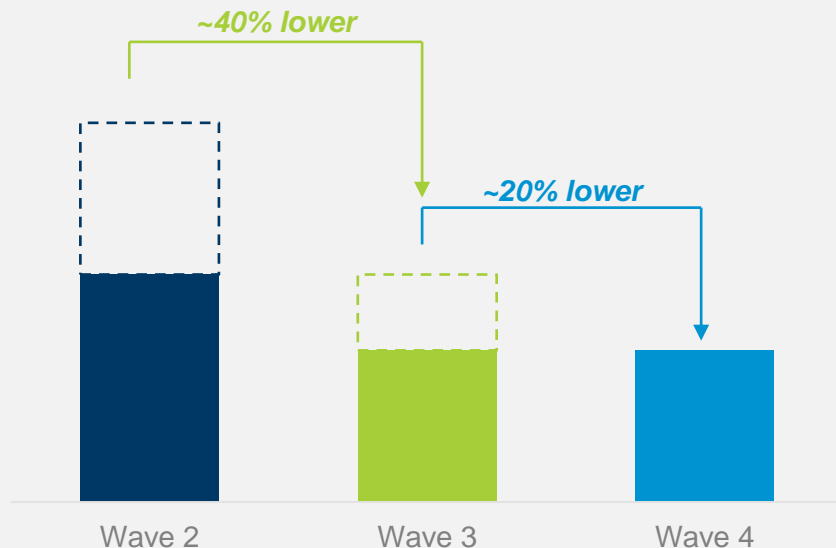
Kemerton site progress as of December 2020

- Conversion of low-cost, high-quality Australian spodumene
- 50ktpa nameplate capacity – lithium hydroxide
- 60% owned and 100% marketed by ALB
- Construction expected to be completed late 2021, followed by ~6 month commissioning and qualification process

Wave 2 Projects Add Significant Lithium Sales Beginning 2022

Reduced Capital Intensity to Achieve Higher Returns

Illustrative Lithium Capital Intensity Range (Cost/kg)



Expected Key Drivers of Cost Reduction

- ✓ Leverage expertise in large-scale project construction
- ✓ Take advantage of brownfield economics
- ✓ Projects in lower-cost jurisdictions (e.g., China)

Investment Focus – Predominantly Lithium

- Major lithium expansions – focused on conversion assets
- US-based Bromine expansion
- Projects expected to generate >2x WACC at mid-cycle pricing; minimum of >1x WACC at trough pricing

Disciplined Project Execution Driving Strong Investment Returns

Leading the Way for Sustainable Lithium Production

- IRMA is the leading certification standard for assurance of responsible mining
 - Objective, independent third-party verification of industrial-scale mine sites
 - Comprehensive definition of responsible mining
 - Collaborative, multi-stakeholder process
- Albemarle's Salar de Atacama site
 - First lithium mine to complete an IRMA self-assessment
 - First mine in Chile to complete an IRMA self-assessment
- Next steps:
 - IRMA third-party audit and certification at the Salar de Atacama site
 - Self-assessments and third-party audits of additional mining sites globally



Collaborative multi-stakeholder process



DAIMLER

Partnering with IRMA to Assure the Sustainability of our Lithium Production

Well-Positioned to Drive Sustainable Growth

2021 OBJECTIVES

Grow Profitably

- Complete LAN III/IV (mid-2021) and Kemerton I/II (late-2021)
- Investment decisions on new expansion projects in Lithium and Bromine

Maximize Productivity

- Achieve \$75M productivity improvements versus 2020¹
- Preserve margins with best-in-class cost discipline and continuous improvements
- Build project execution expertise to accelerate highest return growth projects

Invest with Discipline

- Align growth with commercial agreements to support economic returns
- Continue to actively evaluate portfolio
- Maintain Investment Grade credit rating and support our dividend

Advance Sustainability

- Set near-term sustainability targets; explore science-based target options
- Partner with automotive OEMs to enable sustainable supply chains

Appendix

Non-GAAP Reconciliations

Adjusted EBITDA – (twelve months ended)

	Twelve Months Ended				
	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
(\$ in thousands)					
Net income attributable to Albemarle Corporation	\$ 375,764	\$ 381,520	\$ 438,289	\$ 506,863	\$ 533,228
Depreciation and amortization	231,984	226,980	222,788	217,895	213,484
Non-recurring and other unusual items (excluding items associated with interest expense)	42,781	127,915	124,715	126,793	117,243
Interest and financing expenses	73,116	76,364	68,245	61,994	57,695
Income tax expense	54,425	59,421	54,109	69,089	88,161
Non-operating pension and OPEB items	40,668	20,076	22,426	24,645	26,970
Adjusted EBITDA	\$ 818,738	\$ 892,276	\$ 930,572	\$ 1,007,279	\$ 1,036,781
Net Sales	\$ 3,128,909	\$ 3,242,326	\$ 3,375,205	\$ 3,496,208	\$ 3,589,427
Adjusted EBITDA Margin	26 %	28 %	28 %	29 %	29 %

Adjusted EBITDA – by Segment *(twelve months ended)*

(\$ in thousands)	Twelve Months Ended				
	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
Lithium					
Net income attributable to Albemarle Corporation	\$ 277,711	\$ 217,538	\$ 250,572	\$ 301,837	\$ 341,766
Depreciation and amortization	112,854	110,337	106,862	102,729	99,424
Non-recurring and other unusual items	2,528	83,167	83,278	83,389	83,744
Adjusted EBITDA	393,093	411,042	440,712	487,955	524,934
Net sales	1,144,778	1,197,326	1,262,066	1,303,102	1,358,170
Adjusted EBITDA Margin	34 %	34 %	35 %	37 %	39 %
Bromine Specialties					
Net income attributable to Albemarle Corporation	\$ 274,495	\$ 266,530	\$ 275,206	\$ 284,130	\$ 279,945
Depreciation and amortization	50,310	49,176	48,724	48,091	47,611
Non-recurring and other unusual items	(1,200)	(241)	901	901	901
Adjusted EBITDA	323,605	315,465	324,831	333,122	328,457
Net sales	964,962	945,028	964,102	986,756	1,004,216
Adjusted EBITDA Margin	34 %	33 %	34 %	34 %	33 %
Catalysts					
Net income attributable to Albemarle Corporation	\$ 80,149	\$ 134,128	\$ 163,297	\$ 206,719	\$ 219,686
Depreciation and amortization	49,985	49,893	49,834	50,510	50,144
Non-recurring and other unusual items	—	794	794	794	794
Adjusted EBITDA	130,134	184,815	213,925	258,023	270,624
Net sales	797,914	884,701	948,128	1,017,376	1,061,817
Adjusted EBITDA Margin	16 %	21 %	23 %	25 %	25 %



www.albemarle.com